



TRADE POLICY RESEARCH FORUM 2011:

CALL FOR PAPERS

**Dates: 2011
ARUSHA, TANZANIA**

About TRAPCA

The Trade Policy Training Centre in Africa (**TRAPCA**) was established in 2006 as a joint initiative of the Eastern and Southern Africa Management Institute (ESAMI) and Lund University of Sweden, with funding from the Swedish International Development Cooperation Agency (SIDA). The Centre is hosted at the ESAMI headquarters in Arusha, Tanzania.

The mandate of **TRAPCA** is to build and enhance capacity in trade policy matters in least-developed and other developing countries in Sub-Saharan Africa. In furtherance of this mandate, **TRAPCA** facilitates networking and the sharing of information among the target countries. The core functions of the centre include the following:

- To provide academic and competence-based training in trade policy;
- To generate new knowledge by serving as a catalyst for institutional change and research;
- To provide a forum for the exchange of knowledge, information and experiences; and
- To provide support in such areas as trade development, trade promotion and institutional capacity.

In furtherance of its mandate, **TRAPCA** will be organizing a Trade Policy Research Forum in August 2011. This year's Forum will focus on the interface between bilateralism/regionalism and multilateralism, and consider the ramifications of the proliferation of bilateral and regional trade agreements for African countries from a number of perspectives.

Background Information

African Trade Blocks: Challenges and Prospects

With the Doha Round completely deadlocked and the absence of a credible blueprint for resolving the outstanding issues in the negotiations, it is more likely that WTO Members would seek to further their trade and economic interests by concluding bilateral and regional trade agreements with their most important trading partners. According to the WTO Secretariat, as of May 2011, 297 trade agreements had been notified by Members, out of which 202 were in force. There are many regional and bilateral agreements that the WTO Secretariat has yet to receive notification. African countries are not immune to this trend towards bilateral and regional trade agreements. Apart from deepening trade and economic ties amongst themselves through the formation of customs and economic unions, they are seeking also to conclude economic partnership agreements with the European Union and pushing for the renewal of the Africa Growth and Opportunity Act (AGOA) by the United States. In addition, a number of African countries have signed or are in the process of negotiating trade agreements with emerging economies such as Brazil, China and India with a view to diversifying their markets and increasing their exports.

Whereas African countries did not assume any substantial obligations under previous bilateral and regional trade agreements, they are now giving reciprocal commitments which sometimes go beyond their WTO commitments. Under the economic partnership agreements being negotiated, African countries are expected to liberalize at least 80 percent of their trade in goods with the European Union and liberalize a substantial number of services sectors as well as assume TRIP-plus obligations. While they currently have preferential access under AGOA, it is doubtful if the United States would continue providing non-reciprocal access considering the far-reaching agreements negotiated with the European Union and also the legality of AGOA which only benefits African countries and not similarly situated developing countries. It is likely that the United States would request African countries to enter into similar arrangements with it to safeguard their interests after the expiry of AGOA.

Given the inconsistency in the approaches of African countries at the bilateral/regional level and at the multilateral level, where most of them are exempted from undertaking reduction commitments in agriculture and NAMA, and also from tabling offers in the services negotiations on account of the fragile nature of their economies, it may be legitimately asked which approach would serve better the interests of African countries. The point is usually made that the failure of non-reciprocal preferences to facilitate the integration of African countries into the multilateral trading system justify the exploration of new approaches, including the conclusion of reciprocal agreements which would require the adoption of appropriate policies which would create an enabling environment for the conduct of business and improve competitiveness. From the perspective of African countries, the two approaches are not mutually exclusive and could be complementary in enhancing the participation of African countries in the multilateral trading system.

Nevertheless, this dual approach raises several questions which need to be examined to determine the challenges faced by African countries in the pursuit of these approaches and how they can be addressed in order to achieve the overarching objective of reversing their marginalization in the global economy. In that context, this year's Forum will focus on the variety of related themes raised by the trend towards regional and bilateral trade agreements as they relate to Africa. This trend has in part been explained by deadlock in the Doha Round which was supposed to have been concluded in 2005, but now appears to be on the verge of collapse. What does this trend mean for important issues such as trade diversification, value addition and poverty alleviation? Should African countries be concerned about the consistency of these bilateral and regional trade agreements with WTO disciplines?

Key research issues for the forum

It is within this background that the TRAPCA Trade Policy forum 2011 will focus on the following research issues;

- What Lessons can we learn from the global economic crisis regarding Trade diversification and export destinations
- Are African Regional Trade blocks moving towards full-reciprocity in their trade and investment agreements with Non-African trading partners? Is this desirable or not?
- What are the implications of African Regional Trade blocks assuming WTO-Plus obligations in their trade agreements with Non-African trading partners?
- Are trade liberalization commitments signed by African Regional Trade blocks with non-African trading partners working in tandem or at cross-purposes with poverty reduction efforts?
- The implications of the stalemate in the Doha negotiations for African countries.
- The interface between trade and exchange rates: Lessons to be drawn from other developing countries.
- How will EPAs affect African countries? Are the funding mechanisms envisaged adequate considering the commitments to be assumed by African countries under the EPAs?
- Do the AGOA eligibility standards make it more or less likely for African countries to benefit from preferential access to the US?

Participants at the forum will include researchers, policy makers, academia and the civil society. We also anticipate attendance by representatives from the World Trade Organization, and some other development partners.

Call for papers:

TRAPCA is therefore calling for papers addressing the following themes for the Trade policy Forum 2011.

1) The Turn towards Regional and Bilateral Agreements

This session will track the trend towards regional and bilateral trade agreements and seek to account for their rise and consider its implications for African countries. Would deeper integration among African countries and with other non-African countries ensure their increased participation in the multilateral trading system?

2) Ramifications of the Stalemate in the Doha Negotiations for African Countries

Papers under this session will explore the potential benefits that could be realized by African Countries if the Doha Round is successfully concluded. With the stalemate in the negotiations and expected rise in the number of bilateral and regional trade agreements, what would be the impact on the preferences enjoyed by African countries in their key markets? Would this trend compromise efforts aimed at alleviating poverty in Africa?

3) Compatibility of African Regional and Bilateral Agreements with WTO Commitments

Papers under this session will examine the extent to which commitments made in bilateral and regional trade agreements between African and non-African trade partners are consistent with their WTO commitments, particularly in light of Article XXIV of the GATT 1994 and Article V of the GATS. What is the impact, if any, of the proposed MFN clauses in some of the agreements under negotiation?

4) Aid for Trade and Funding Mechanisms in Economic Partnership Agreements

Papers in this session will consider the extent to which aid for trade and funding mechanisms in Economic Partnership Agreements are available and as such serving as incentives to finalize EPA negotiations. Are these compensatory mechanisms adequate to offset the losses that would be incurred by the entering into a reciprocal trading arrangement with the European Communities?

5) Trade and Exchange Rates

Papers in this session will consider the impact of exchange rate policies on international trade. It would seek to address whether devaluation or undervaluation of a country's currency affect terms of trade and if so, what would be the most optimal policy for African countries?

6) Eligibility Requirements in AGOA and Other Preferential Trade Agreements

Papers in this session will consider the types of eligibility requirements in the African Growth and Opportunity Act as well as other preferential trade agreements, including rules of origin and non-trade related requirements and the impact of such requirements on access to developed-country markets.