

# Refined Methodology of DEfR

20th TPCC Meeting  
Manila, Philippines  
25 June 2014

# I. Why to refine?

**I.** CAREC evolves and matures. DEfR 2009-2012, four editions of this monitoring exercise since 2010

**II.** Tighten the logical links and casual relationship from CAREC interventions to outputs and outcomes, further to impact

**III.** Incorporate new or revised strategies and action plans at sector level

# II. Findings of Initial Review

## *Level 1: Development outcomes*

Retain only 4 of the 16 indicators, namely:

- trade openness,
- intraregional energy trade,
- foreign direct investment as a percentage of GDP
- share of intraregional trade in CAREC's total trade

## *Level 2: Sector Outputs*

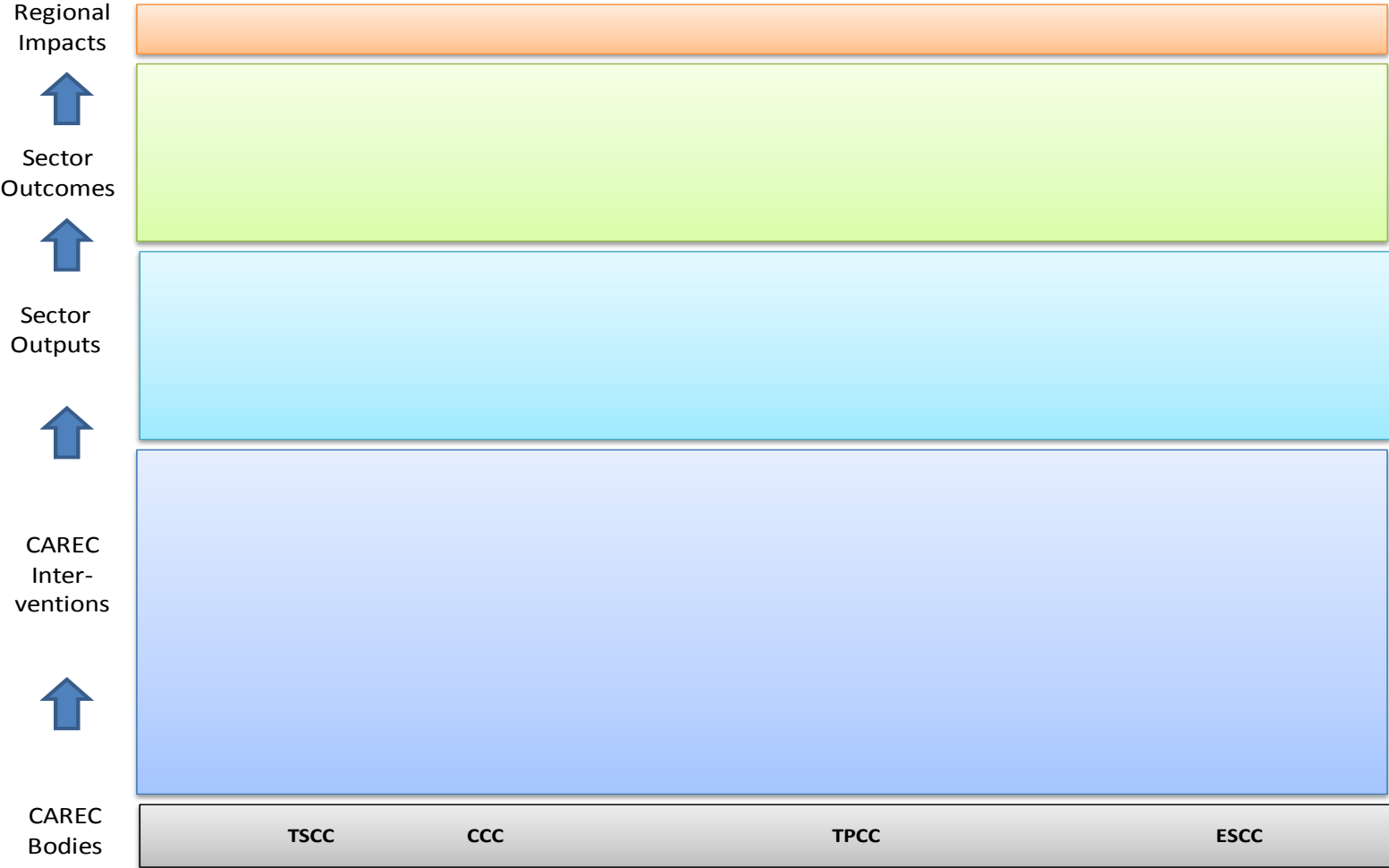
Retain all indicators with necessary refinement

## *Level 3: Operational and Organizational Effectiveness*

Drop 3 out of 8 indicators, the retaining 5 indicators need further review or refine

# III. Refined Results Framework

CAREC Program Strategies and Results Monitoring (5-Level Framework)



