

Session 5

TPSAP: Monitoring Implementation Progress

Dmitriy Rozhkov
International Monetary Fund

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Outline

- Monitoring TPSAP implementation progress: results for end-2009
- CAREC Results Framework: Trade Liberalization Indicator

Background: Questionnaire-based Monitoring Tool

- Presented at the 11th TPCC
- A monitoring tool for progress toward meeting the TPSAP objectives
- Questionnaires for 2009-12 in line with the TPSAP timeframe
- Commitment to submit the questionnaire annually to the IMF

End-2009 Targets

- Reduce the number of non-zero tariff bands to 6 (3 by 2012)
- Actual convoy costs calculations
- Actual paperwork costs calculations for road transport permits

Analysis of responses

- Response rate has improved significantly since Spring 2010
- Countries are encouraged to report on progress during the year

Progress as of end-2009

- Number of tariff bands is 6 or lower in all reporting countries
- Completion of actual paperwork costs calculations: KAZ, KGZ, UZB
- Completion of actual convoy costs calculation: KAZ

Key End-2010 Targets

- Eliminate quantitative restrictions on exports
- Eliminate or tariffy quantitative restrictions on imports
- Equalize VAT and excise rates for imported and local goods

Key End-2010 Targets

- Eliminate other duties and charges, taxes and fees applied to imports and exports
- Reduce average tariff rate (target of 10% by end-2011)

Tariff rates differ widely across CAREC countries

Tariff Rates (latest available year)

	Simple Average	Trade Weighted
Afghanistan	5.6	n.a.
Azerbaijan	9.1	5.5
PRC	9.6	4.5
Kazakhstan	6.2	5.2
Kyrgyz Rep.	4.7	4.0
Mongolia	5.0	5.1
Tajikistan	7.5	n.a.
Uzbekistan	14.6	n.a.

(Sources: Country submissions; WTO database)

CAREC Results Framework

- Aggregated Trade Liberalization Index (TLI)
- Data extracted from the questionnaire
- Indicative targets set for 2010-12

TLI for End-2009

Indicator	Score	Score as of end-2009								Target Score		
		AFG	AZE	CHN	KAZ	KGZ	MON	UZB	TAJ	2010	2011	2012
Trade Liberalization												
1. What is the number of non-zero tariff bands?	-1 points per band	n.a	-6	n.a	-5	-6	n.a	-5	-5	-5	-4	-3
2. What is the average tariff?	-1 points for each p.p. over 10; +1 point for each p.p. under 10	5	1	1	4	6	5	-4	3	-2	0	1
3. Have quantitative restrictions on exports been eliminated?	+4 points if yes	0	0	0	0	0	0	0	0	0	0	4
4. Have quantitative restrictions on imports been eliminated?	+4 points if yes	0	0	0	0	0	0	0	0	0	0	4
5. Are VAT and excise tax rates equalized for imported and local goods?	+4 points if yes	0	0	0	0	0	0	0	0	0	4	4
6. Have actual convoy costs calculations been completed?	+2 points if yes	n.a	0	n.a	2	0	n.a	0	0	2	2	2
7. Have convoy charges been removed, or reduced to actual costs?	+3 points if yes	0	0	0	0	0	0	0	0	0	3	3
8. Have actual "paperwork" costs calculations for road transport permits been completed?	+2 points if yes	n.a	0	n.a	2	2	n.a	2	0	2	2	2
9. Have road transport fees been reduced to actual costs?	+3 points if yes	0	0	0	0	0	0	0	0	0	3	3
Total Score (sum of scores 1-9)		n.a	-5	n.a	3	2	n.a	-7	-2	-3	10	20

Next Steps

- Monitoring of trade liberalization measures will continue
- Questionnaires for end-2010 should be send by end-February 2011
- A set of institutional indicators to be considered in Spring 2011