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**Working Paper**

## Trade Research Institutions in Asia-Pacific: Capacity-Building Needs in Developing Countries

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# **Trade Research Institutions in Asia-Pacific: Capacity-Building Needs in Developing Countries**

Hing Vutha, Larry Strange and K.A.S Murshid \*



**CDRI**

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This publication has been issued without formal editing. Comments on the study are welcome and may be sent by email to: [artnetontrade@un.org](mailto:artnetontrade@un.org).

The full text of this study is available electronically at: [www.artnetontrade.org](http://www.artnetontrade.org).

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## EXECUTIVE SUMMARY

The informal meeting of core Asia-Pacific Research and Training Network on Trade (ARTNeT) research institutions organized by UNESCAP and IDRC in June 2004 in Bangkok highlighted the need for capacity building of research institutions from Least Developed Countries in the region. Little research or information is, however, available on what the needs of these research institutions are, their existing trade research capacity and how this differs across countries. This study sets out to address the key following issues: What are the existing trade research capacities of research institutions in LDCs and low-income developing countries in the Asia-Pacific region? What are their capacity-building needs in trade policy research?

Research institutions in the Asia-Pacific region have good capacities in trade research in terms of education, experience and skills. Research institutions in LDCs have less capacity than those in developing countries, and research institutions in countries with lower per capita GDP have less capacity than those in countries with higher per capita GDP. In addition to some skill limitations, research institutions commonly face various impediments in conducting trade research of high quality and policy relevance. These range from lack of funding and trade data to lack of links with trade research institutions in other countries and limited availability of relevant IT hardware and software. It is also generally recognised that research institutions need to develop further professional capacity in trade research. Such needs range from long-term trade research training programmes to long-term access to technical advisers and trade experts and wider access to trade data and literature

The responses to these needs have varied from technical and financial support to institutional collaboration. The most dynamic and helpful programme for capacity development in trade research would be a long-term and ongoing training programme. In addition, other significant capacity building measures in trade research are: greater financial assistance and support for trade-related research; more lasting partnership programmes with governmental institutions, research institutions, development agencies and academia; long-term access to trade experts; and greater institutional facilitation and coordination to manage specialised research networks.

Much greater resources need to be devoted to supporting capacity development in trade research, especially for institutes in post conflict LDC countries like Cambodia, whose research institutions are inadequately equipped with human and capital resources, capacities and skills, whose policy makers remain relatively weak, and where linkage between research and policy making is limited.

# Trade Research Institutions in Asia-Pacific: Capacity-Building Needs in Developing Countries

## 1. Introduction

In 2005 the Cambodia Development Resource Institute (CDRI), with support from the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), undertook a survey of research institutions in the least developed and low-income developing countries of the Asia-Pacific region to identify their capacity building needs in the area of international trade research. The survey was designed to assist the Asia-Pacific Research and Training Network on Trade (ARTNeT), an open network initiative of UNESCAP, to develop additional services and activities for the benefit of trade research institutions in the region, to ensure that they have the capacity to conduct high-quality policy-relevant research studies on international trade issues. This study analyses the results of that survey.

The international trade environment has become increasingly more complex, posing huge challenges to developing countries and least developed countries (LDCs) in terms of globalisation, increasing regional and global integration and a rapidly emerging new division of labour that is reshaping societies. The new/emerging international economic order comes with the potential for huge benefits as well as with the risk of failure—especially for poor countries that may find themselves left far behind in the race for “export-led growth” and a fair share of global markets. It is therefore imperative for policy makers, especially in LDCs and low-income developing countries, to devise coherent and sound trade policies that would assure sustainable economic growth and development.

Given human resource capacity limitations, policy makers in many countries operate at a great disadvantage in trying to ensure that their countries are able to obtain a fair deal during the intense and often technical negotiations that are conducted, e.g. in drafting FTAs or meeting WTO conditionalities. Frequently, therefore, many look to research institutions to provide the analytical and technical support that is lacking within the relevant government department. However, research institutions themselves frequently face a severe capacity constraint and are not able to play this role as effectively as would be desirable. Little research or information is available on what the needs of these research institutions are, their existing trade research capacity and how this differs across countries.

