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Newsletter



WTO CHAIRS PROGRAMME
SCHOOL OF ECONOMICS

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Relation of World Trade Organisation (WTO) with the School of Economics at the University of Nairobi

The School of Economics linked with the WTO in 2002 when the School was asked to coordinate the Regional Trade Policy Courses for the English Speaking African Countries. After three years of collaboration with WTO, the School launched a new masters program known as Master of Arts in Economics of Multilateral Trading Systems. The presence of WTO academic program at the School of Economics enabled the University to built adequate academic capacity to even backstop the Kenya Government WTO negotiating team with trade analytical work to support Kenya's position at the negotiations. It is these developments that opened yet another opportunity to firm up the School of Economics link with the WTO in 2008. The WTO Institute for Training and Technical Cooperation (the Academic Program Unit of WTO) invited those who had coordinated the Regional Trade Policy Courses in Geneva for dialogue on networking and academic support initiatives. It was from this meeting that the WTO Chairs Program came into being. From about 100 institutions that had applied for consideration, only 14 were awarded as shown in Table 1 below.



Table 1: WTO CHAIRS PROGRAMME (WCP)

14 Selected Institutions

	COUNTRY	INSTITUTION
1	CHILE	Centre for Trade Policy Studies, Institute of International Studies, University of Chile.
2	CHINA	Shanghai Institute of Foreign Trade (SIFT). School of WTO Research and Education (SWTORE)
3	JAMAICA	Department of Government, University of the West Indies, Mona Campus
4	KENYA	School of Economics, University of Nairobi
5	MOROCCO	Université Mohammed V-Souissi, Faculté des Sciences Juridiques, Economiques et Sociales
6	NAMIBIA	University of Namibia (UNAM)
7	SENEGAL	Cheikh Anta Diop University, Dakar. Faculty of Economics and Management.
8	JORDAN	The University of Jordan
9	MAURITIUS	University of Mauritius
10	MEXICO	Instituto Tecnológico Autónomo de México (ITAM)
11	RUSSIAN FEDERATION	St. Petersburg State University, Faculty of Economics (SPSU)
12	VIETNAM	College of Economics (COE), Vietnam National University Hanoi, Vietnam
13	INDONESIA	Center for World Trade Studies/CWTS at Universitas Gadjah Mada/UGM
14	ARGENTINA	Latin American Faculty of Social Sciences (FLACSO), Argentina.

It is contemplated that the establishment of WTO Chair's Program would support academic institutions and associated individual scholars from developing countries in course preparation, teaching, research and information.

The Chairs would provide direct support to academic institutions from developing countries, and is also open to scholars and academic institutions from developed countries particularly those involved in academic cooperation with developing country counterparts.

The Program will also seek to promote younger academics rather than bolstering established ones and will take gender and geographical considerations into account.

The Program at the School of Economics

1. MA in Multilateral Trading Systems
2. Outreach: This will involve- Training Civil Servants on Trade Negotiations; Training people in the Private Sector on WTO issues, Training Media operators and Training NGOs on WTO issues.
3. Academic Capacity Building
4. Research

The research part of the WTO Chair's program will be taking a substantial amount of the funds disbursed by WTO to the School of Economics for use by the Chairs Programme. The Research section is headed by Tabitha Kiriti-Nganga while Jasper A. Okelo is the overall Chair of the program.

Our research thematic areas were:

1. Foreign Direct Investments
2. Non-tariff measures to trade
3. Trade in Services
4. Global Financial Crisis
5. Trade in Agricultural Commodities
6. Non Agricultural Market Access (NAMA)
7. Trade Negotiations

WTO Chairs Program Launch at The University of Nairobi

The School of Economics WTO Chairs Program was launched on the 19 July 2010 by the WTO Deputy Director General, Harsha Vardhana Singh at the University of Nairobi. At the ceremony in Nairobi, Kenya Deputy Director-General Harsha Vardhana Singh welcomed University of Nairobi into the WTO Chairs Programme (WCP). He said that "The aim is to help make better socio-economic policy and further strengthen informed decision-making on economic matters". The School of Economics at the University of Nairobi has shown dynamism and relevance by building better opportunities and evolving with time. An example is its launch in recent years of a number of new academic programmes, including a Master of Arts in the Economics of Multilateral Trading Systems.

The establishment of the WTO Chair reflects the commitment of the academic community in Kenya, which has played a vital role in educating, training and analysing matters related to trade policy and international trade. The WCP will contribute both through augmenting domestic capacity and through interactive links with other bright minds in the other countries with these Chairs.

