

# Updated Trade Policy Strategic Action Plan

International Monetary Fund  
Trade Policy Coordination Committee Meeting  
Islamabad, Pakistan  
18 July 2016

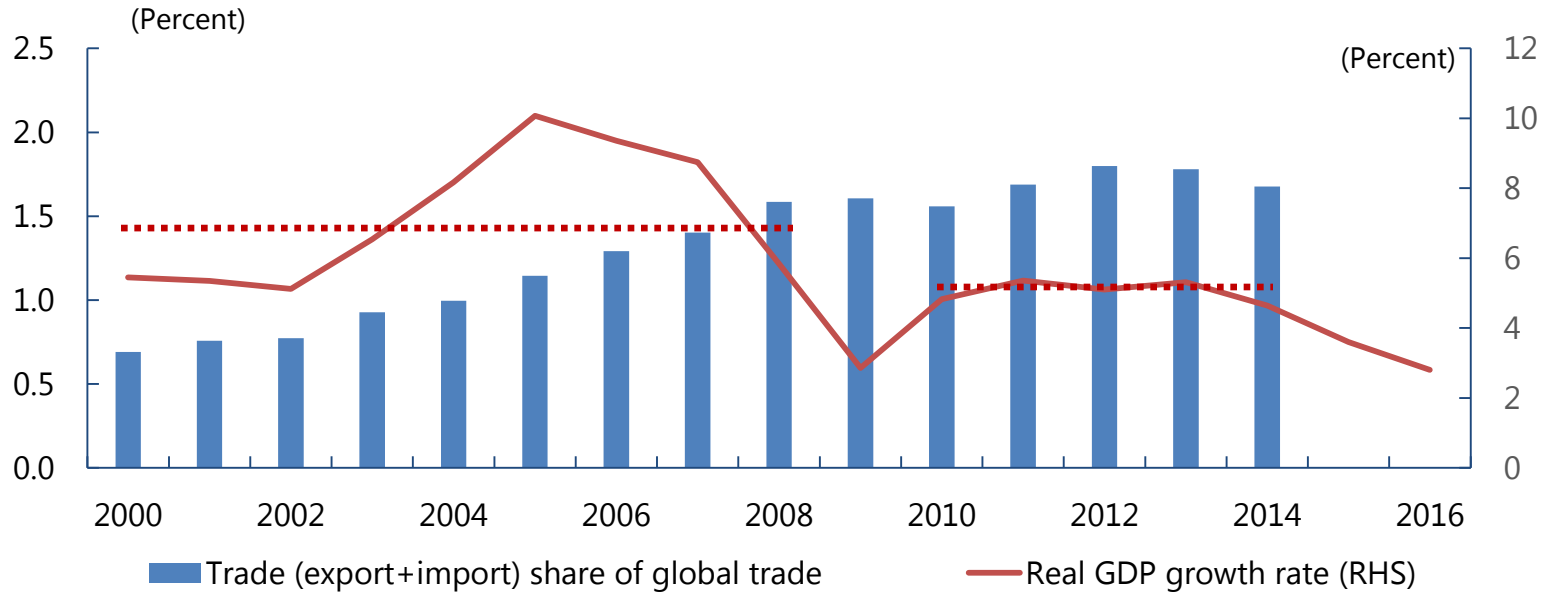


# Background I

- The 11<sup>th</sup> CAREC Ministerial Conference in 2012 agreed to update the trade policy sector action plan (TPSAP) for 2013-17
- The policy action matrix builds on objectives of the previous TPSAP 2008-12, including WTO accession and trade liberalization
- Two new objectives added:
  - Reducing unnecessary/unjustified sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) measures
  - Expanding trade in services

# Background II

## CAREC: Trade and Growth



- CAREC (goods) trade slowing
- CAREC growth slowing as well
- Can CAREC help reboot the trade engine?

# Stock Taking Exercises

- A first stock taking exercise reviewing nine (9) policy measures agreed to be implemented by the end-2014 took place in 2015
- This presentation will initiate a second stock taking exercise reviewing eight (8) policy measures that were agreed to be implemented by end-2015

