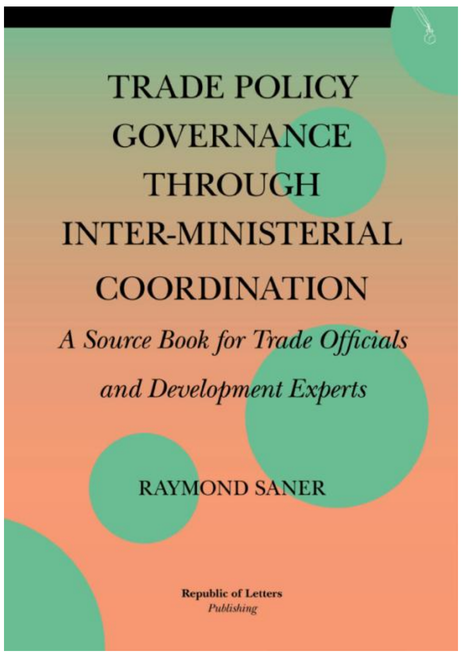
Book Vernissage: "Inter-ministerial Coordination and Stakeholder Consultation of Trade Policy Making", 19th July 2010



"Trade Policy Governance through Inter-Ministerial Coordination"

Prof. Raymond Saner, Ph.D.

www.csend.org

Importance of IMC

- The increase of the international and regional dimensions of trade makes trade policy coordination necessary.
- Effective IMC helps eliminate policy programmes that duplicate actions and regulations.
- Coordination is a necessary element to deal with ‘cross-cutting issues.
- Deficient policy coordination at the inter-ministerial level decreases a country’s ability to improve their trade negotiation performance

Features of a Good Trade Policy:

(CUTS, GRC, 2009)

- Based on national development policy
- Linked with other governmental policies
- Linked with international commitments
- Guides future positions on international negotiations
- Balances the interests of all key stakeholders
- Has a clear implementation plan with adequate resources

Country Commodity Development Strategy Map

COUNTRY: BENIN

Commodities: 1. Cotton 2. Cashew nuts 3. Pineapple 4. Shrimps & fish

CRITERION	POLICY				INSTITUTION				ENTERPRISE			
	1	2	3	4	1	2	3	4	1	2	3	4
Warehousing and storage												
Electricity												
IT and Telecom												
Transportation												
Production inputs												
Processing the production inputs												
Standard setting												
Quality culture												
Quality infrastructure												
Distribution system												
Business linkages												
Pricing mechanisms												
Investment climate												
Social and environmental sustainability												

Key:

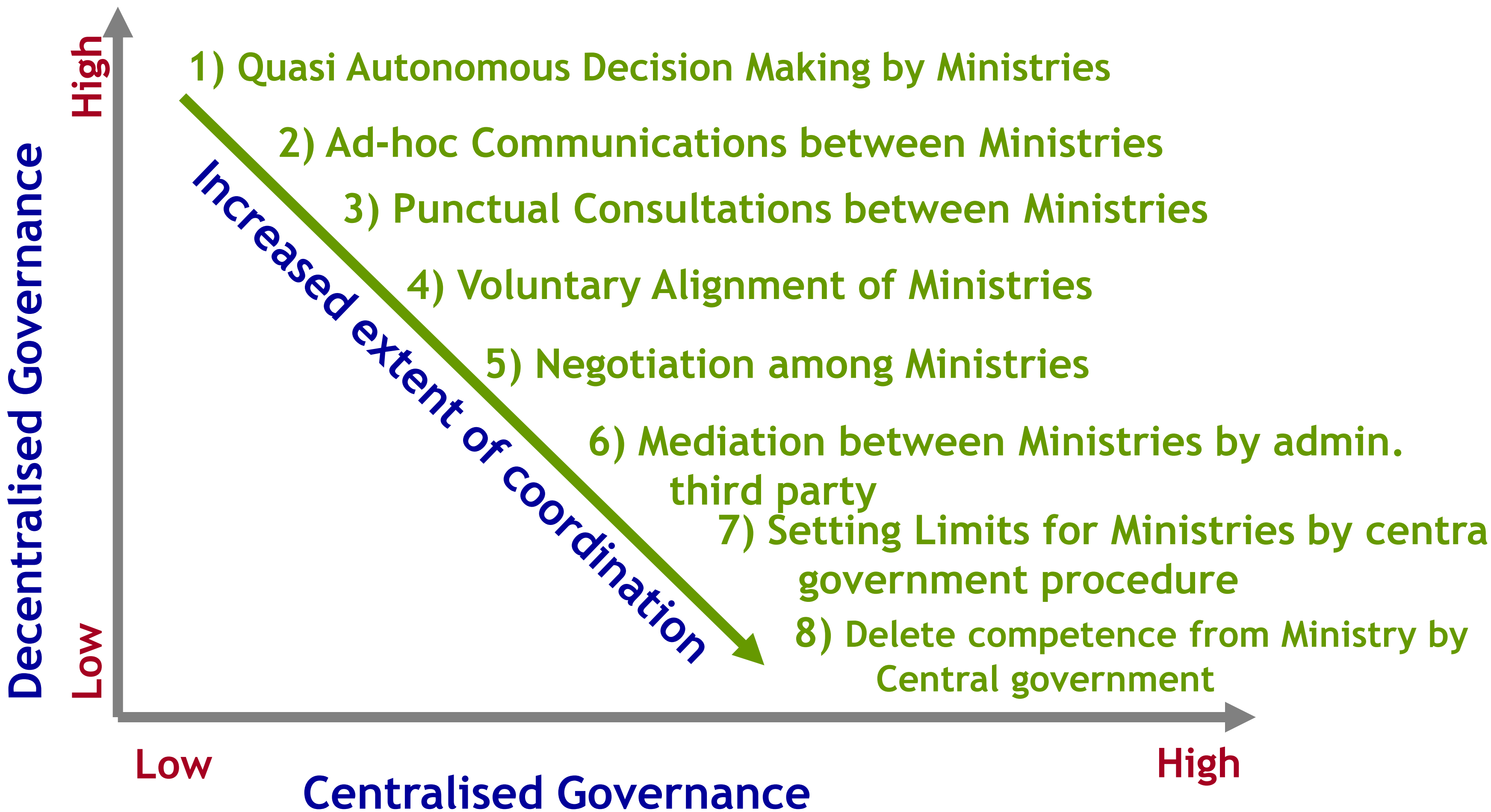
Shaded cells indicate correspondence of DTIS text with criterion

