

Trade in services and investment liberalization negotiation Capacity building programme ESCAP/ITD/WTO/DTN Bangkok, 27-30 March 2012

Regulatory audit and reforms in preparation and implementation of services reforms

Presented by

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Presentations outline

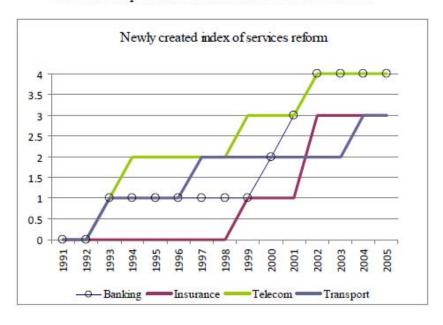
1. Regulatory audit – principles and examples

2. Implementation of services trade liberalization

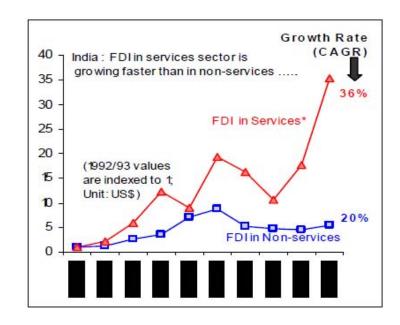
Services improve prospects for better quality economic growth.

Services openness and FDI - India

Index of openness in selected services sectors

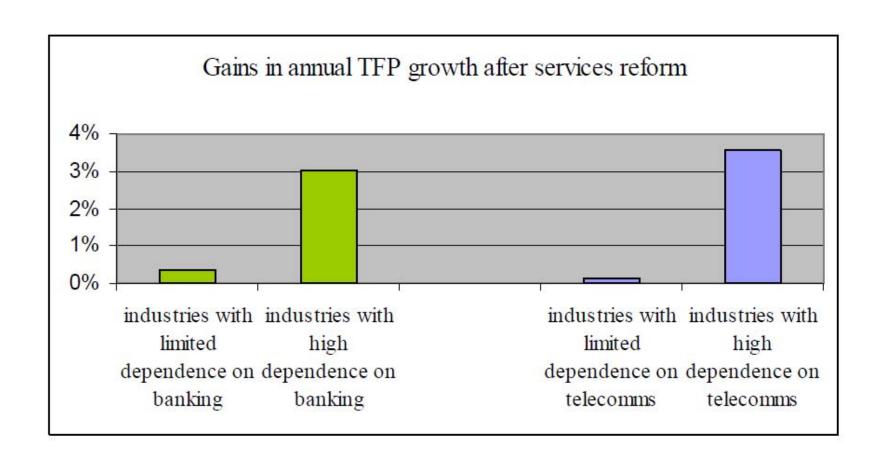


Growth of FDI in services and other areas



Source: Arnold et al. (2007)

Downstream productivity gains - India



"Magnification" effects

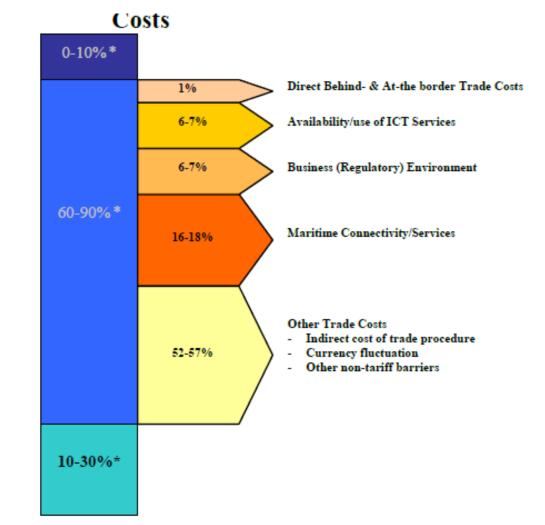
- Poor infrastructure accounts for 40%-60% of trade costs for developing countries; variation in basic infrastructure explains differences in export performance more than the trade barriers they face
- Raising road quality in Central Asia to the regional average could expand trade by \$45 billion (net) (Shepherd/Wilson 2006);
- Communications and transport quality determines likelihood exports will take place at all (Francois/Manchin 2006);
- Telecom costs has larger impact on exports of differentiated goods than homogenous products (Fink, Mattoo and Neagu, 2005)

ESCAP trade costs



Policy-Related Non-Tariff Trade Costs

Natural Trade Costs (Geographical and Cultural Factors)



Source: Duval and Uthoktham (2011),

Based on several reports produced by Pierre Sauve and others (see reference list)

REGULATORY AUDIT

erform a regulatory audit?

key regulatory objectives are met in the most nner (including social policy objectives) quated or inefficient regulations and adopt I best practices and pro-competitive regulatory

where feasible, the adoption of market accessılation

ithin the government (encourage "whole of " approaches)

h key stakeholders in government (including al governments), producers and users/consumers