# Stock Taking Exercise #1: Policy Measures to Be Implemented by End-2014 (Status as of June 2016)

Measures	AFG	AZE	CHN	KAZ	KGZ	MNG	PAK	TJK	TKM	UZB
#1: Eliminate any remaining discrepancies between taxes applied to domestic production and imports	Not yet submitted	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Not completed
#2: Eliminate, or incorporate into tariffs, all miscellaneous taxes and fees applied to imports	Not yet submitted	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Completed
#3: Reduce the average tariff to 10 percent or less	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Not completed
#4: Implement tariff cuts to achieve the 20 percent cap	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Completed
#5: Eliminate or tariffy import quantitative restrictions and licenses	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Completed
#6: Formally acknowledge the importance of WTO SPS and TBT agreements	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed
#7: Form a NJC permanent secretariat	Not yet submitted	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Completed
#8: Conduct a knowledge sharing workshop on WTO accession related issues	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed
#9: Participate in ADB's training and TA related to the Revised Kyoto Convention	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Completed

Completed
  Not completed
  Not yet submitted

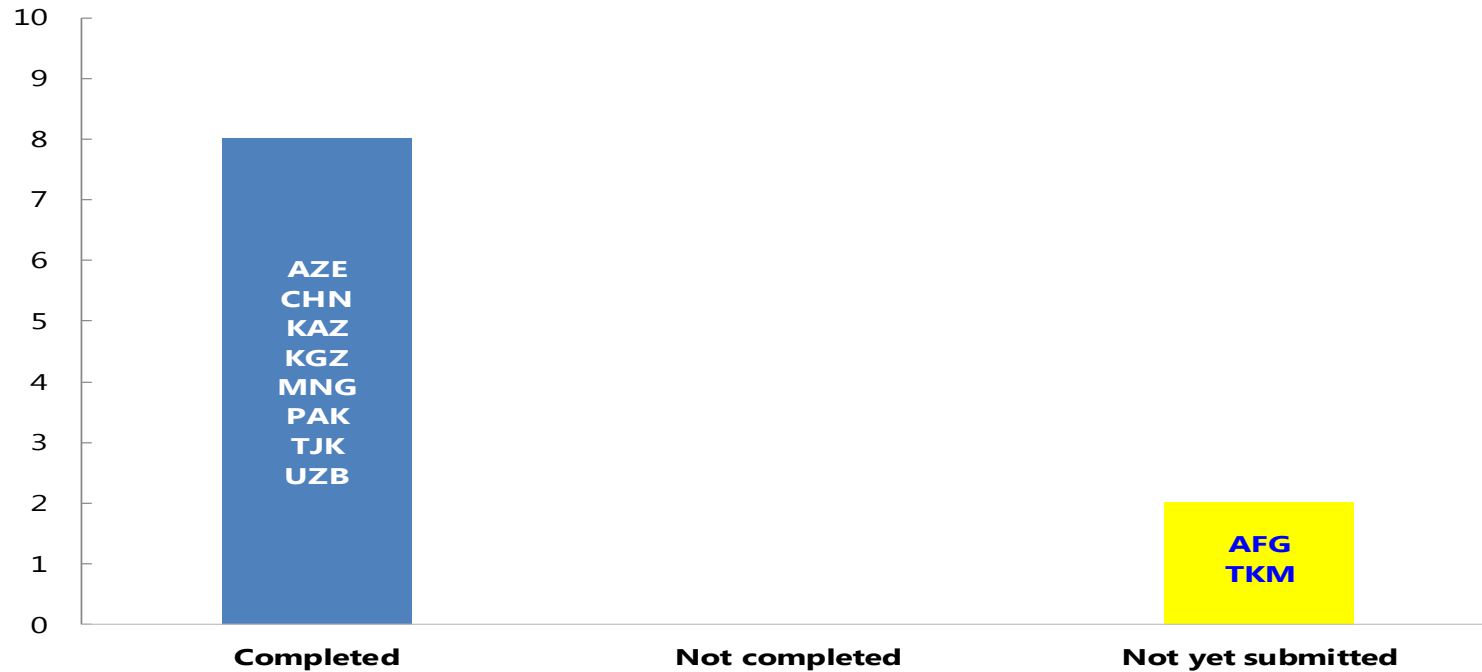
# Stock Taking Exercise #2: Policy Measures to Be Implemented by End-2015 (Status as of July 14, 2016)