Blank cells indicate absence of DTIS text with respect to the criterion

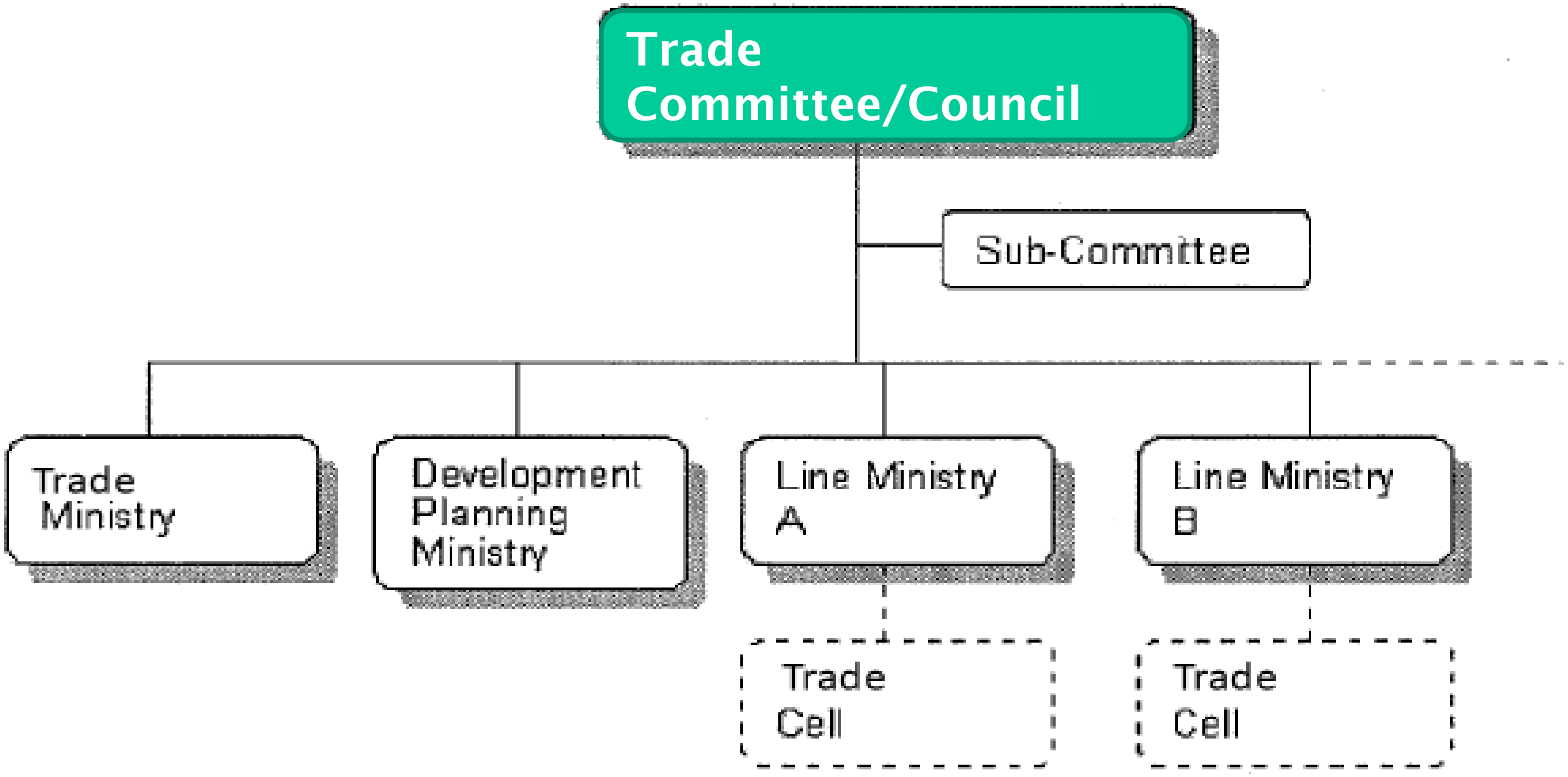
Total no. of cells (No. of criteria x Levels of intervention x No. of commodities) =14 x 3 x 4 = **168**

