



## ARTNeT-GIZ Capacity Building Workshop

### Practical tools for Impact Assessment of Free Trade Agreements

**23-27 January 2017**

This workshop aims to provide participants with the following:

1. Practical knowledge and skills in applying quantitative tools for impact assessment of trade liberalization and FTA;
2. An appreciation in the use of data and research evidence in trade policymaking and analysis.

In light of these objectives, the structure of the workshop will alternate between presentations by the trainer based on the existing literature, and “hands on” applications in which participants will be invited to explore concrete applications using real data. In addition, participants will be required to work in groups to conduct an exercise tracing through all aspects of the training, from research design to presentation and interpretation of results.

Workshop facilitators: Dr. Witada Anukoonwattaka, (ESCAP/ARTNeT), Dr. Selim Raihan (SANEM/ARTNeT), Dr. Arun Jacob (ESCAP/ARTNeT) and TBC

#### Day 1: 23 January 2017

08:45 - 09:00: Registration

09:00 - 09:15: Opening, workshop overview, and photo sessions

09.15 – 10.30 **Session 1 Things to know before doing impact assessment of trade liberalization and FTA (ESCAP)**

- Why do countries liberalize trade?
- Approaches to trade liberalization
- Potential costs and benefits of an FTA
- Factors affecting utilization of FTAs
- Rules of origin
- An overview of menu of choices

10.45-12.00 **Session 2 Trade indicators to evaluate the potential economic effects of joining an FTA (ESCAP)**

- Useful trade-indicators
- Empirical exercise —selected trade indicators in Stata.

12.00-13.00 Lunch break

**13.00-14.30 Session 3 Trade-policy indicators to evaluate the potential benefits of joining an FTA (ESCAP)**

- Useful indicators and data requirement
- Empirical exercise —selected trade-policy indicators in Stata

14.45-17.00 **Session 4** Costs of Trade: Using ESCAP/WB Trade Cost Database (ESCAP)

- Empirical exercise – in Stata

(15 minutes break at around 10.30-10.45 and 15:00-15.15)

**Day 2: 24 January 2017**

09:00 –12.00 **Session 5 Non-tariff measures** (ESCAP)

- Classification, quantification, and data sources for analyzing NTMs
- Empirical exercise —Quantitative analysis of NTMs.

12:00-13:00 Lunch break

13.00-17.00 **Session 6 Estimating the potential economic effects of a FTA in an individual market** (ESCAP)

- Partial equilibrium analysis of trade liberalization and FTA
- Simulation exercise – using SMART built-in in WITS

(15 minutes break at around 10.30-10.45 and 15:00-15.15)

**Day 3: 25 January 2017**

09.00-12.00 **Session 7 Computable General Equilibrium (CGE) of the potential economic impact of an FTA** (Dr.Selim Raihan)

- Fundamentals, key components, strengths and weakness
- Introduction to GTAP model

13.00-17.00 **Session 8 Hands-on sessions on CGE analysis using GTAP** (Dr.Selim Raihan)

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- Simulated aggregate effects
- Simulated sectoral effects
- Simulated welfare effects

(15 minutes break at around 10.30-10.45 and 15:00-15.15)

#### Day 4: 26 January 2017

9.00-17.00 **Session 9 CGE (continued) and CGE group exercises** (Dr.Selim Raihan)

(15 minutes break at around 10.30-10.45 and 15:00-15.15)

#### Day 5: 27 January 2017

9.00-12.00 **Session 10 CGE consolidation exercises** (Dr.Selim Raihan)

13.00-17.00 **Session 9 Ex-post FTA analysis** analysis (ESCAP)

- Gravity models for FTA impact assessment
- Quantifying trade-creation and trade diversion
- Dealing with econometric issues
- workshop consolidation and closing

(15 minutes break at around 10.30-10.45 and 15:00-15.15)

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