Measures	AFG	AZE	CHN	KAZ	KGZ	MNG	PAK	TJK	TKM	UZB
#1: Adopt legislation compliant with the SPS and TBT agreements	Not yet submitted	Completed	Completed	Completed	Completed	Completed	Completed	Completed	Not yet submitted	Completed
#2: Prepare a SPS strategy and action plan to guide the gradual transition to WTO compliant systems	Not yet submitted	Completed	Completed	Completed	Not completed	Completed	Completed	Completed	Not yet submitted	Not completed
#3: Begin reviewing the existing and new regulations by NJCs	Not yet submitted	Not completed	Completed	Not completed	Not completed	Not completed	Not completed	Not completed	Not yet submitted	Not completed
#4: Start producing annual report of NJCs in 2015	Not yet submitted	Not completed	Completed	Not completed	Not completed	Not completed	Not completed	Not completed	Not yet submitted	Not completed
#5: Complete national studies to assess key bottlenecks to expansion of trade in services	Not yet submitted	Not completed	Completed	Not applicable	Not completed	Not completed	Completed	Not completed	Not yet submitted	Not completed
#6: Confirm whether a bilateral agreement has been put in place for temporary labor movement	Not yet submitted	Not completed	Completed	Not applicable	Not completed	Not completed	Not completed	Not completed	Not yet submitted	Not completed
#7: Prepare annual report of services sub-committee on regulatory improvements for trade in services	Not yet submitted	Not completed	Completed	Not applicable	Not completed	Not completed	Not completed	Not completed	Not yet submitted	Not completed
#8: Participate in the ADB' TA program for modernization of SPS measures	Not yet submitted	Not completed	Completed	Not applicable	Completed	Completed	Not applicable	Not completed	Not yet submitted	Completed

Completed
  Not completed  
 Not applicable
  Not yet submitted

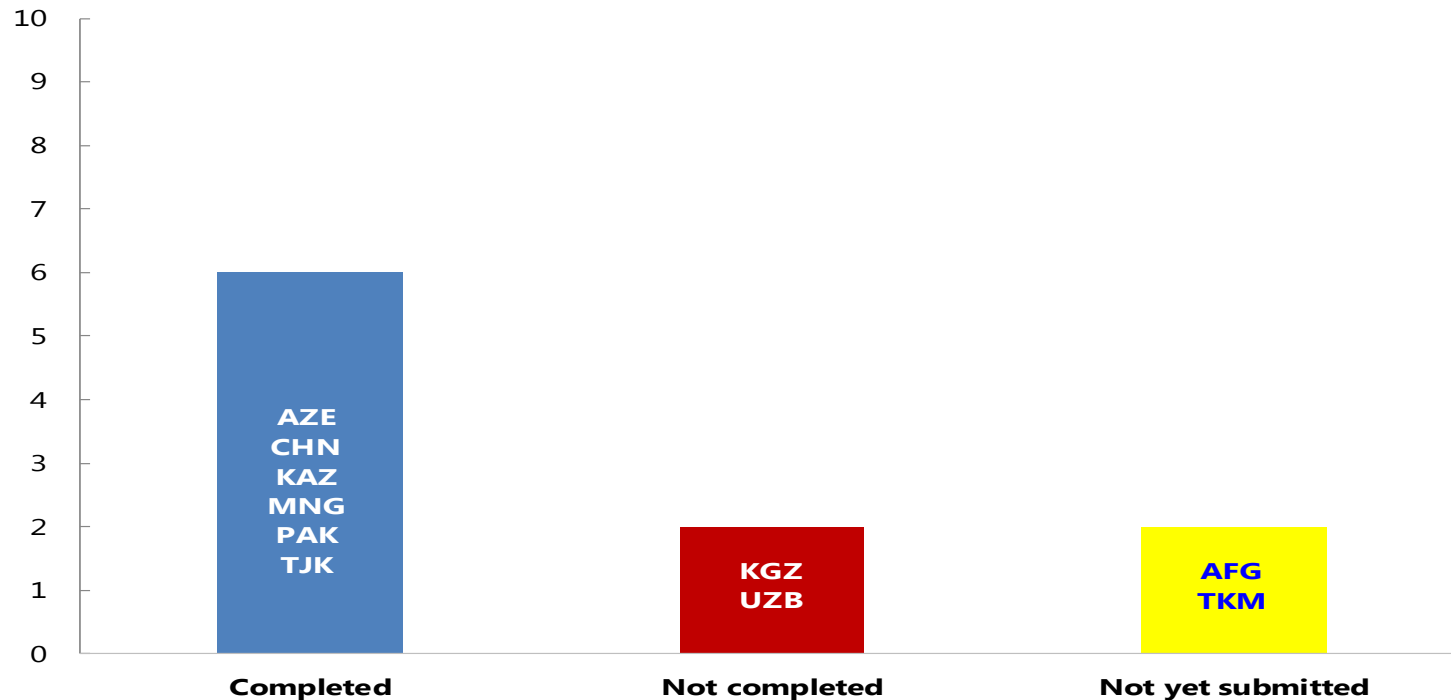
# Stock Taking Exercise #2

**Measure #1: Adopt legislation compliant with sanitary and phytosanitary (SPS) and technical barriers to trade (TBT) agreements**