Correspondence of DTIS to the criteria = **26 (15%)**

Levels of Governmental Coordination
(CSEND, 2009)



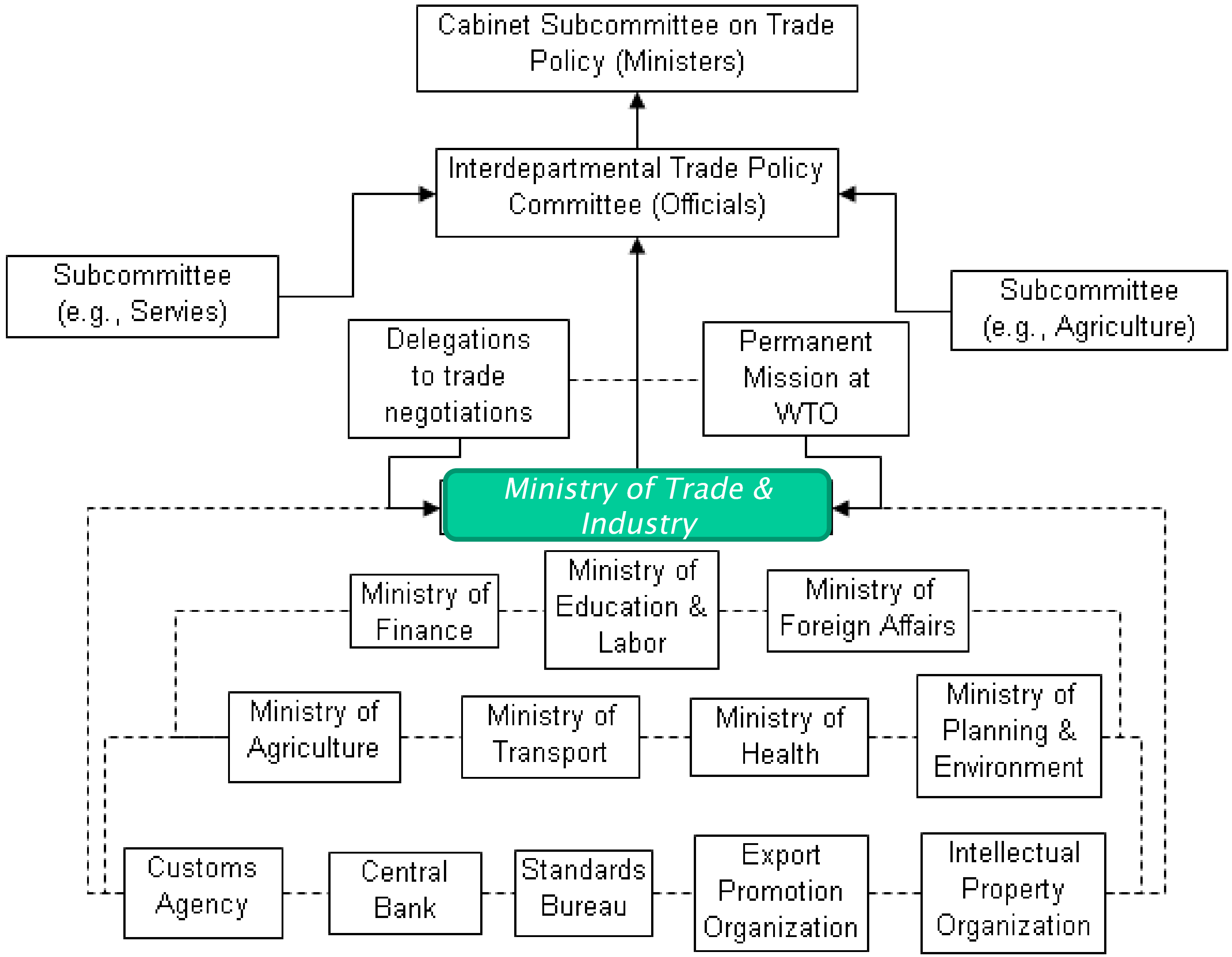
Trade Policy IMC:
Type A: Trade Coordinating Commitee



(Based on Boyer, p. 2)

