

Project Review Meeting
Cost of Economic Non Cooperation to Consumers in South Asia
(COENCOSA)
28 June 2011, Dhaka, Bangladesh

Objective

To discuss the preliminary findings of literature review and data analyses as well as the methodology and questionnaire for primary survey of the project entitled Cost of Economic Non-Cooperation to Consumers in South Asia (in short, COENCOSA) implemented by CUTS International with support from The Asia Foundation

Background & Context

External trade of South Asian countries is increasing at a rapid pace, but intra-regional trade is very minimal as compared to other economic blocs of the world. Ineffective and insufficient trade liberalisation in South Asia is resulting in a significant cost to consumers of the region.

Between 1995 and 2005, intra-regional trade in South Asia hovered around 5% of total trade of these countries. On the other hand, in case of other regional economic blocs, it was ranged between 20-60%. While South Asian Association for Regional Cooperation (SAARC) came into effect in 1985, trade has never been a major driver of this initiative.

Although South Asian Free Trade Agreement (SAFTA) came into existence in 2004, it is yet to achieve its full potentiality. SAARC member states are still to initiate an institutional framework to take further steps toward full economic integration – for instance, there is no mechanism in place to discuss possible next steps (following the implementation of an FTA) such as to form a customs union, then a common market, and finally to form a monetary union with a common central bank and a regional currency.

The COENCOSA project is conceived on the premise that economic non-cooperation among the South Asian countries has resulted in high costs to consumers, as can be gauged from formal trade between India and Pakistan which could have been 70% more than what it is today.

It aims to do rigorous political-economic analyses to understand the bottlenecks of regional trade integration in South Asia and its impact on consumer welfare. It will be done through a comprehensive meta-analysis of existing literature and a scientifically designed perception survey of key informants and stakeholders on intra-regional trade.

The project will help to generate better awareness amongst the trade policy-makers and other relevant stakeholders of the region on loss of consumer welfare as a result of regional economic non-cooperation. It is expected to generate some concrete policy actions for improving trade and investment relations in the region with an ultimate objective of enhancing consumer welfare.

The final meeting of the project will be held in Kathmandu in November/December this year.

Agenda

0930 – 1015 Registration

1015 – 1100 Opening

Welcome Remarks: Syed Munir Khasru, Chief Executive, Institute for Policy, Advocacy, and Governance, Bangladesh

Introductory Remarks: Rashid S. Kaukab, Associate Director & Research Coordinator, CUTS Geneva Resource Centre

Introductory Remarks: Hasan M. Mazumdar, Country Representative, The Asia Foundation, Bangladesh

Thematic Presentation: Mohammad Muaz Jalil, Group Manager, Monitoring and Result Measurement Group, Bangladesh

Address by the Chief Guest: Muhammad Faruk Khan, Commerce Minister, Bangladesh

1100 – 1130 Break

1130 – 1300 Trade Liberalisation and Consumer Welfare in South Asia

Chair: Mustafizur Rahman, Executive Director, CPD, Bangladesh*

Presentation: Joseph George, Research Associate, CUTS International

Discussants

Prabir De, Fellow, Research and Information System for the Non-Aligned and Other Developing Countries, India

Chandan Sapkota, Research Officer, South Asia Watch on Trade, Economics and Environment, Nepal

Abid Q. Suleri, Executive Director, Sustainable Development Policy Institute, Pakistan

Ashani Abayasekara, Research Associate, Institute of Policy Studies, Sri Lanka

1300 – 1400 Lunch

1400 – 1530 Perception Survey on Cost of Economic Non-Cooperation to Consumers in South Asia

Chair: Sajal Mathur, Professor, Centre for WTO Studies, Indian Institute of Foreign Trade, New Delhi

Presentation: Rashid S. Kaukab, Associate Director & Research Coordinator, CUTS Geneva Resource Centre

Discussants

Rupa Chanda, Professor, Department of Economics & Social Science, Indian Institute of Management, Bangalore, India

Media Representative, Bangladesh*

Nitya Nanda, Fellow, Centre for Global Agreements, Legislations, and Trade Resources and Global Security, The Energy and Resources Institute, India*

Annisul Huq, President, SAARC Chamber of Commerce & Industry, Islamabad*

Amitava Chakraborty, Director General, WTO Cell, Ministry of Commerce, Government of Bangladesh

1530 – 1600 Break

1600 – 1630

Closing

Valedictory Address: Gowher Rizvi, Adviser to the Prime Minister of Bangladesh*

Vote of Thanks: Syed Munir Khasru, Chief Executive, Institute for Policy, Advocacy, and Governance, Bangladesh

** TBC*