# Stock Taking Exercise #2

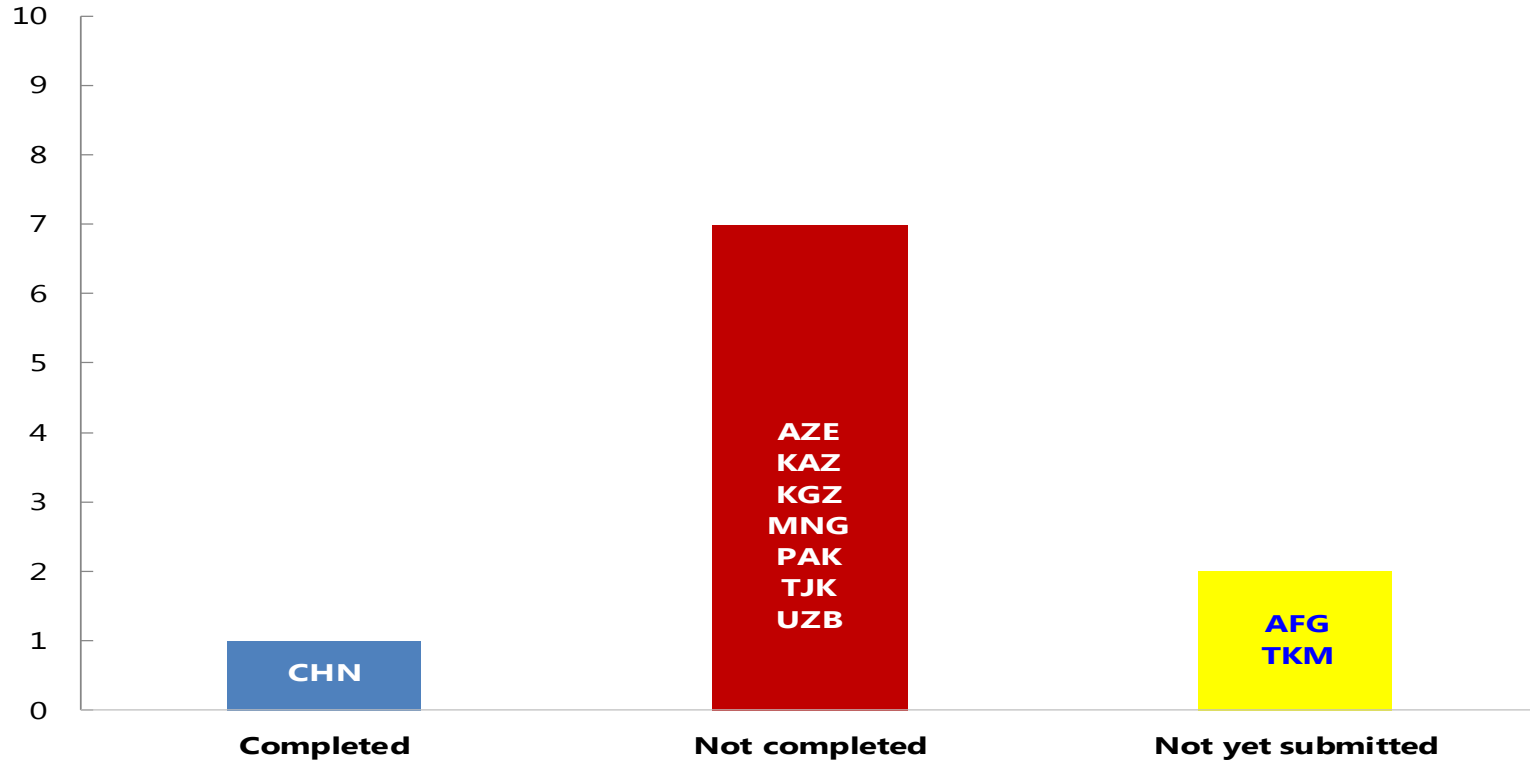
**Measure #2: Prepare a comprehensive sanitary and phytosanitary (SPS) strategy and action plan to guide the gradual transition to WTO-compliant arrangements**