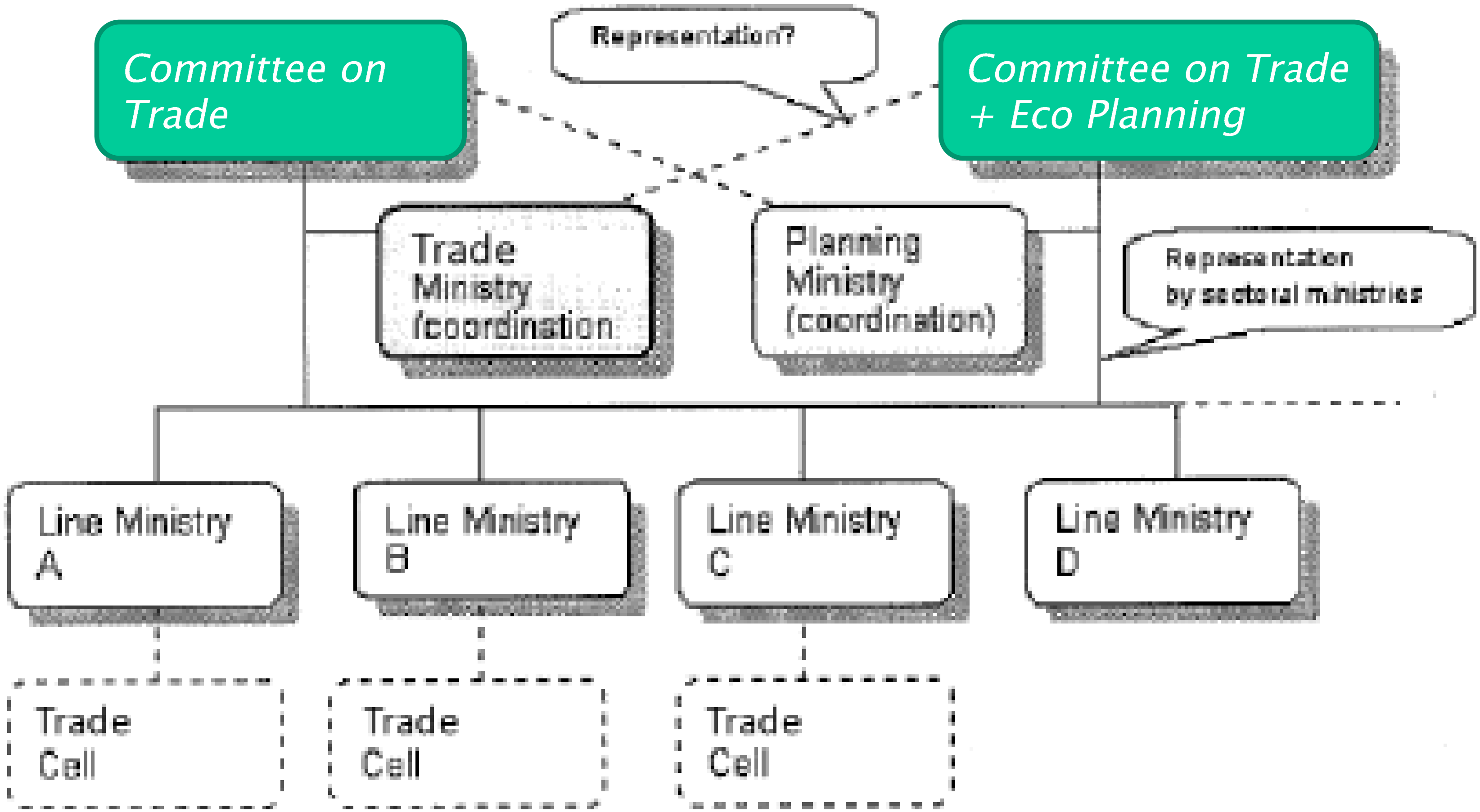
Trade Policy IMC:

Type B: Trade Ministry in Dominant Position

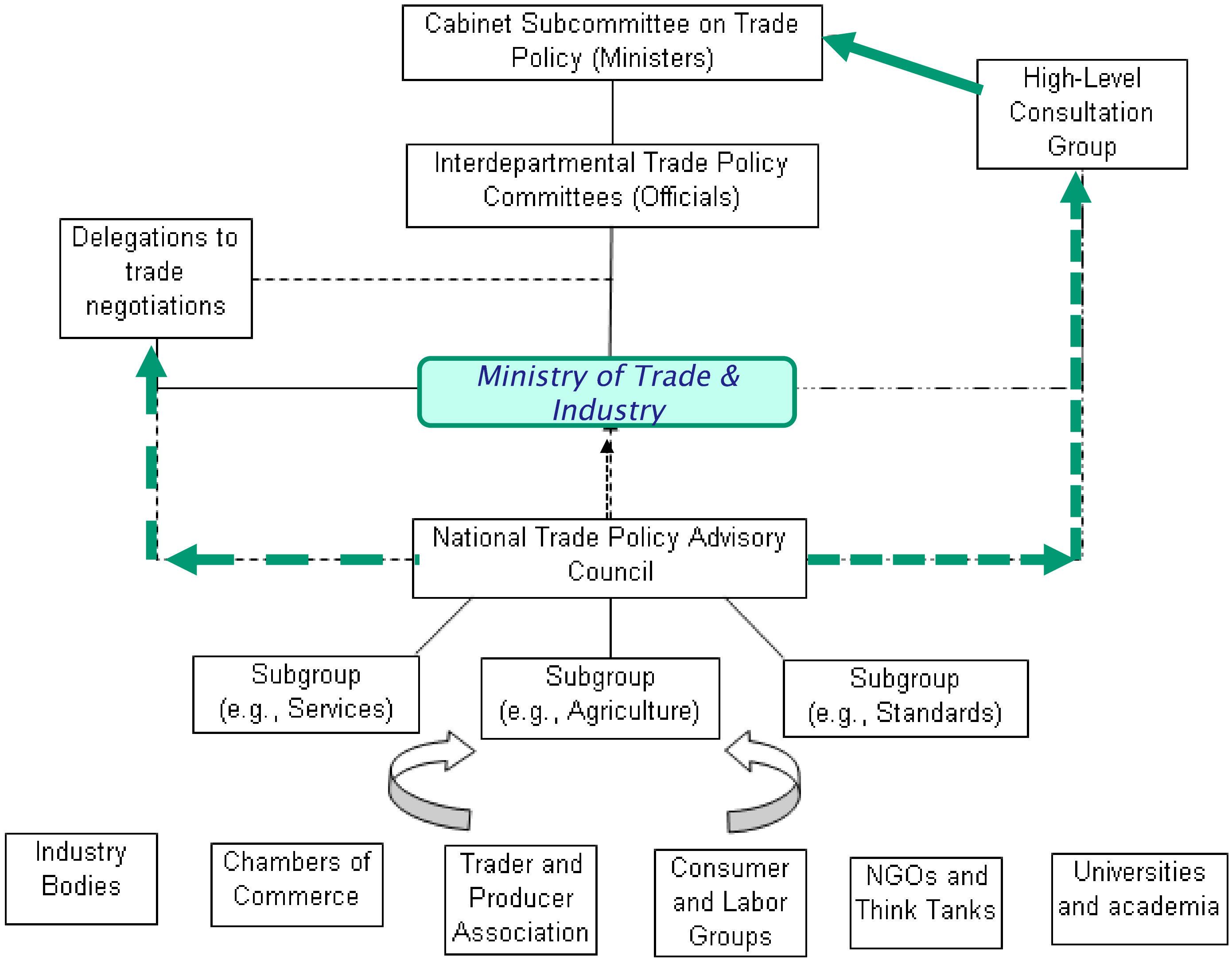


(adapted from Nathan, p. 2)

Trade Policy IMC:
Type C: Balance of Power vs Trade Policy Paralysis



Trade Policy IMC:
Consultation Process & Risk of Bypass for Trade Ministry



(based on Nathan, p. 15)

