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WTO STATTALK

providing insights on trade and tariff information

MEMBER W = 1

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THE LAST 20 YEARS OF TRADE

1995-2014

8

PER CENT

AVERAGE ANNUAL GROWTH OF TELECOMMUNICATION SERVICES OVER THE PAST 20 YEARS

5,168 (1995)

VS. **19,002** (2014)

BILLION US$

WORLD MERCHANDISE EXPORTS

1,179 (1995)

VS.

4,872 (2014)

BILLION US$

WORLD EXPORTS OF COMMERCIAL SERVICES

2009

BIGGEST DROP IN TRADE OVER THE PAST 20 YEARS

(IN VALUE TERMS)

#160

MEMBERS OF THE WTO IN 2014

WITH **32** NEW MEMBERS HAVING JOINED THE WTO SINCE 1995

12

PERCENT

ANNUAL GROWTH OF EXPORT OF FUELS BETWEEN 1995-2014

18

PERCENT

AVERAGE ANNUAL GROWTH OF WORLD EXPORTS OF COMPUTER AND INFORMATION SERVICES (1995-2014)

-22

PERCENT

IN WORLD MERCHANDISE EXPORTS

20 vs. 30

PERCENT

(1995 VS. 2014)

SHARE OF EXPORTS AND IMPORTS ON WORLD'S GDP

SHARE OF WORLD MERCHANDISE EXPORTS DIRECTED TO

DEVELOPING COUNTRIES

39 % (2014)

VS.

26% (1995)

29

PERCENT

ASIA'S SHARE OF COMPUTER AND INFORMATION SERVICES IN 2014

-9

PERCENT

IN COMMERCIAL SERVICES EXPORTS

18

PERCENT

OF TOTAL AFRICAS'S EXPORTS ARE TRADED WITHIN

AFRICA

COMPARED TO

10 PERCENT IN 1995

11

PERCENT

AVERAGE ANNUAL GROWTH OF LDCS' TRAVEL EXPORTS

(1995-2014)

"TRADE DATA DAY AT WTO", JULY 2015

NTMS TODAY, PROGRESS AND STATISTICAL CHALLENGES

The session on NTMs brought together the core Geneva based agencies involved in the collection, dissemination and analysis of NTMs. Mr. Mimouni, Chief, Market Analysis and Research, Division of Market Development, ITC provided an overview of the topic; Mr. Ralf Peters, Chief, Trade Information Section, Division on International Trade in Goods and Services and Commodities, UNCTAD and Mr. Jurgen Richtering, Chief, Market Access Intelligence Section, Economic Research and Statistics Division, WTO provided comments.

NTMs can be defined as policy measures, other than ordinary customs tariffs, that can potentially have an economic effect on international trade in goods, changing quantities traded or prices, or both. Based on this definition, NTMs cover a large spectrum of policy measures. Studies indicate that NTMs are often more important than tariffs as trade barriers, in particular for Small Medium Enterprises (SMEs.)

It should be emphasized though that most of the NTMs applied by Members are fully in line with their legal obligations and not trade distorting. Within the WTO context, Members have the possibility to raise concerns or questions in committee meetings and finally also make use of the dispute settlement mechanism to address any measures that are not in conformity with WTO legal provisions.

Data collection and dissemination

In order to better assess, compile and compare these measures a group of international agencies (Multi-Agency Support Team – MAST) elaborated a common classification of NTMs (http://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures/NTMs-Classification.aspx) . As concerns data compilation of NTMs, the three agencies have followed different approaches in line with their respective mandates:

In the WTO, an elaborate system of notifications had been set up with the establishment of the WTO. It covers NTMs via a regular and/or ad hoc reporting mechanism and the collected information is disseminated to the public via documents and also through the Integrated Trade Intelligence Portal (I-TIP) (http://i-tip.wto.org/goods/). The strong point of this data collection is its official nature but the information content in some areas is not comprehensive as a result of notification gaps (noncompliance with notification formats, late or inconsistent reporting). This point was also raised by the audience in the plenary discussion.

UNCTAD has taken the lead to establish an inventory of official legislation covering NTMs (http://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures.aspx). Based on external support and with the help of consultants a systematic listing of all NTMs applicable in a country at a point in time is established. More than 50 countries have been covered so far. In some instances the ITC has helped with this effort. The collected data is going to be disseminated via an I-TIP based online application.