This study sets out to address the following issues: What are the existing trade research capacities of research institutions in LDCs and low-income developing countries in the Asia-Pacific region? What are their capacity-building needs in trade policy research? Specifically, the objective of the study is to assess the need for trade research capacity building of research institutions in LDCs and low-income developing countries in the Asia-Pacific region, and to identify innovative ways in which some countries or organisations in the region have addressed or are addressing these needs.

## 2. Trade Research and Capacity Building—Literature Review

### 2.1. Trade Research Capacity Building—Rationale

Quality research and analysis, and associated capacity, are fundamental to effective trade policy making and negotiations. As Gloria Pasadilla, of the Philippines Institute for Development Studies, concludes in her recent ARTNeT Policy Brief:

“If good preparation is key to successful trade negotiation, adequate research capacity is its locksmith.”<sup>1</sup>

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<sup>1</sup> Gloria O. Pasadilla, *Strengthening Trade Research capacity for Policymaking and Negotiations*, ARTNeT Policy Brief, UNESCAP, 2005.

This section briefly examines the recent literature on effective capacity building or development in general, more specifically on trade research capacity building in the Asia-Pacific region, and the key principles that influenced the design of this survey.

## 2.2. Capacity Building and Capacity Development—Key Concepts

The term “capacity building” has been commonly used in the international development community since the early 1990s, and more recently used interchangeably with the term “capacity development”. The United Nations Development Programme (UNDP) defines capacity development as “the process by which individuals, organizations, institutions and societies develop abilities: to perform functions, solve problems and set and achieve objectives; to understand and deal with their development need in a broader context, and in a sustainable manner”.<sup>2</sup> It has three cornerstones—a continuing process of learning and changing; better use and empowerment of individuals and organisations; systematic approaches to devising capacity-development strategies and programmes. It includes elements of institution building, institutional development, development management and institutional strengthening. This approach promotes indigenous control, local knowledge and participation, building on local capacities and dynamic interrelationships among various actors and levels of national programmes, groups and organisations.

A 2003 World Bank report,<sup>3</sup> drawing on a decade of experience in Africa, concluded that effective capacity development requires a demand-driven approach; is a long-term process, rarely amenable to quick results through shortcuts; occurs in a context in which it can be sustained; is focused on retention and effective use of existing capacities and assets; is not merely a technical exercise but is rooted in the political economy of the country; takes root where incentives—monetary and non-monetary—are favourable; must nurture a continuous dialogue which puts the onus on the demand side to make the difficult policy choices on what truly matters and demonstrably works; must have a good fit with the country context.

In practical terms, effective capacity building or development involves a combination of institutional needs analysis, institutional design and strengthening, the upgrading of educational and professional qualifications and skills by means of postgraduate education, professional development and training programmes, the provision of expert technical advice and skills transfer and institutional collaboration, thematic study tours, personnel exchanges or internship schemes. The challenge of capacity building for research institutes in developing countries is usually located within this broader institutional context, but particularly so in LDCs, where institutions are often weak, and one of the major objectives of development assistance is their strengthening. This is well described by Degnbol-Martinussen and Engberg-Pedersen:

Most poor countries have too few qualified researchers, insufficient funds to finance even these few researchers’ work, and too few independent research institutions. This applies in general within all research areas. This means that development problems in these many countries are thoroughly researched only to the extent they can attract international attention. It also means that these countries often lack capacity to keep abreast of international research and are hence prevented from taking independent positions about whether and how they will use the results of this research. It is therefore most welcome that in recent years several donors have increased support for building and strengthening independent research capacity in the South<sup>4</sup>.

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<sup>2</sup> UNDP Bureau for Policy Development, Management Development and Governance Division, *Technical Advisory Paper 2: Capacity Development*, 1997.

<sup>3</sup> H. Sutch, *Towards a more strategic approach to capacity building in Africa*, World Bank, 2003.

<sup>4</sup> John Degnbol-Martinussen and Poul Engberg-Pedersen, *Aid: Understanding International Development Cooperation*, 2003.