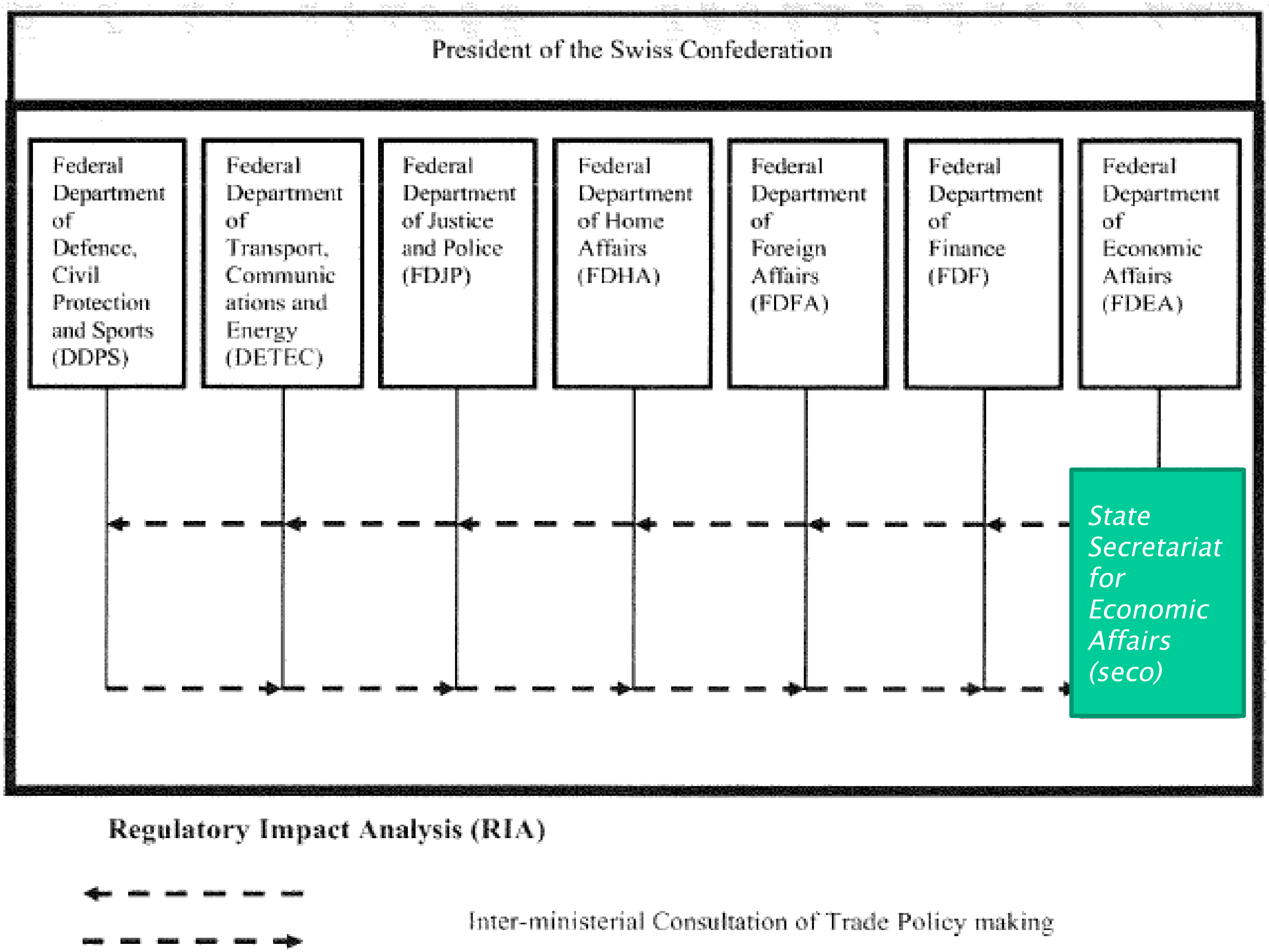
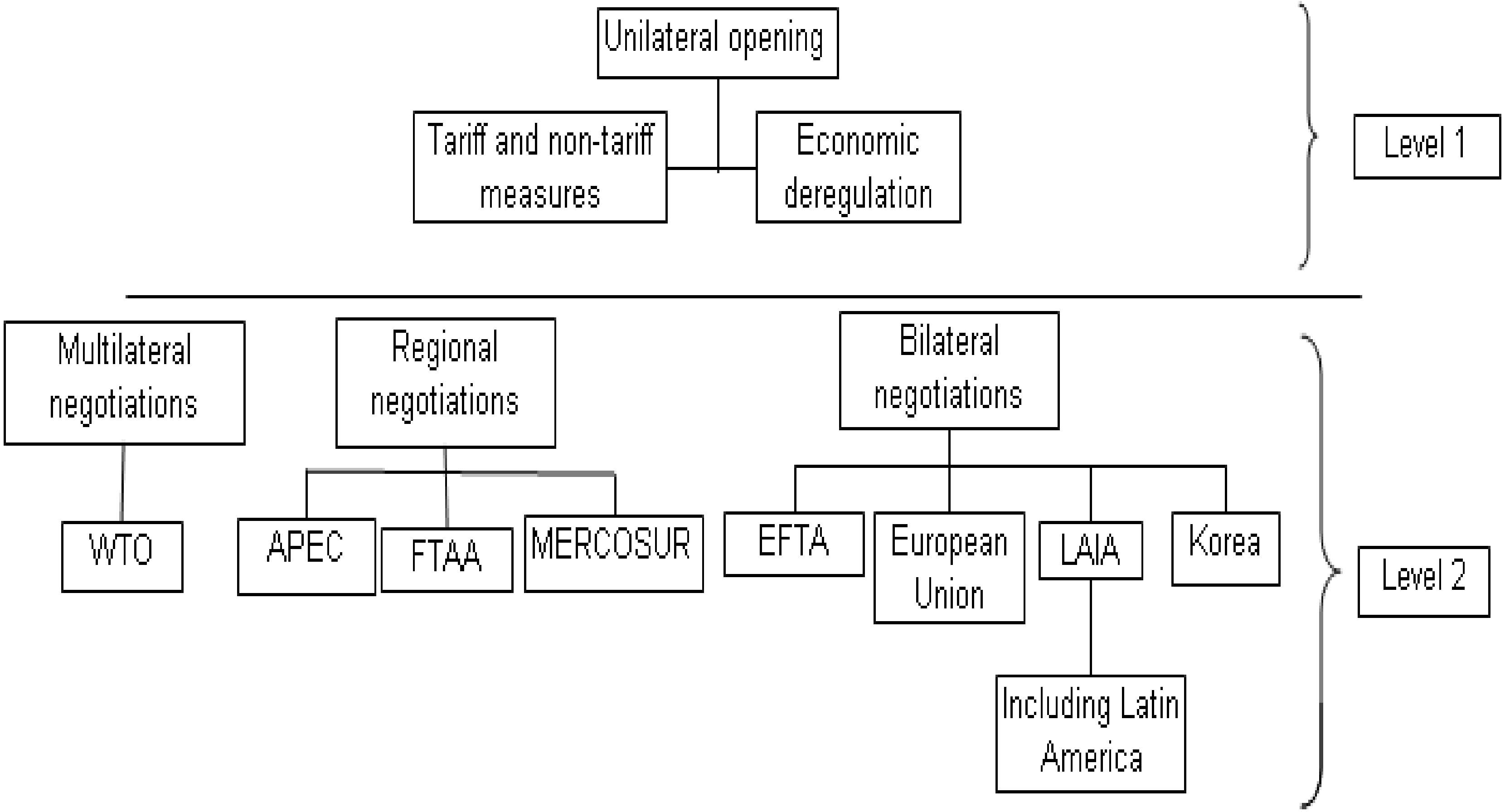