The ITC has focussed its efforts on the business sector's perception of NTMs (http://www.intracen.org/itc/market-info-tools/non-tariff-measures/business-surveys/). Based on external support and with the help of consultants, the objective is to capture perception of exporters and importers on NTM-related trade obstacles and provide de facto (instead of de jure) evidence on NTMs. The surveys allow identifying procedural obstacles of NTM implementation. So far about 30 developing countries and the EU have been covered. This complements other approaches to measure revealed 'costs' of NTMs.

The way forward - Transparency is key

- To improve data coverage and enhance sustainability of data collection
- To provide greater data accessibility and broader data dissemination
- The need for clear understandable language of NTMs, instead of very technical, legalese presentation.
- To refine the methodologies to assess NTMs' impact on trade flows and trade capacity

Clearly no agency can do this alone. There has to be a cooperative effort, bearing in mind that coordination across institutions is crucial to avoid inconsistent and/or redundant data collection.

TRADE IN SERVICES

Focusing on trade in services statistics, the World Bank explained how existing data are used in technical assistance work at country levels.

- For adequate analysis besides traditional cross-border trade figures, economists seek more information on services trade delivered through foreign affiliates as well as international trade values embedded in finished products, the so-called "trade in value added" (TIVA project, by WTO and OECD). Various trade data are put in perspective combined with development indicators like GDP, to signpost if services exports of an economy are at the theoretically-expected levels or if there would be a significant unexploited potential. This type of analyses requires good bilateral data. The problem, however, is that partner statistics are quite scarce when it comes to south-south trade in services. Moreover, policy analysts and negotiators also lack other required information. Although the situation has improved in recent years, it remains difficult to address mode 3 and mode 4 supply of services because there is currently not enough statistical evidence to support related negotiating stances or policy appraisals.

- Besides statistical measurements, the performance of services trade is portrayed through evaluations of legal and regulatory environments in countries. Following its work on the Services Trade Restrictiveness Index (STRI), the World Bank developed a classification of related measures, both quantitative and qualitative. This project further includes guidance on assessing the feasibility of alternative regulations. (Valuing Trade in Services: A tool for competitive diagnostics).

The WTO presented the work of the inter-agency Task Force on International Trade Statistics (TFITS) which has recently finalized a compilers' guide for services trade statistics based on BPM6 classification. International agencies would now focus even more on technical assistance and, towards that end, they plan to establish a joint trust-fund to be administered by the Task Force. WTO then emphasized the benefits of the collaborative effort of the Geneva-based agencies - namely WTO, UNCTAD, and ITC - in producing a joint services trade data set, thus avoiding duplication and improving quality.

The OECD described its work on the STRI and on their online tool that allows users to make simulations. These allow users to examine the likely outcomes of various scenarios involving different combinations of policies and regulatory measures. OECD underlined that restricting services imports would likely result in less services exports, since the two flows are closely interdependent. Moreover, constrained services trade necessarily spills over into other sectors, like manufacturing and industry, and would negatively affect the overall competitiveness of an economy.

UNCTAD expressed their appreciation of the Geneva-based agencies' cooperation – in which it participates with WTO and ITC - in compiling the trade in services statistics. It further presented briefly the two technical assistance projects that it leads: 1) E-learning course, being developed in cooperation with WTO and UNSD; and 2) Technical assistance to the UEMOA region, a project to develop services statistics compilation systems in the 8 member countries. The UNCTAD also mentioned the work accomplished on e-commerce and services linked to information and communication technologies (measurement issues, development of a standard classification and terminology).

MERCHANDISE TRADE

MERCHANDISE TRADE OF DEVELOPING ECONOMIES, 2013-2014

Some highlights below:

At the total level:

- Following the 2008-2009 global financial crisis, world merchandise trade experienced a period of growth and recovery which began to taper off in 2011.
- Both developed and developing economies showed trade growth levelling off in subsequent years. In 2014, developing economies showed a mere 1% increase in exports and zero growth in imports.
- Developing economies' participation in world merchandise exports remained at 43.6%, almost the same level of 2012, and their share of imports rose only modestly, marking a slowdown from the swift growth of past years.
- Nevertheless, developing economies' merchandise trade grew faster than world trade in both 2013 and 2014.

Developing regions:

Slowing economic growth worldwide, geopolitical tensions, and declining commodity prices affected merchandise trade growth of the developing regions.

- Latin America, Africa, and the Middle East were negatively affected by drops in fuel prices and declines in the prices of other commodities. The drop in exports from these regions tracks closely with the drop in fuel prices in the latter half of 2014.
- Developing Europe and developing Asia registered positive trade growth, though at a decelerating rate.