### 2.3. Trade Policy Making and Trade Research Capacity Building

In her recent ARTNeT policy brief on the strengthening of trade research capacity for policy making and negotiations,<sup>5</sup> Pasadilla identifies the critical elements for efficient trade policies as government leadership, institutional capacity and the inclusion of all actors—both state and non-state, including the private sector, think-tanks, universities and other civil society organisations. Such institutional capacity includes the capacity to prepare technical backgrounds, research and analysis, the capacity to carry out negotiations and adequate knowledge of the relevant trade laws and their implications.

In summary, the policy brief argues three propositions that underpin the rationale for and design of this survey:

- (i) Effective trade policy and trade negotiations must begin with solid research and analysis;
- (ii) In developing countries, but particularly in LDCs, the major stakeholders, such as government and the private sector, often lack the capacity for both macro-level and sectoral trade-related research;
- (iii) If LDCs and developing countries are to participate in trade negotiations “less lopsidedly”, then building national trade research capacity, both for government and for policy-oriented research institutes and think-tanks, is an area that needs particular attention from the governments of the Asia-Pacific region.

## 3. The Survey of Trade Research Capacity-Building Needs

### 3.1. General Information about Survey Research Institutions

Twenty-four research institutions from 13 countries—Bangladesh, Bhutan, Cambodia, Fiji, Indonesia, Laos, Mongolia, Nepal, Papua New Guinea, the Philippines, Sri Lanka, Thailand and Vietnam—were surveyed. Of the research institutions, 12 are independent non-profit institute/centres, five are governmental institute/centres, two are university-affiliated institute/centres, four are academic institutes/centres and one is an independent profit-making institute/centre. Major sources of funding for these research institutions are bilateral donors, international development agencies and national governments, research contracts or grants and consulting services. They have good relations with government and policy makers through regular interaction and participation in joint task forces and provision of trade-related services such as trade research studies, trade policy dialogues, policy briefs, fact-finding surveys and training on trade-related issues.

### 3.2. Current Trade Research Capacity of Research Institutions

The educational level, research experience, knowledge, abilities and skills in areas such as qualitative analysis, quantitative analysis, research proposal writing, policy brief writing, international and national trade issues and CGE and other trade modelling and simulation methods are key components in measuring research institutions' current capacity in trade research. The so-called Capacity 1 is measured by the average level of education and research experience of trade researchers, while Capacity 2 is measured by knowledge, abilities and skills in qualitative analysis, quantitative analysis, research proposal writing, policy brief writing, international and national trade issues and CGE and other trade modelling and simulation methods.

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<sup>5</sup> Pasadilla, *op. cit.* The policy brief also draws on Homi Kharas, *Economics Education and Research in the East Asia Pacific Region*, paper presented at the World Bank Conference on Scaling Up Capacity Building in Economic Education and Research, Budapest, 2005; and Ponciano S. Intal Jr., *Thanks to Smart Research Capacity Building, There is a Need for Smarter Research Capacity Building*, paper delivered at workshop on Trade Negotiations and Trade Policies in Developing Countries: What Role for Capacity Building and Research?, International Development Research Centre, Ottawa 2001.

### 3.2.1. Education and Research Experiences

The average level of education and research experiences of trade researchers among research institutes is notably high. Twenty-five percent of research institutions have trade researchers with educations at mostly Ph.D. level, 50 percent have trade researchers with education from masters to Ph.D. level, and 12.5 percent each have trade researchers with education at mostly masters level and at bachelor to masters level. Thirty-three percent of research institutes have researchers with trade research experience of more than 10 years, 25 percent have researchers with trade research experience of five to 10 years, 29.2 percent have researchers with experience of two to five years and 12.5 percent have researchers with experience of less than two years.

