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“Workshop on Trade Policy and Trade Indicators”

Project on “Increasing the Contribution of Preferential Trade Agreements to Inclusive and Equitable Trade”

December 12 to 14, 2017
Kingston-Jamaica

Day 1: Tuesday, December 12th

8:00 – 8:30 Registration of participants

8:30 – 8:45 Opening Mr. Zebulun Kreiter, Associate Economic Affairs Officer, Regional Integration Unit, International Trade and Integration Division, ECLAC

8:45 – 9:00 Opening remarks from the Ministry of Foreign Affairs and Foreign Trade, Government of Jamaica

9:00 – 10:30 **Module 1: Introduction to Theories of International Trade and Data Classifications**

1. Theories of International Trade

- a. Comparative advantages and factor endowments (Ricardo and Hecksher).
- b. New theories of international trade (Krugman and Melitz).
- c. Brief overview of the economic effects of trade policy.

2. International Trade Data Classifications

- a. International classifications and relationship with industrial classifications: HS, SITC and BEC databases.
- b. Trade and investment microdata.



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10:30 – 11:00 Coffee break

11:00 – 13:00 Module 2: Trade Indicators for the Analysis of Trade Policy

1. Databases necessary for the application of quantitative methods.

- a. National trade databases (Customs, statistical offices, and central banks).
- b. International trade databases (COMTRADE, WITS, SIGCI).
- c. Databases of protective barriers (tariffs, non-tariff barriers) (WITS).
- d. Other sets of operational data (sales, employment).
- e. Additional statistics: Household surveys, industrial surveys.
- f. Macroeconomic information (Input-Output Matrices, Social Accounting Matrices).

13:00 – 14:00 Lunch

14:00 – 17:00 Continuation of Module 2

2. Review of basic statistical analysis

- a. Proportions and weights.
- b. Index and deflation numbers.
- c. Unit Value Indexes, the importance of deflation
- d. Terms of Trade (ToT).
- e. Growth rates.
- f. Exchange rates.
- g. Exercises.

3. Indicators related to trade dynamism

- a. Revealed Comparative Advantages.
- b. Balassa index.
- c. Commercial Environment (or Economic) Index.
- d. Elasticity example.
- e. Trade Openness Indicators.
- f. Exercises.



Day 2: Wednesday, December 13th

8:30 – 10:30 Continuation of Module 2

4. Indicators related to trade dynamism (continued)

- a. Export baskets.
- b. Similarity Index.
- c. Krugman Index.
- d. Exercises.

10:30 – 11:00 Coffee break

11:00 – 13:00 Continuation of Module 2

5. Indicators related to trade dynamism (continued)

- a. Grubel-Lloyd Index.
- b. Trade Overlap Index.
- c. Herfindahl-Hirschman index.
- d. Theil.
- e. Indicators of intraregional trade.
- f. Exercises.

13:00 – 14:00 Lunch

14:00 – 17:00 Continuation of Module 2

6. Maquila and tariff protection

- a. Links between trade and production (maquila, free zones, among others).
- b. Tariff protection: MFN Tariff, Effective Tariff, Ad valorem Equivalent Tariffs, and tariff peaks.
- c. WITS exercises.
- d. Effective protection.
- e. Non tariff measures.



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Day 3: Thursday, December 14th

8:30 – 10:30 Integrated exercise incorporating material from all of Module 2.

10:30 – 11:00 Coffee break

11:00 – 13:00 Module 3: Analysis of Balance of Payments

1. Balance of Payments

- a. Structure and utility of the Balance of Payments.
- b. Trade in Goods and Services.
- c. Difficulties in service statistics.
- d. Current Account indicators.
- e. Goods and Services Account indicators.
- f. Exercises.

13:00 – 14:00 Lunch

14:00 – 15:00 Module 4: Quantitative methods for the analysis of the effects of FTAs

1. General Equilibrium Model and Micro simulations.

- a. Definition of the problem and modeling in general equilibrium.
- b. Details of an Evaluation.
- c. Micro simulations.
- d. Macro-micro model splicing (MIP vs. Household Survey).

15:00 – 17:00 Module 5: Presentation of ECLAC's Study on Potential Jamaican FTAs

1. Evaluation of the economic and social impact of possible trade negotiations between Jamaica and Central America, Mexico and the countries of the Northern Caribbean

- a. Presentation of the study.
- b. Questions and answers.

17:00 Closing and presentation of certificates