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EXIT REPORT

To: Timothy Buehrer, Component Lead
Cc: Richard Laliberte, COP, David Wall, DCOP, and Kevin Haupt, PMO Advisor
From: Rachid Benjelloun
Component: A – Trade environment
Date: September 23, 2007
Subject: Exit Report for Pete Minor for the Period of April 29 – May 17

Accomplishments

- Conducted a short three-session course on partial equilibrium modeling to staff from the Trade Policy Analysis Unit, Central Department for Bilateral and Multilateral Agreements, and Central Department for WTO Affairs. Provided the basic theory and hands on practice with the use of the partial equilibrium model COMPAS for modeling trade policy impacts on trade and domestic production
- Provided on-the-job training and coaching on the use of the GTAP general equilibrium model to staff from the TPAU to estimate the potential economy-wide impact of the Egypt-Turkey Free Trade Agreement on Egypt
- Drafted economy-wide impact section of the Egypt-Turkey FTA impact report

Issues

On 27 December 2005 Egypt and Turkey signed a Free Trade Agreement covering all industrial goods and some agricultural goods' trade between the two countries. The FTA, which entered into force on 1st March 2007, gives immediate duty-free access to all Egyptian industrial products and gradually phases out duties on Turkish industrial products over a 15 year period.

The Trade Agreements Sector at the Ministry of Trade and Industry has asked TAPRI II to work with the TPAU and CD/BMA staff who helped negotiate the agreement to analyze the possible economic effects of the Egypt-Turkey FTA on Egypt. This analysis is one of several different types of studies that the TPAU will participate in (or lead) over the next two years so that TPAU staff can further build their analytical capabilities.

TAPRI II, TPAU, and CD/BMA staff developed a study outline – along the lines of what the U.S. International Trade Commission uses for similar studies – that includes an overview of trade and investment between the two countries, a summary of the main provisions of the agreement, an economy-wide and sectoral impact analysis, and a section outlining remaining trade barriers in the Turkish market. Mr. Pete Minor was responsible for the economy-wide and sectoral impact analysis, in addition to the on-the-job training and coaching of TPAU staff.

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Counterpart Contacts

- Mr. Abdel-Rahman Fawzy, First Undersecretary, Trade Agreements and Foreign Trade Sector
- Mr. Said Abdallah, Head, Central Department of Bilateral and Multilateral Agreements
- Ms. Abir El Anwar, Head, Trade Policy Analysis Unit

Documents Delivered

COMPAS training

- A 50 page presentation for COMPASS Training, course outline, spreadsheet exercise, and notes for participants

Egypt-Turkey FTA

- A work plan for guiding the TPAU staff
- A spreadsheet to assist TPAU staff in selecting sectors for the GTAP analysis
- Report on economy-wide and sectoral impact, which was incorporated into the overall report

Next Steps

The TPAU team and CD/BMA staff did a very good job in this exercise. Next steps involve doing different kinds of analyses, including analysis of trade data to advise negotiators before a negotiation takes place and the analysis of a trade agreement that has been in effect for a longer period of time.