The capacity of research institutions in terms of education and research experience is closely related to country status and level of income, but it is not necessarily reflected in the level of trade openness of the country. The survey suggests that there is significant difference in Capacity 1 between research institutions in LDCs and those in other developing countries, as well as between research institutions in countries with low GDP per capita and countries with high GDP per capita, at significance levels 5 percent and 10 percent respectively. In other words, research institutions in LDCs have significantly lower Capacity 1 than those in other developing countries, and research institutions in countries with higher GDP per capita have stronger Capacity 1 than those in countries with lower GDP per capita. However, there is no significant difference in Capacity 1 among research institutions from countries that are less open to trade and countries that are more open to trade.

*Table 1: Capacity 1–Country Status Cross Tabulation*

Capacity 1	Country Status		Total
	Least developed countries	Other developing countries	
Weak	8	3	11
Strong	3	10	13
Total	11	13	24
Chi-Square Tests			
	Value	Df	Asymp. Sig.
Pearson Chi-Square	5.916	1	0.015

*Table 2: Capacity 1–GDP per Capita Cross Tabulation*

Capacity 1	GDP per Capita (US\$)			Total
	<500	500–1000	>1000	
Weak	8	3	0	11
Strong	5	3	5	13
Total	13	6	5	24
Chi-Square Tests				
	Value	Df	Asymp. Sig.	
Pearson Chi-Square	5.564	2	0.062	

*Table 3: Capacity 1–Level of Trade Openness Cross Tabulation*

Capacity 1	Level of Trade Openness			Total
	<50	50–90	>90	
Weak	6	3	2	11
Strong	5	2	6	13
Total	11	5	8	24
Chi-Square Tests				
	Value	Df	Asymp. Sig.	
Pearson Chi-Square	2.139	2	0.343	



### 3.2.2. Abilities and Skills

Most research institutions are strong in qualitative analysis, quantitative analysis, research proposal writing, policy brief writing and knowledge of international and national trade issues. However, there seem to be crucial gaps in modelling expertise, e.g. with respect to CGE and other trade modelling and simulation methods. About 21 percent of research institutions are very strong in quantitative analysis and 46 percent are strong in quantitative analysis. Twenty-five percent of research institutes have very strong and 50 percent have strong qualitative analysis skills. About 17 percent of research institutions each have very strong research proposal writing and policy brief writing skills, and 46 percent are good. However, only 37 percent of research institutions have relatively strong knowledge of CGE and other modelling and simulation methods.

General abilities and skills in qualitative and quantitative analysis, research proposal and policy brief writing skills, knowledge of international and national trade issues and knowledge of CGE and other trade modelling and simulation methods—defined as Capacity 2—vary among research institutions and are significantly related to country status and GDP per capita. Statistical analysis shows that there is significant difference in Capacity 2 between research institutions in LDCs and those in other developing countries, and between research institutions in countries with low GDP per capita and countries with high GDP per capita at significance levels 10 percent and 5 percent respectively. This means research institutions in LDCs have significantly lower Capacity 2 than those in other developing countries and research institutions in countries with low GDP per capita have greatly lower Capacity 2 than those in countries with high GDP per capita. However, it appears that there is no significant difference in Capacity 2 among research institutions in countries that are less open to trade and countries that are more open to trade.

*Table 4: Capacity 2–Country Status Cross Tabulation*

Capacity 2	Country Status		Total
	Least developed countries	Other developing countries	
Weak	8	5	13
Strong	3	8	11
Total	11	13	24
Chi-Square Tests			
	Value	Df	Asymp. Sig.
Pearson Chi-Square	2.818	1	0.093

*Table 5: Capacity 2–GDP per Capita Cross Tabulation*

Capacity 2	GDP per Capita (US\$)			Total
	<500	500–1000	>1000	
Weak	9	4	0	13
Strong	4	2	5	11
Total	13	6	5	24
Chi-Square Tests				
	Value	Df	Asymp. Sig.	
Pearson Chi-Square	7.475	2	0.024	

*Table 6: Capacity 2–Level of Trade Openness Cross Tabulation*

Capacity 2	Level of Trade Openness			Total
	<50	50–90	>90	
Weak	7	3	3	13
Strong	4	2	5	11
Total	11	5	8	24
Chi-Square Tests				
	Value	Df	Asymp. Sig.	
Pearson Chi-Square	1.361	2	0.506	

In general, the capacity of research institutions, which is measured by education, research experience and abilities and skills in trade research, greatly depends on countries' status as LDCs or other developing countries, and level of income measured by GDP per capita, but it cannot be explained by level of trade openness.