# IV. Results Framework for Trade Policy I.

CAREC Bodies	CAREC Interventions	Sector Outputs	Sector Outcomes	Regional Impacts
TPCC	<ul style="list-style-type: none"> <li>Plan for gap analysis and intended changes for WTO membership in place;</li> <li>WTO commitments implementation scheduled</li> </ul>	<ul style="list-style-type: none"> <li>Negotiations for WTO accession conducted</li> <li>WTO membership achieved;</li> <li>WTO commitments implemented</li> </ul>	Trade and business environment improved	Expanded trade and improved competitiveness
	<ul style="list-style-type: none"> <li>Implementation plan for addressing remaining discrepancies between domestic taxes and imports that are not WTO compliant scheduled;</li> <li>Further tariff reduction schedule in place</li> </ul>	<ul style="list-style-type: none"> <li>VAT and excise taxes on domestic production and imports of goods in the same category uniformly applied;</li> <li>Average tariff reduced to 10% or less and maximum capped at 20%</li> </ul>		
	<ul style="list-style-type: none"> <li>Timeframe developed to abolish or tariff the quantitative restraints</li> </ul>	<ul style="list-style-type: none"> <li>Export quotas that are not WTO compliant abolished and import quotas and licenses that are not WTO-compliant abolished or tariffed</li> </ul>		
	<ul style="list-style-type: none"> <li>Action plan developed to adopt international standards on SPS measures and technical regulations on industrial goods;</li> <li>Work plan scheduled to promote mutual recognition of certification of accredited conformity bodies in trade partners;</li> <li>A comprehensive SPS strategy and action plan prepared to guide the gradual transition to WTO compliant system based on international standards</li> <li>Sustained review of new non-tariff measures and evaluation of transition to international standards planned</li> </ul>	<ul style="list-style-type: none"> <li>Consistency of technical regulations on industrial goods and SPS measures with WTO TBT and SPS agreements improved</li> </ul>		

# IV. Results Framework for Trade Policy II.

CAREC Bodies	CAREC Interventions	Sector Outputs	Sector Outcomes	Regional Impacts
	<ul style="list-style-type: none"> <li>National studies conducted to assess key bottlenecks to expansion of trade in services</li> <li>Schedules developed to apply the Services Trade Restrictiveness questionnaire in the four countries where it has not been implemented and every two years subsequently for all CAREC members;</li> <li>Action plan developed to improve the quality of institutions, including addressing corruption, complexity in export procedures and labor market flexibility;</li> <li>Key regulatory policy steps planned to liberalize telecommunications and other important sectors to encourage services exports</li> </ul>	<ul style="list-style-type: none"> <li>Key bottlenecks identified by the national studies addressed (with the assistance of donors and IFIs);</li> <li>Service Quality Restrictiveness Index questionnaire commissioned and scored for all CAREC countries;</li> <li>Key regulatory changes from the national studies implemented on a voluntary basis;</li> <li>Backbone services development and expansion of services exports streamlined into the national government's plan and technical assistance for implementation of the CAREC 2020 goals delivered</li> </ul>	<p>Cross-border service trade increased</p>	
	<ul style="list-style-type: none"> <li>Key regulatory reforms planned to encourage investment in backbone services such as telecommunications, transportation services, banking, insurance and professional services;</li> <li>A technical team dedicated to carry out substantial analysis formulated to lead the dialogue into policy action</li> </ul>	<ul style="list-style-type: none"> <li>Market access promoted and national treatment for foreign companies that would provide financial services, telecommunications, and transportation services applied;</li> <li>Services regulations sustainably reviewed</li> </ul>	<p>Backbone service trade increased</p>	

# IV. Results Framework for Trade Policy III.

CAREC Bodies	CAREC Interventions	Sector Outputs	Sector Outcomes	Regional Impacts
	<ul style="list-style-type: none"> <li>Bilateral Labor Agreement in place on a voluntary basis;</li> <li>Mutual recognition agreement of professional qualifications for some profession in place with at least one country</li> </ul>	<ul style="list-style-type: none"> <li>Bilateral Labor Agreement for some of the temporary movement of labor within CAREC used by interested parties</li> </ul>	Temporary movement of labor within CAREC increased	
	<ul style="list-style-type: none"> <li>A training seminar on WTO accession and trade policy for development organized;</li> <li>A Knowledge Sharing Workshop on WTO membership issues and commitment implementation among CAREC member countries conducted;</li> <li>A seminar on expansion of trade in services organized</li> <li>Technical assistance for trade facilitation implemented</li> <li>Technical assistance for services development implemented</li> </ul>	<ul style="list-style-type: none"> <li>Capacity and knowledge to address WTO accession and trade policy issues enhanced</li> <li>Capacity to further modernize SPS measures; to align custom procedures with the Revised Kyoto Convention, and to joint control the animal diseases in PRC and Mongolia strengthened</li> <li>Knowledge to streamline the services development goals into the national development plans acquired</li> </ul>	*	

\* Outcome here is meant to support all the interventions listed above.

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# THANK YOU!

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