South-South trade:

- South-South trade remained sustained and expanded to represent an ever increasing share of developing economies' exports (53.9% in 2014).
- Between 2012 and 2014, it rose by 6%, recording stronger growth than trade with developed economies and the Commonwealth of Independent States (CIS).

Products:

- Among the major product categories, manufactures registered the fastest growth (5% in 2014), fostered by developing Asia's exports. Manufactures continued to be the most important sector for developing economies, accounting for 63% of developing economies' merchandise exports in 2014.
- Exports of agricultural products, which in 2014 represented 8% of total exports, also recorded positive growth (1%), although this growth was slower than in 2013.
- Increased global supply and a falling global demand due to the sluggish global economic context affected fuel prices, which collapsed. Fuel exporters in developing economies saw their exports drop significantly. Fuels as a share of total exports by developing economies fell from 25% in 2012 to 21% in 2014.

Prices:

- The price of minerals and non-ferrous metals also showed declines in the period from 2012 to 2014, while the price of food and beverages remained quite stable following the peak prices of wheat, maize, and barley recorded in 2011.

TRADE POLICY COURSES AND TECHNICAL ASSISTANCE
JANUARY - DECEMBER 2015

25 - 28 JANUARY 2015 ABU DHABI, UNITED ARAB EMIRATES	AMF - WTO REGIONAL WORKSHOP ON THE COMPILATION OF TRADE IN SERVICES STATISTICS, IN COOPERATION WITH UNSD AND UNESCWA
19-21 MAY 2015 JAKARTA, INDONESIA	OVERVIEW OF WTO AND TRADE POLICIES AND TRADE AND MARKET INTELLIGENCE CAPACITY BUILDING WORKSHOP FOR FOREIGN SERVICE OFFICERS
1-5 JUNE 2015 GABORONE, BOTSWANA	WTO REGIONAL TRADE POLICY COURSE FOR ENGLISH-SPEAKING AFRICAN COUNTRIES IN PARTNERSHIP WITH THE UNIVERSITY OF BOTSWANA UNIVERSITY OF BOTSWANA, GABORONE
24-28 AUGUST 2015, NAIROBI – KENYA	TRAINING WORKSHOP ON TRADE IN SERVICES NEGOTIATIONS FOR AU-CFTA NEGOTIATORS
21-25 SEPTEMBER 2015, GENEVA, SWITZERLAND	ADVANCED COURSE ON REGIONAL TRADE AGREEMENTS (RTAS) AND THE WTO
7-8 OCTOBER 2015, AMMAN, JORDAN	ACCUMULATIVE TRADE AND TRANSPORTATION COSTS IN GLOBAL VALUE CHAINS: THE ROLE OF TRADE FACILITATION FOR INTERNATIONAL COMPETITIVENESS WTO CHAIR PROGRAM; JORDAN UNIVERSITYPOST-GRADE STUDENTS
27-28 OCTOBER 2015, MONTEVIDEO - URUGUAY	IV REUNIÓN DE FUNCIONARIOS GUBERNAMENTALES ESPECIALIZADOS EN ESTADÍSTICAS DEL COMERCIO DE SERVICIOS Y TALLER SOBRE EL GRADO DE CORRELACIÓN ENTRE BIENES Y SERVICIOS

THE **STATISTICS GROUP** SUPPORTS WTO MEMBERS AND THE SECRETARIAT WITH QUANTITATIVE INFORMATION IN RELATION TO ECONOMIC AND TRADE POLICY ISSUES. THE GROUP IS THE PRINCIPAL SUPPLIER OF WTO TRADE STATISTICS AND INFORMATION ON TARIFFS.

SEND COMMENTS ON THIS ISSUE TO:
NINEZ PIEZAS-JERBI, COORDINATOR
(STATISTICS@WTO.ORG)

CONTRIBUTORS:
SANJA BLAZEVIC
LORI CHANG
JURGEN RICHTERING

STATISTICS GROUP,
ECONOMIC RESEARCH AND
STATISTICS DIVISION (ERSD)
WORLD TRADE ORGANIZATION
154, RUE DE LAUSANNE
CH-1211 GENEVA 21,
SWITZERLAND
PHONE: +4122 7395111
FAX: +4122 7395763

FOR DATA INQUIRIES, CONTACT:
TRADE FLOWS: STATISTICS@WTO.ORG
TARIFFS: IDB@WTO.ORG

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WTO TARIFF NEWS AND DATABASES? (CLICK HERE)