### 3.3. Key Impediments to Trade Research

Research institutions face various constraints in conducting international trade research of relevance to policy makers, including lack of financial assistance and access to trade data and literature, limited availability of skills and IT resources and limited links with government and other international institutions. Among these major constraints, lack of funding for trade research is seen as the most important impediment, followed by lack of skills and lack of access to trade data. Lack of links with trade research institutions in other countries and limited availability of relevant IT hardware and software are seen as the fourth and fifth most important impediments. Most of these impediments are beyond the capacity and authority of research institutions to overcome. They are determined by the capacity and policy of international organisations, government and well-established research centres. Efforts and policy interventions by relevant organisations aiming at addressing these constraints will be a major contribution to the trade research capacity development of research institutions.

*Table 7: Key Impediments Facing Research Institutions in Conducting Trade Research (%)*

	Most Important	Important	Somewhat Important	Less Important	Least Important
	(1)	(2)	(3)	(4)	(5)
Lack of funding for conduct of trade research	75	12.5	12.5	0	0
Lack of skilled human resources	26.3	21.1	31.6	10.5	10.5
Lack of access to trade data	5.9	29.4	41.2	11.8	11.8
Lack of links with trade research institutions in other countries	0	23.8	28.6	38.1	9.5
Limited availability of relevant IT hardware and software	0	31.3	6.3	31.3	31.3
Lack of access to trade literature	0	11.1	0	33.3	55.6
Lack of awareness of important trade issues	0	0	16.7	33.3	50
Limited links with government and policy makers	0	12.5	0	25.0	62.5

### 3.4. Capacity-Building Programmes for Trade Research

All research institutions have undertaken actions and programmes to build capacity in trade research. These range from participation by researchers in short-term training and regional and international conferences and postgraduate study, to development of research exchange programmes and research fellowships and active involvement in specialised trade research and training networks.

Among these activities, participation in regional and international conferences is the most regular, followed by encouragement to pursue advanced degrees, coaching and mentoring of junior researchers by senior trade researchers and participation in specialised trade research and training networks. For these capacity building activities, around 70 percent of research have received financial assistance from international development agencies, 29 percent from bilateral government agencies, and 25 percent and 12 percent respectively from academia and international foundations. Eight percent have not received any assistance for development of capacity in trade research.

### 3.5. Trade Research Capacity-Building Needs

Although research institutions have strong capacity and skills in trade research, almost all of them need to develop their trade research capacity further; only 4 percent of research institutions believe they do not need to build their trade research capacity because other research institutes in their country already conduct such research. Research institutions have a strong need to develop both quantitative and qualitative trade research as well as their trade research proposal writing capacity and trade policy paper/brief writing skills.

In addition, research institutes named some other urgent capacity-building needs in trade research, ranging from technical and financial assistance to institutional arrangements for wider access to trade data and literature. The most important and highest priority need among most research institutions was access to long-term skills training on trade policy analytical techniques—CGE, GTAP and other trade modelling and simulation methods. Other urgent and important capacity-building needs are funding for trade-related research projects, wider and free access to trade literature and trade data of international organisations such as COMTRADE and WITS and government statistical offices and long-term access to technical advisers and trade experts.

The needs for capacity development vary among research institutions, but do not depend much on country status, income level or trade openness. The survey suggests that research institutions in LDCs have greater need to develop capacity in trade research than those in other developing countries, but those needs do not vary significantly. It also appears that research institutions in countries with low and middle level per capita GDP have greater need to build capacity in trade research than those in countries with high per capita GDP, but the difference in capacity-building needs is not significant. Similarly, there is no significant difference in capacity-building needs among research institutions in countries having different level of trade openness, although it appears that research institutions in countries that are less open to trade have a stronger need to build capacity in trade research than those in countries that are more open to trade.

