GTAP Advisory Board Meeting, April 2000 United Nations Conference on Trade & Development (UNCTAD)

GTAP activities of UNCTAD

Over the past year, UNCTAD has been engaged in a number of GTAP-related activities, including database development work, model applications and studies thereof, and modelling meetings.

- 1. The new TRAINS version 7.0 database on protection and tariff data for 113 countries was released in March 2000. The applied MFN rates included in TRAINS have served as a regular input to the GTAP protection database. TRAINS preferential rates may be included in GTAP v.5. UNCTAD cooperates with the World Bank on the development of a new trade information system (World Integrated Trade Solution, WITS), to be released in May 2000. WITS will be able to aggregate tariff data according to the GTAP region and sector classifications and may serve as a future data source for the GTAP database. Other database work included UNCTAD's contribution to the inter-agency Agricultural Market Access Database (AMAD) Group (comprising FAO, UNCTAD, OECD, Agriculture and AgriFood Canada, the European Commission and USDA-ERS), which provides data on tariffs, tariff-rate quotas, trade, production, consumption and conversion factors for about 50 WTO member countries. The database, eventually to be made public, could be a valuable input to the GTAP agricultural protection data.
- 2. Collaborative work has been carried out within the UNCTAD/DITC visiting scholars programme on modelling the effects of a Southern Africa-European Union Free Trade Agreement, using the GTAP model. For this purpose, a 29-sector/5-region aggregation was used and preliminary simulations carried out to test various scenarios of a RSA/EU FTA. Furthermore, the GTAP model and database have been used for initial work on modelling the impact of electronic commerce on welfare, output and trade using a 6-region/4-sector aggregation (see UNCTAD publication UNCTAD/SDTE/MISC.11, February 2000).
- 3. Two studies were prepared (by J. Whalley and J. Francois) on the « Assessment of the results of quantitative studies relating to the impact of multilateral trade negotiations ». The papers evaluate and critically assess CGE studies that were published at the end of the Uruguay Round (and most of which were based on the GTAP database), pointing out inconsistencies across model results and comparing them with the actual outcomes of the round. The studies, which are currently being published by UNCTAD, also make recommendations on how to improve the use of CGE models in the upcoming negotiations in order to account more accurately for their likely impacts, particularly on developing countries.
- 4. In March 1999, UNCTAD hosted an inter-agency meeting on Agricultural Trade Modelling for the upcoming agricultural trade negotiations. The workshop focused on model construction, product and country coverage, model representation of policies and changes in those policies, as well as data requirements and availability. The modelling exercises that were reviewed at the workshop included those of FAO, UNCTAD, OECD, USDA, the

Commission of the European Communities, APEC and GTAP. During 1999, UNCTAD also hosted two meetings of the above mentioned inter-agency Agricultural Market Access Database (AMAD) Group.