Figure 1. Regulatory Impact Analysis. Federal Council and Inter-ministerial Consultation of Trade Policy-making

Chile´s Split-Level System

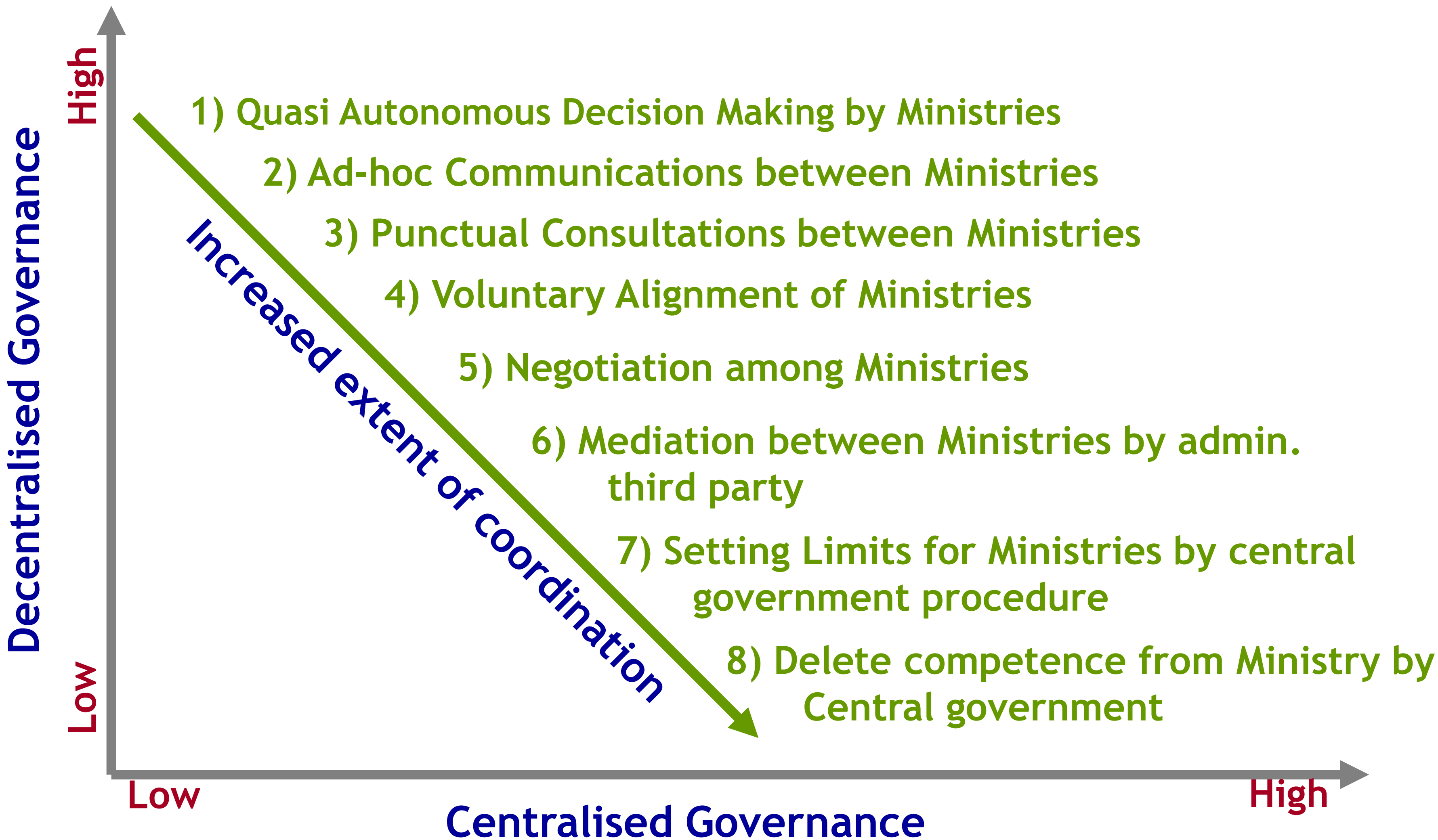


The IMC is crucial to help country:

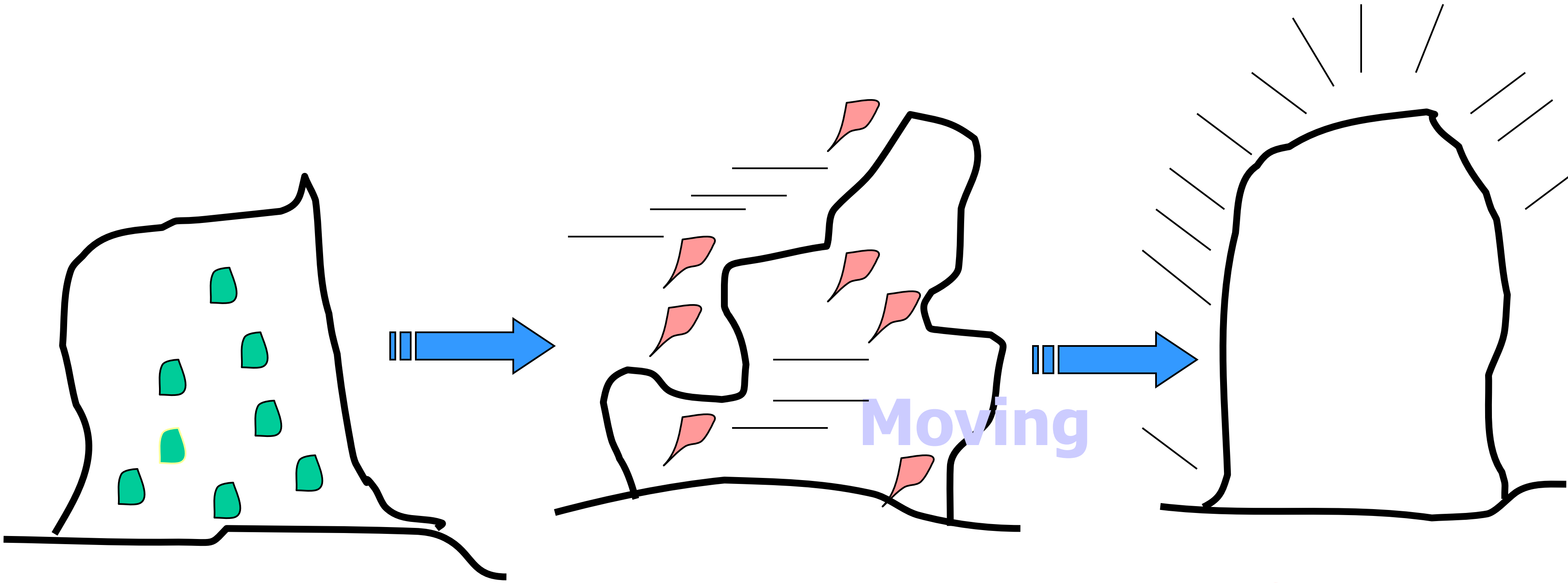
1. identify coherent trade & economic development strategy based on supply & value chain analysis
2. design and manage consistent inter-ministerial trade policy cooperation based on IMC consultation mechanisms
3. ensure effective trade negotiatons and efficient implementation of trade agreements with adequate monitoring for constant trade policy updating and fine-tuning
4. improves credibility and competence of DC/LDC government in their dialogue with donors and regional IOs

Levels of Governmental Coordination

(CSEND, 2009)



"Lewin's Law"



Unfreezing

Refreezing

Resistance Management

R. Beckhard & R. Harris, 1987

$$C = [ABD] > X$$

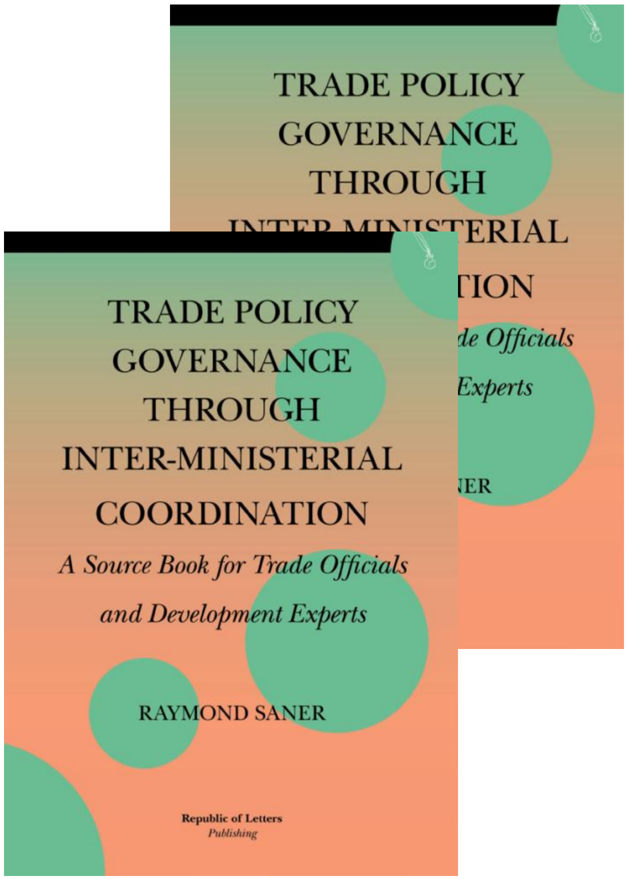
C = Change

A = Level of dissatisfaction with the status quo

B = Desirability of the proposed change or end state

D = Practicality of the change (minimal risk and disruption)

Factors A, B and D must outweigh the perceived costs (X) for change to occur


TRADE POLICY
GOVERNANCE
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A Source Book for Trade Officials
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Thank You!!!