

TRADE DISPATCH 2006 – Q3

NEWS FROM COs & BRC

This Month's Selected Current Trade Projects

CO Serbia and Montenegro is involved in two trade programmes, namely:

Growing Sustainable Business for Poverty Reduction (GSB)

The project focuses on integrating local SMEs into value chains of large companies and leading exporters through cross sector partnerships aimed at reducing investment risks. In the next phase of the project is envisaged the promotion of partnerships between (public) science and (private) business sectors targeted at enhanced competitiveness of Serbian businesses in export markets through innovation and commercial application of scientific R&D.

For more information contact: Branka Andjelkovic, Poverty Reduction and Economic Development Team Leader, branka.andjelkovic@undp.org

Support to Strategic Policy Management in the Deputy Prime Minister's Office in the Republic of Serbia – Second Phase.

The project is continuation of UNDP development support to Serbian Investment and Export Promotion Agency (SIEPA). As such, it builds upon the project phase one which has assisted the government institutions in increasing their policy management capacity considerably. The second phase of the project which is envisaged to begin this year will address further institutional strengthening SIEPA through integration of a specific performance management system as well as direct support to particular activities and initiatives (FDI and trade promotion, publications, campaigns etc).

For more information please contact: Claudia Melim-McLeod, Institutional Development Team Leader, claudia.melim-mcleod@undp.org

CO Support

The Regional Trade Advisor has contributed a short paper to the Central Asia cluster meeting in Berlin on concrete actions that can be taken as a follow up to the Central Asian Human Development Report. This paper was presented and discussed during the cluster meeting in Berlin May.

Corporate UNDP Document on Trade and Development

UNDP Report on the Hong Kong WTO Ministerial Conference (including the UNDP Statement)

[http://europeandcis.undp.org/files/uploads/Trade%20subpractice/REPORT%20on%20WTO%20HK%20Ministerial%20\[final\].doc](http://europeandcis.undp.org/files/uploads/Trade%20subpractice/REPORT%20on%20WTO%20HK%20Ministerial%20[final].doc)

UNDP Concept Note on Aid-for-Trade (January 2006)

[http://europeandcis.undp.org/files/uploads/Trade%20subpractice/aid%20for%20trade%20concept%20note%20\[24jan06\].doc](http://europeandcis.undp.org/files/uploads/Trade%20subpractice/aid%20for%20trade%20concept%20note%20[24jan06].doc)

UNDP Submission to Enhanced IF Task Force (January 2006)

[http://europeandcis.undp.org/files/uploads/Trade%20subpractice/UNDP%20Perspective%20on%20ToRs%20of%20Task%20Force%20on%20Enhanced%20IF%20\[24jan06\].doc](http://europeandcis.undp.org/files/uploads/Trade%20subpractice/UNDP%20Perspective%20on%20ToRs%20of%20Task%20Force%20on%20Enhanced%20IF%20[24jan06].doc)

PPT Presentation on UNDP Engagement in Trade and Development: An Update, prepared for the SMT Meeting (3 October 2005)

<http://europeandcis.undp.org/files/uploads/Trade%20subpractice/Presentation%20on%20Trade%20for%20SMT%20Oct.3%20%202005-rev.ppt>

WTO UPDATE

Doha Round at Risk – Implications for Developing Countries, 28 April 2006

Analysis of the WTO 30 April missed deadline for reaching a deal in agriculture and industrial tariffs, appraisal of the issue at stake and the future outlook of negotiations.