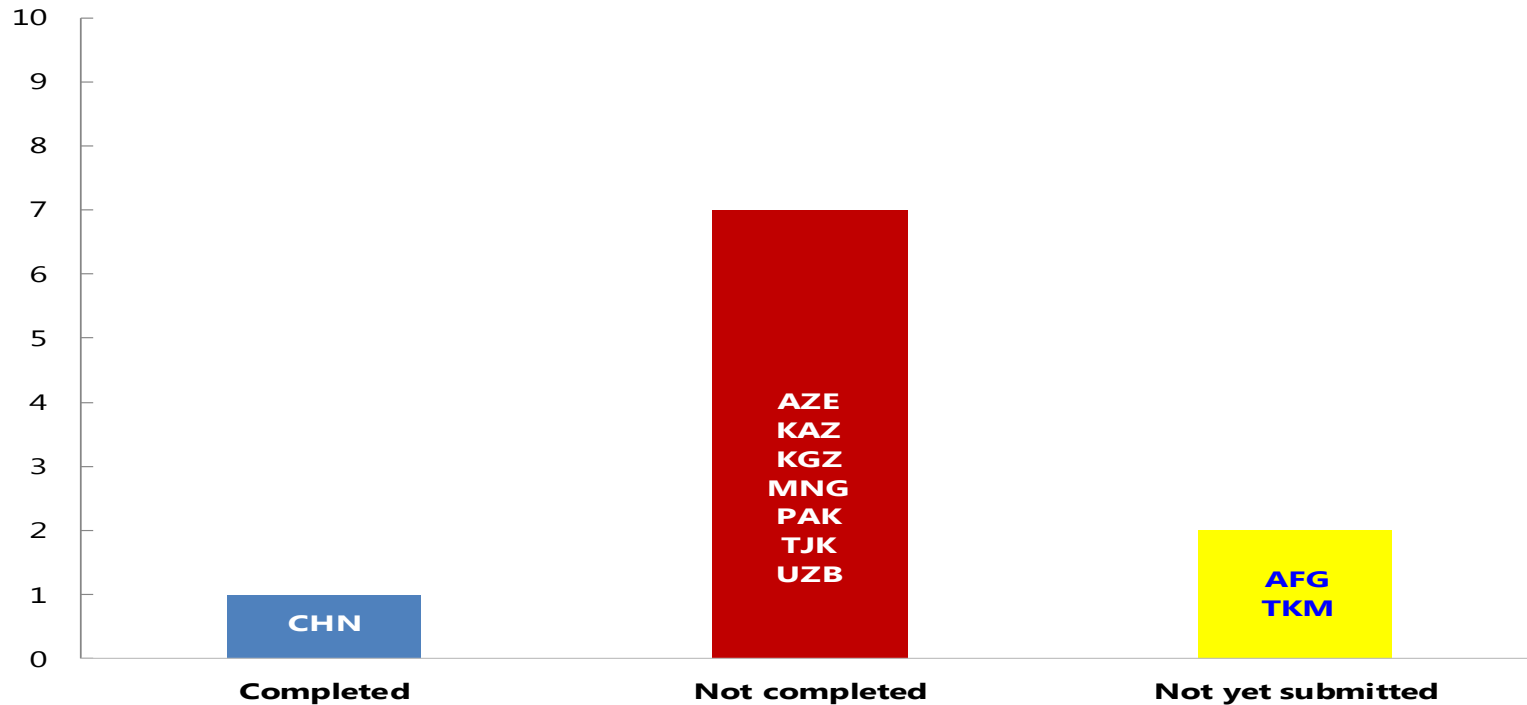
# Stock Taking Exercise #2

**Measure #3: Begin reviewing the existing and new regulations by National Joint Transport and Trade Facilitation Committees (NJCcs)**