Deputy Director-General, Singh, also shared his thoughts on the importance of the WTO in helping to better achieve domestic progress. In this context, he emphasised the significant role of Kenya in the evolving global governance regime as well as the major potential which can be realized through the substantial opportunities provided by international trade and investment. He added that the University of Nairobi and its School of Economics can play a very important role in this process, and from that perspective the WCP can be one of the lynchpins for such contributions.



WTO Deputy Director-General Harsha Singh welcomes the University of Nairobi, and in particular Jasper A. Okelo, Chair holder, to the WTO chairs Programme

Since 2004, the Kenyan economy has shown relatively robust growth though the rate of growth was subdued in 2008 and 2009. This was due mainly to negative growth in the agriculture sector for these two years. The economic and financial crisis faced by the world economy in recent years has, not surprisingly, also been a difficult time for Kenya.

The economic situation has improved significantly this year for both Kenya and the world economy. Kenya's real growth rate was expected to be almost 4% in 2010. This economic recovery of Kenya also reflects

the increased opportunities provided by the rebound in world trade this year. After declining by over 12 % in 2009, world trade was expected to grow by about 10% in 2010. For Kenya, this is important because through regional and other global markets, international trade has played an important role in the economic performance.

The ratio of international trade to GDP for Kenya in 2010 was about 67%. This was the combined ratio of exports and imports to GDP. Individually, Kenya's exports to GDP were 26% and imports to GDP were 41%. This ratio of trade to GDP for Kenya is expected to increase over time, with the country's international trade in goods and services forecast to increase at a faster rate than its GDP. Therefore, we can see that the importance of international trade for Kenya's economy will increase over time, in the same way as it has happened for a number of other high performing developing countries.

Trade performance and policy has to be combined with appropriate domestic policies to achieve the relevant socio-economic objectives. With the recent revival in global trade, Kenya now has greater possibilities available to it through regional and global trade. Examples of Kenya's focus on benefiting from these opportunities are its initiatives such as the East African Community common market, and the active role which Kenya is playing in the Doha Round negotiations to improve the global trading regime.

The Doha Round of trade negotiations are a major effort by WTO Members to address concerns regarding the prevailing distortions in the international trading system, including trade restrictions likely to be more prevalent in the future, i.e. non tariff measures. Moreover, in the present economically difficult times, it is especially worthwhile to remember that several world leaders, across the spectrum of developed and developing countries, have emphasised that a successful Doha Round would be an important economic stimulus package with many additional positive attributes. It is worthwhile to see how the results of the Doha Round would meet the aspirations of Kenya, while taking account of its concerns.

Deputy director General Singh concluded that it is through transferring the ownership of knowledge based analysis to national universities, such as the University of Nairobi, that the population at large can access academic education, and that specialized training for trade officials in particular, can be effectively provided. The WTO wants to promote research on WTO-related issues among young economists, and to reinforce the relationship between the WTO and the academic community both at the national and regional level. Through the universities analytical input into the formulation and implementation of trade policy, this Chair will contribute to enhance the participation of Kenya into the international trading environment.



He also took the opportunity to congratulate Vice-Chancellor, Prof. George Magoha, and in particular the WTO Chair holder, Jasper A. Okelo, who has been instrumental in the long-standing academic cooperation relationship which exists between the WTO and the University of Nairobi.

WTO Deputy Director-General Harsha Singh holds a discussion with Prof. Magoha, the Vice Chancellor of the University of Nairobi

The Vice Chancellor, Professor George Magoha's Speech

The University of Nairobi has been collaborating with various international organizations and universities since its inception. The latest international organization to join the list of its collaborators is the World Trade Organization. From 2002 to 2004 the WTO requested the then Department of Economics to coordinate the regional trade policy course for the English speaking Africa for three years. After this

course, the School of Economics established a Masters Program on The Economics of Multilateral Trading Systems. The University of Nairobi feels highly honoured to have been awarded the WTO chair in the East African region. With this collaboration, the University of Nairobi will endeavour to run the program with the aim of living up to its vision of being the centre of excellence in academic affairs. We would also wish that this collaboration will continue and thus strengthen the ties between this university and WTO.

OUTREACH ACTIVITIES



Participants at a WCP outreach programme

The WCP from The School of Economics sponsored and organized an outreach at Panafric Hotel, Nairobi from 18th to 19th August 2010. The Retreat was attended by staff and civil servants from various government ministries, private sectors, civil society and the Geneva-based officials. The objective of the Retreat was to bring together Geneva, Capital based officials and all members of the National Committee of the WTO (NCWTO) to refine Kenya's negotiating positions taking into consideration the new developments in all areas under Doha Development Agenda (DDA) negotiations

such as Agriculture, NAMA, Services, Trade Facilitation, Aid for Trade, WTO Rules, Trade Related Intellectual Property Rights, Development issues and Trade & Environment. At this outreach, the outcome was the newly revised Kenyan negotiating position for the Geneva-based officials to use. The Permanent Secretary in the Ministry of Trade expressed gratitude for the WCP program for bringing together stakeholders who could help in formulating strategies for new a negotiation position for Kenya.