To download the report:

[http://europeandcis.undp.org/files/uploads/HenaC/WTO Brief for the PG 28 april 2006a.doc](http://europeandcis.undp.org/files/uploads/HenaC/WTO%20Brief%20for%20the%20PG%2028%20April%202006a.doc)

In our last communication we have suggested to initiate **discussion on Russia's chances to join the WTO and how that might affect prospects for WTO membership by other countries in the RBEC region**. We have received contributions from two trade sub-practice members – Giorgi Gaganidze, Programme Analyst, CO Georgia and Phil Priestley, BRC Intern. In response to the first question Georgie noted that Russia will have problems to access WTO. Georgia as WTO member state signed agreement with Russia, but under specific terms. These specific terms are connected with the product flow from the break-away Regions Abkhazia and South Ossetia to Russia. Georgian side asked Russia to legitimate the flow of products only if it will be cleared by Georgian customs (quite similar what happened on the border of Ukraine and break-away region of Moldova Pridnestrovie). Russian side blocked the Georgian agri-products, later wine and now mineral and spring water to the Russian market. Georgi doesn't see chances to resolve this problem. Phil responded that it is not likely that Russia will join WTO due to political reasons. Georgi's response to the second question was that Georgia has a free trade agreement with Russia as the majority of CIS member states, but despite this decisions are based on pure political reasons. WTO accession giving CIS member states better access to the EU and NA markets. In case of Georgia there are GSP+ with EU and GSP with USA, Canada, Japan, Switzerland, Norway. For regional cooperation WTO is not the most important factor.

If you would like to share your views and comments on this interesting topic, please send us your input and we will publish it in the next Trade Dispatch.

NEW TRADE INITIATIVES

UNCTAD Bio Trade Initiative works to help developing countries benefit from sustainable trade in biodiversity products and services. It directly contributes to: i) improving the functioning of private enterprises whose products and services are biodiversity-based; ii) guiding access to and consolidating those enterprises in foreign markets; iii) improving the living conditions of rural communities sourcing biodiversity enterprises; iv) conserving biodiversity; v) building capacity of national institutions that support biotrade enterprises; vi) contributing to national economies by diversifying exports and expanding national trading base; and vii) exploring ways to enable product differentiation and verification for SMEs engaged in BioTrade.

For more information visit:

<http://www.unctad.org/Templates/Page.asp?intItemID=3790&lang=1>

ICT Trade Finance Programme is designed to facilitate access to finance of small and medium sized enterprises exporting from developing and transition countries. It provides technical assistance aimed at strengthening schemes and mechanisms offered by financial institutions in both private and public sectors, in the field of export finance, short term trade credit and credit insurances and guarantees, and build up the capacity of entrepreneurs and credit officers in dealing with credit and financial risk management.

For more information see:

<http://www.intracen.org/tfs/welcome2.htm?http&&www.intracen.org/tfs>

RESOURCES, PUBLICATIONS, REPORTS

The Prospect of Deep Free Trade between the European Union and Ukraine, Center for European Policy Studies (CEPS), Brussels, Institut für Weltwirtschaft (IFW), Kiel International Centre for Policy Studies (ICPS), Kyiv, 2006

The study is intended to update an earlier study on this subject undertaken in 1999. There are major new developments that warrant a fresh look at the question: i) Ukraine's economic recovery from the undertaken in 1999, with fast economic growth over the last five years; ii) Ukraine's forthcoming WTO accession; iii) EU's enlargement in 2004 up to Ukraine's borders; iv) EU's new European Neighbourhood Policy and Action Plan with Ukraine; and v) the Orange Revolution in 2004, which marked the will of Ukraine to make the break from a phoney to a real democracy.

To download the report:

<http://europeandcis.undp.org/files/uploads/HenaC2/EU%20Ukraine%20trade.pdf>

A Guide to UNCTAD Technical Cooperation – Building Capacity on Trade and Development since 1964

This handbook describes the technical cooperation activities carried out by UNCTAD and provides information on how to obtain technical cooperation. The thrust of UNCTAD's technical cooperation is capacity development in the four main areas of its work, namely: i) globalization and development; ii) international trade in goods and services and commodities; iii) investment, technology and enterprise development; and iv) services infrastructure for development and trade efficiency.

