INTERNATIONAL SUPPORT MEASURES FOR LDCs – SPECIAL & DIFFERENTIAL TREATMENT IN WTO AGREEMENTS AND PREFERENTIAL MARKET ACCESS

Training Workshop

TRADE-RELATED SURVEY FOR LDCs

28 – 29 June, 2010

Organized by
Committee for Development Policy (CDP) Secretariat

Pilot Survey: Bangladesh

Presentation on Experience from Pilot Survey

by

Professor Mustafizur Rahman

Executive Director, CPD

Bangladesh Pilot Survey Approach and Activities that Informed the Survey

Approach Taken

A. Study of Survey Related Background Documents

- A1. Thorough Study of the Survey Information Manual (important to note: The Manual closely follow the Survey Questionnaire) with a view to:
 - (a) Identify LDC-specific S&DT measures/Initiatives/support that were mentioned by developed country partners in support of Bangladesh (e.g. capacity-building support for Bangladesh; TA in a particular areas, etc.)
 - (b) Examine whether Bangladesh was mentioned as submitting any notification to the WTO with regard to any particular issue/difficulty/TA needs
 - (c) Note which Multilateral/Regional/Bilateral Initiatives for market access for LDCs mentioned Bangladesh as a beneficiary and whether any assessment had referred to Bangladesh
- A2. A matrix was developed based on the above (*Rows:* Broad Areas in the Questionnaire; *Column:* areas where Bangladesh was mentioned and in what connection)
- A3. This matrix was used at the time of the Survey: (a) it provided a good background to initiate the Survey, (b) helped verify validity of what was being said by the respondents, (c) helped ask follow-up questions to the respondents during the Survey

B. Study of the Questionnaire and Other Related Materials

- B1. Study and review relevant country materials as preparatory steps to the Survey (Ministry of Commerce: Documents in connection with Ministerial Meetings of the WTO; Trade Policy Review Document; Studies on Market Access; Various Diagnostic Studies; DTIS materials; ERD Documents with regard to reports/documents on technical assistance, trade related support, diagnostic/prescriptive Studies; materials sent by the CDP)
- B2. For each of the broad areas in the Questionnaire a matrix was developed with rows showing the particular Question and columns showing which government organisations, business associations, donor agencies might have the relevant information, data, document (based on review of secondary documents)
- B3. Some key informants were identified who could help prepare the response to the Survey: (a) Bangladesh Tariff Commission, (b) In Ministry of Commerce the DG of the WTO Cell, (c) Officials who have participated in government delegations to the various WTO Ministerials

C. Conduct of the Survey

- C1. Key Informant Debriefing: Discussion with the Key Informants; their response and feedbacks provided inputs for the Survey Response
- C2. Identification of knowledgeable persons: With the help of Key Informants knowledgeable persons were identified in organisations, Ministries, development partner institutions who could provide new/additional information. In case of Bangladesh following sources were identified for the purpose of the Survey: WTO Advisory Committee and Working Group Chairpersons; WTO Focal Points in Ministry of Industries and Ministry of Agriculture; EPB; BGMEA; MCCI; major development partners dealing with trade issues, technical assistance and trade-related capacity-building programmes and projects (such as WB, DFID, UNDP, JETRO)
- C3. Collection of information from the aforesaid informants in various agencies: This involved face to face discussion, whilst others were over telephone. In case of Bangladesh a Key Informant (in the BTC) was requested to help with the Survey and provide assistance in setting up and conducting some of the interviews.

D. Time Line

About four weeks of intensive work was involved

E. Getting Information for Difficult Questions

- E1. Questions in the Survey related to six major areas of query:
 - Whether received S&D Treatment
 - To what extent was able to take advantage of the S&D Treatment
 - What constraints faced in realising the benefits
 - Whether any problem was brought to WTO's notice through notification
 - Whether corrective steps were taken (TA or other support by WTO, donors)
 - Whether these steps were effective in addressing the particular difficulties
- E2. Difficult Questions: The last two questions proved to be difficult: whether corrective steps were being taken to address a particular problem was a difficult question because information was not available in one place. There were multiple actors in the field − no comprehensive database was available with regard to steps being taken to address the difficulties faced with regard to S&D. The last question as to whether the support offered was effective was difficult because some times no comprehensive assessment had been carried out (e.g. has Bangladesh benefitted from IF: support for leather sector marketing − business people were not sure whether this was sufficient and effective. Rules of Origin − difficulty faced → conflicting response from apparels producers and fabrics producers; Telecommunication: Question 10:5: GATS Annex on Telecommunication para 6(d): to encourage foreign suppliers towards technology transfer: Bangladesh has indeed received some technology transfer from foreign telecom companies. However, whether or how these companies were induced to do this, or was it absolutely *suo moto*, was not clear).

5

F. Main Findings

- Bangladesh has benefitted from many of the S&DT provisions in the WTO and market access initiatives of WTO member countries:
 - ➤ In terms of safeguarding the *Defensive Interest* (less or no obligations, lower levels of commitments; more flexibility in implementation derogation, delayed implementation; S&DT provided protection to domestic industries)
 - ➤ Persuing Offensive Interests: S&D provisions helped enhance Bangladesh's competitiveness in the global market; Bangladesh was able to take advantage of preferential market access
- However, for various reasons including lack of adequate support and targeted technical and financial assistance, Bangladesh was not able to take full advantage of many of the S&DT provisions in a number of areas: (e.g. taking advantage of the preferential market access schemes through export diversification; Doha Declaration on TRIPS and Public Health (enhanced export of Pharmaceuticals). Bangladesh needed more support for improving trade facilitation and putting in place trade-related infrastructure; support was required for raising SPS-TBT compliance capacity. Hopefully, the ongoing DTIS could help Bangladesh identify relevant areas of support in this connection for possible financial assistance under the AfT initiative of the WTO.
- Weak institutional capacity to assess implications of various notifications received by Bangladesh with a view to undertaking corrective steps; lack of capacity to articulate Bangladesh's own difficulties to the relevant WTO bodies with regard to implications of various notifications.

PMR: Experience from Pilot Survey: Bangladesh

G. Advice to other LDCs

- Prepare a Work Plan and time-line (it is better to allocate a dedicated window for implementing the Survey through intensive work than do it gradually over a protracted period. In case of Bangladesh it took about four weeks)
- Study the Documents and Relevant Information to prepare for the conduct of the Survey
- Review the three Pilot Drafts to get insights as to how to do it
- Identify 2-3 key informants and sit with them (preferably separately). Good to identify one key person from the government side who will work as a team member
- Prepare the first draft of the Survey Response based on (a) Documents, (b) Key Informant Debriefing
- Supplement with additional question-specific interviews/telephone communications with related people/agencies to elicit further information
- Give follow-up questions to verify information in the first draft
- If in doubt, or receive conflicting information, look out for information from multiple sources
- Based on the above, prepare the final draft

Good Luck!

Thank You for Your Attention