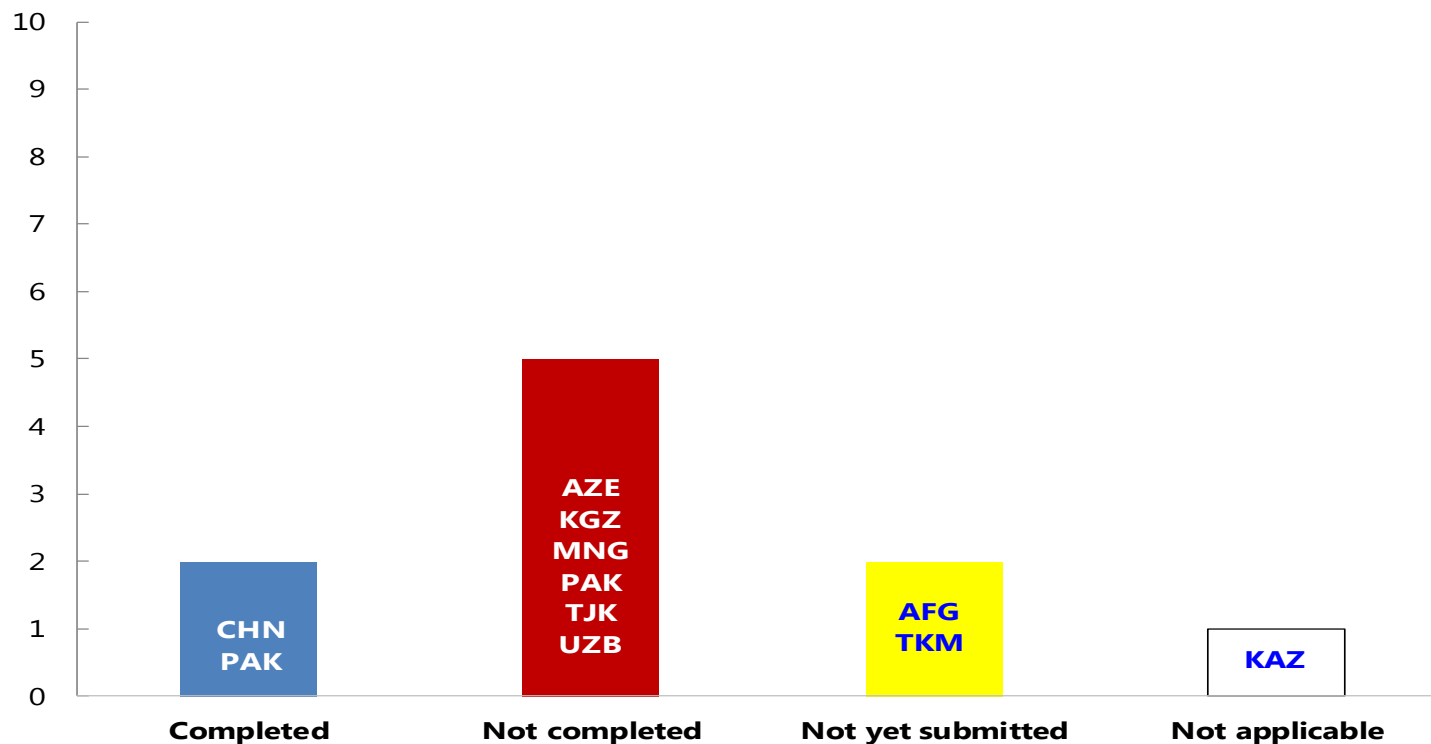
# Stock Taking Exercise #2

## Measure #4: Start producing annual NJC reports on non-tariff regulations



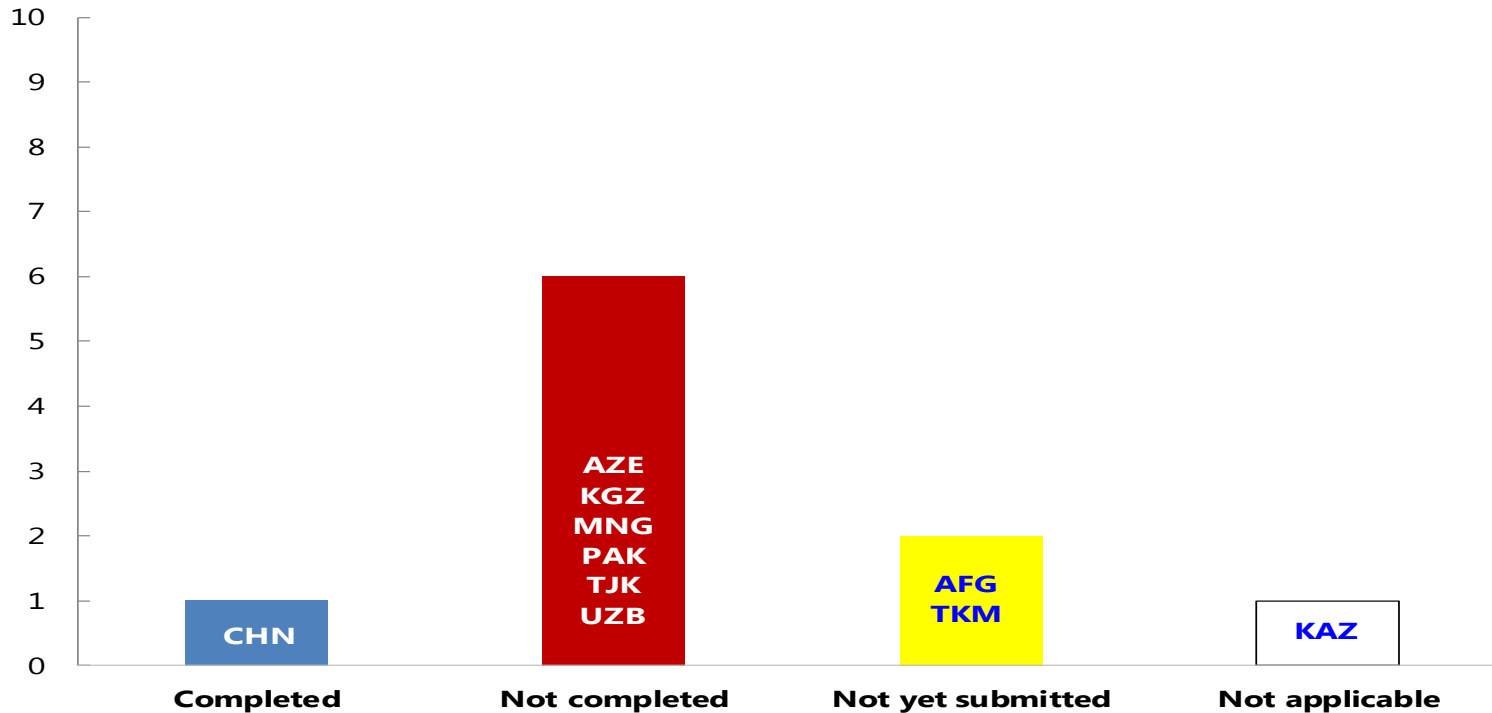
# Stock Taking Exercise #2

**Measure #5: Complete national study to assess key bottlenecks to expanding trade in services**



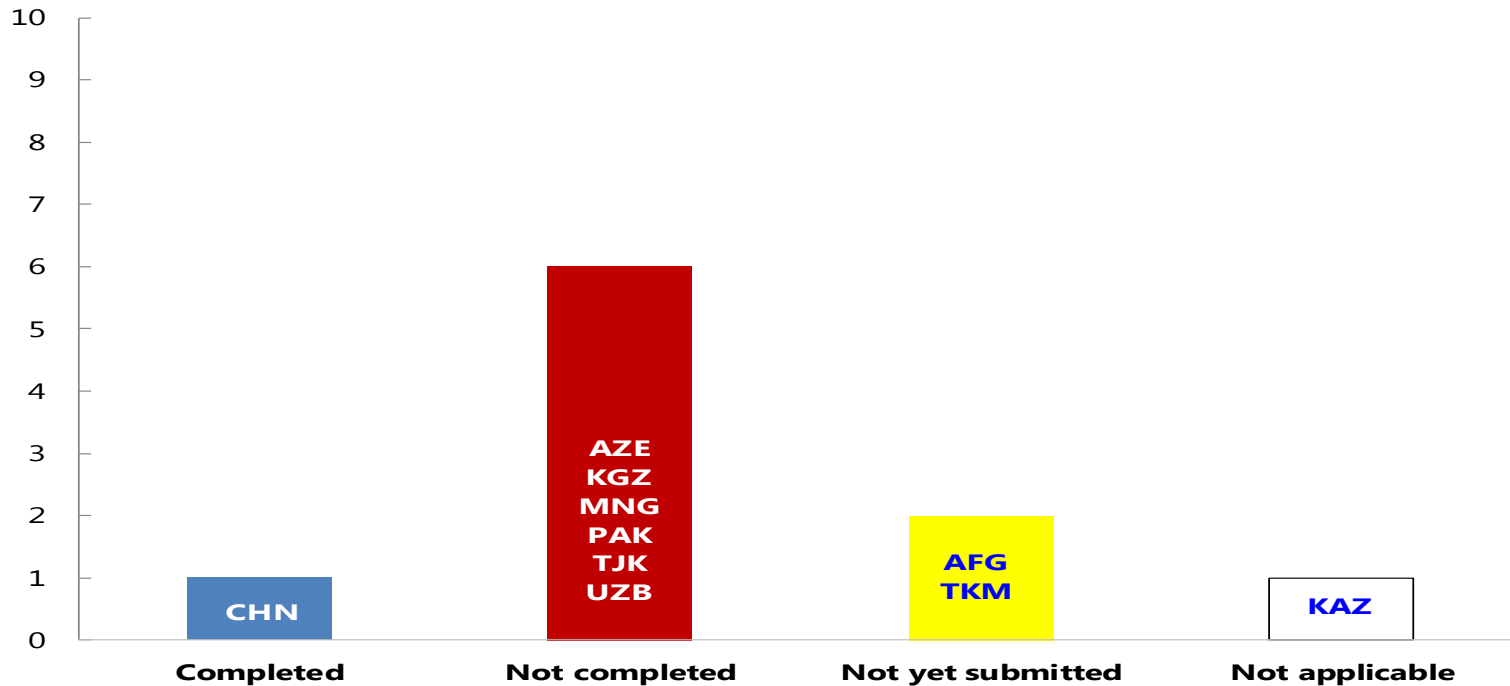
# Stock Taking Exercise #2

**Measure #6: Report whether at least one bilateral labor agreement has been put in place (optional measure)**



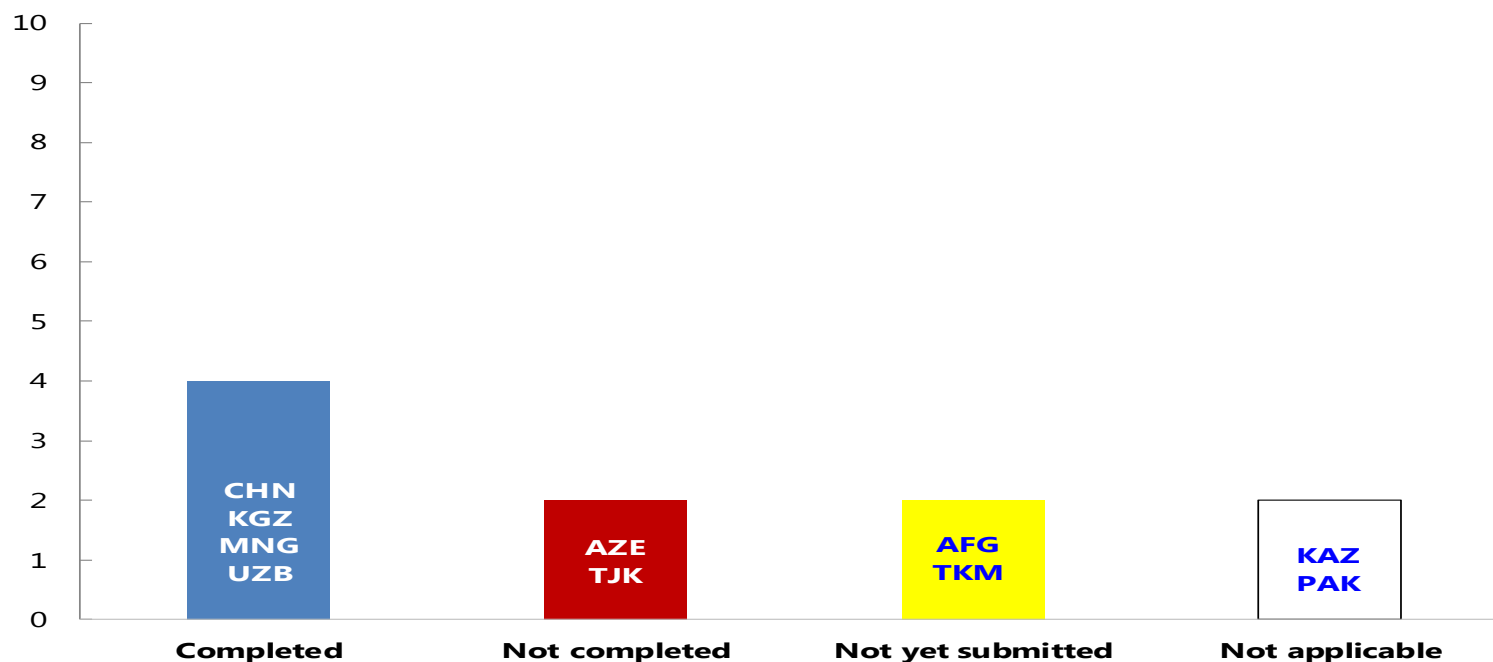
# Stock Taking Exercise #2

**Measure #7: Prepare annual report on regulatory improvements for trade in services**



# Stock Taking Exercise #2

**Measure #8: For ADF eligible countries, participate in the ADB's technical assistance program for modernizing SPS measures**



# Key Takeaways

- High degree of compliance with measures under first stock taking exercise
- Much less compliance with measures under second stock taking exercise
  - Some progress on SPS/TPT-related measures
  - But very slow progress on measures related to NJCs and trade in services
- Need to understand bottlenecks and challenges that hamper the implementation of agreed measures

# Questions for Discussion

- Do country officials agree with key takeaways?
- Why was implementation record under the second stock taking exercise much weaker than under the first stock taking exercise?
- How could multilateral development institutions and the donor community better support countries in implementing agreed measures?
- What lessons should we draw from the two stock taking exercises for future TPSAP measures?



**Thank you**