To download: http://www.unctad.org/en/docs/dom20051_en.pdf

WTO Makes Public All Official GATT Documents

The WTO has decided to make public all official documents issued under the General Agreement on Tariffs and Trade (GATT) during the period 1947-1995. Some 39,000 of these documents are already in the public domain. The Decision of the WTO's General Council of 15 May 2006 means that some further 49,000 documents that still remain restricted will be made public starting 1 June 2006.

For more information: http://www.wto.org/english/news_e/pres06_e/pr442_e.htm

Forecasting Trade – WTO Working Paper, 2006

This paper develops a set of time series models to provide short-term forecasts (6 to 18 months ahead) of international trade both at the global level and for selected regions. The results compare favourably to other forecasts, notably by the International Monetary Fund, as measured by standard evaluation measures, such as the root mean square forecast error. In comparison to other models, WTO approach offers several methodological advantages, inter alia, a focus on import growth as the core variable, the avoidance of certain difficulties affecting the performance of structural models, the selection of variables and lags on the basis of theoretical considerations and empirical testing as well as a full documentation of the modeling process.

Download the paper at: http://www.wto.org/english/res_e/reser_e/ersd200605_e.htm

The Impact of Disaster on International Trade – WTO Working Paper, 2006

This paper examines the impact of major disasters on international trade flows using a gravity model. The panel data consists of more than 170 countries for the years 1962-2004 yielding approximately 300,000 observations. It was found out that the driving forces determining the impact of such events are the democracy level and, to a lesser extent, the area of the affected country. The less democratic and the smaller a country the more are its trade flows reduced in case it is struck by a disaster.

Download the paper at: http://www.wto.org/english/res_e/reser_e/ersd200604_e.htm

Trade Map – Trade Statistics for International Business Development

Trade Map is an on-line database on trade flows in goods and services and tariff measures. It presents indicators on export trends, international supply and demand, alternative markets, and competitor performance, useful in international business development. It covers trade flows over the last five years for over 220 countries and territories, 41 country groups and 5,300 products defined at the 2, 4 or 6-digit level of the Harmonized System (HS revision 1), representing about 95% of world trade.

See: www.trademap.org

Market Access Map

A comprehensive source of tariffs and market access measures applied at the bilateral level by 175 importing countries to the products exported by 239 countries and territories. Products are described at the most detailed level, the national tariff line.

See: www.macmap.org

PC-TAS: Trade Analysis System on Personal Computer. - SITC Rev. 3 : 1999-2003

CD-ROM derived from COMTRADE, the trade database of the United Nations Statistics Division, covering over 90% of world trade - contains five years of import and export statistics covering 200 countries and territories and broken down into some 3,800 products (SITC classification) ; developed specifically for use in market research, allows the assessment of trends, market shares and the role of competitors in major markets either through direct reporting or mirror statistics; allows numerous selection parameters, as well as data transfer to other software programmes for data storage and subsequent review.

For more information: http://www.intracen.org/eshop/fe_IP_Title.Asp?ID=31170&LN=EN

EVENTS, CONFERENCES

ITC's Executive Forum 2006 Global Debate: Export Development and Poverty Reduction: Linkages and Implications for Export Strategy-Makers, Berlin, Germany, 27-30 September 2006

For more information: <http://www.intracen.org/execforum/>

6th World Conference of Trade Promotion Organizations in Global Trade: Opportunities and Challenges, Dubai, 13-14 November 2006

The conference is an opportunity for TPO leaders to exchange views on important issues and to network with their peers from all over the world. Both the Dubai Chamber and ITC have been monitoring developments in trade promotion during the last two years to come up with a conference programme that highlights the concerns of senior TPO executives and government economic development planners. Current threats to economic development include the steep rise in the price of oil and global instability caused by climate change, terrorism and national conflicts.

For more information:

http://www.tradeforum.org/news/fullstory.php/aid/987/TPOs_in_Global_Trade:_Opportunities_and_Challenges.html