In order to extend our activities in the region, we contacted the Makerere University and University of Dar-Es-Salaam to establish collaboration activities in trade and policy-related research for the region. This was accepted and we intend to design a programme for implementation this year when funds are available.

WCP STAFF MEMBERS' ACTIVITIES

The members of the WCP have been engaged in various activities related to trade and development over the period the programme has been running at the School of Economics.

Dr. Tabitha Kiriti-Nganga

She attended the First Africa Trade Forum on Accelerating Intra-Africa Trade whilst Enhancing Africa's Participation in Global Trade on the 22nd to 24th August 2011 in Addis Ababa, Ethiopia. She presented a Policy Brief titled "Trade and Non-Tariff Measures to Trade" and was also a panelist in one of the mini plenary. She attended a seminar on Trade Facilitation in the African region in Addis Ababa and a WTO sensitization seminar at the Makerere University of Business Studies in Kampala, Uganda. She has also done consultancy for the World Bank in Mauritius on Non-Tariff Measures in Kenya and written a lecture series module on international trade.

Dr. Samwel Nyandemo

He presented a paper titled "East African Common Market: Challenges and the Way Forward" at the 13th Conference on Democratic Transition in East Africa on December 22nd 2011. He has also conducted the formal Cross-Border Trade (CBT) project within the EAC that was funded by USAID/PEPSO/ESA. He also prepared a paper for AERC Collaborative Research Project on African Imperative in the New World.

Dr. Daniel O. Abala

He participated in the assessment of the impact of Non-Tariff Measures in the East African Community Trade in 2010. He was also part of the African Clothing and Footwear Research Network (ACFRN) and wrote a workshop paper titled "Adjusting to Chinese Ascendancy in the Global Clothing Industry" in a workshop on Dimensions, Variations, Sources and Limits of Post-MFA Stabilization in African Clothing Exports Preliminary Findings Workshop held between 30th June and 1st July 2011 at Travellers Beach Hotel, Mombasa, Kenya. Dr. Abala also attended a workshop titled "China's Threat to African Industry: A Comparative Study of the Clothing and Footwear Industries in Ethiopia, Kenya and Mauritius". The workshop was held in Assis Ababa, Ethiopia in May 2011. He further participated in the Kenya Findings Dissemination Workshop by ACFRN on 18th November, 2011 at the Nairobi Safari Club - Lilian Towers, Nairobi, Kenya. In the workshop, he presented a paper titled "Adjusting to Chinese Ascendancy in the Global Clothing Industry". He is currently working on a paper titled "Impact of Chinese Ascendancy on Sub-Saharan Africa Exports: Evidence from Clothing Trade Data (2000-2010)".

Jasper A. Okelo

He participated in the National Committee on WTO Subcommittees on NTB, NAMA, Intellectual Property Agriculture Service, Trade Facilitation and Aid for Trade. In August 2011, he attended a regional conference on Research Forum in Arusha at Trade Policy Training Centre in Africa. The Research Forum was under the theme "Africa Trade Blocks: Challenges and Prospects". He was also in the Government of Kenya delegation at the December 2011 8th WTO Ministerial Conference in Geneva.

Dr. Seth Gor

He attended the Regional Conference on Research Forum at Trade Policy Training Centre in Africa Under the theme "Africa Trade Blocks: Challenges and Prospects" in August 2011. He contributed articles to the Journal of World Studies (WTO Chairs Programme Journal of the University of Gadja Mada, Malaysia) and the Estey Centre Journal of International Law and Trade policy.

Other members of the WTO Chairs Program have been doing research work to inform the government implementation of Kenya National Trade Policy which is coherent with regional integration initiatives to which Kenya is party to and which is coherent with multilateral trading (WTO) provisions. Other works include research to inform regional integration initiatives and capacity building in trade policy analysis and trade negotiations.

RESEARCH

The team has completed seven research topics in trade related areas which will be published in book chapters by the University of Nairobi in April 2012. The topics included:

1. Regional Economic Gains and Losses from the Tripartite Agreement
2. Foreign Direct Investment and Export Performance of Kenyan Manufacturing Firms
3. Global Financial Crises and Remittances: The Case of Kenya
4. Informal Cross-Border Trade in Agricultural Commodities: Examples From Kenya and Her Neighbours
5. Non-Tariff Measures in Kenya: A Case Study
6. Regional Trade Agreements: A Case Study of Kenya
7. Tourism Industry in Africa