*Table 8: Capacity-Building Needs–Country Status Cross Tabulation*

Capacity-Building Needs	Country Status		Total
	Least developed countries	Other developing countries	
Limited Need	0	1	1
Some Need	5	7	12
Strong Need	6	4	10
Total	11	12	23
Chi-Square Tests			
	Value	Df	Asymp. Sig.
Pearson Chi-Square	1.693	2	0.429

*Table 9: Capacity-Building Needs–GDP per Capita Cross Tabulation*

Capacity-Building Needs	GDP per capita (US\$)			Total
	<500	500-1000	>1000	
Limited Need	0	0	1	1
Some Need	6	4	2	12
Strong Need	7	2	1	10
Total	13	6	4	23
Chi-Square Tests				
	Value	Df	Asymp. Sig.	
Pearson Chi-Square	5.863	4	0.21	

Table 10: Capacity-Building Needs–Level of Trade Openness Cross Tabulation

Capacity-Building Needs	Level of Trade openness			Total
	<50	50-90	>90	
Limited Need	0	0	1	1
Some Need	6	2	4	12
Strong Need	5	3	2	10
Total	11	5	7	23
Chi-Square Tests				
	Value	Df	Asymp. Sig.	
Pearson Chi-Square	3.154	4	0.532	

### 3.6. Solutions to Address Research Capacity-Building Needs

The responses to capacity-building needs for trade research range from technical and financial support to institutional arrangements for strengthening research networks and linkage with well-established research institutions. On technical aspects, it is widely suggested that there need to be long-term and ongoing trade research training programmes. Such programmes can include long training courses on trade policy, short-term training on trade policy analytical techniques and two to 10-day training workshops on focused issues or methods. Long-term provision of technical advisers and trade experts to research institutions was also seen as very helpful to trade research capacity building.

On financial aspects, research institutions suggested that development agencies and international foundations and well-established research institutes provide more financial assistance and support for trade-related research projects as well as financial support for short and long training courses and postgraduate studies.

For institutional aspects, there should be stronger cooperation and support to strengthen partnership programmes among research institutions and with international organisations and academia. Arrangements such as regional multi-institutional research projects, research exchange programmes and research fellowships are considered very helpful to trade research capacity building. Furthermore, research institutions also asked for help in institutional coordination and assistance from international development agencies and international research institutions to establish and manage specialised research networks more effectively. Specialised research networks would serve not only as platforms for closer coordination among research institutions, international organisations and policy makers, but also as forums for mutual consultation and information sharing. They would also create many opportunities for research institutions to obtain training on focused issues and funds for research projects.

## 4. Case Study of Linkages between Research Institutions and Trade Policy Makers in Cambodia

### 4.1. Context: Cambodia's Development, Trade and the WTO

Cambodia has achieved remarkable political and economic development for a decade, after emerging from civil war and international isolation during the 1970s and 1980s. Peace and stability have been restored; a democratic political system has been introduced; democratic institutions are emerging; and administrative reforms, judicial reforms and a decentralisation programme are making progress.

Macro-economic stability and high economic growth have been maintained. Cambodia has rapidly integrated its economy into regional and global economies, and its economy has been gradually liberalised. It became a member of the Association of South-East Asian Nations (ASEAN) in 1999 and then a member of the World Trade Organisation (WTO) in 2004. Cambodia has also reached various bilateral trade agreements with the US, EU and Canada as well as participating in regional trade agreements such as AFTA and ASEAN-China FTA.

As a result of this rapid liberalisation and integration, Cambodia's external trade has increased and has played a vital role in economic development. Cambodia's experience with garment exports illustrates the role that trade plays in achieving faster economic growth, increasing employment and reducing poverty. Because of its significance, trade has become a critical component in government strategies for promoting growth, development and poverty reduction, such as the Second Socio-Economic Development Plan (SEDP II, 2001–2005), the National Poverty Reduction Strategy (NPRS) and the Governance Action Plan (GAP).

These favourable developments mask several challenges, such as a shortage of financial and human capital, vulnerability to changes in the international trade environment, difficulties in reducing poverty and implementing reform programmes and challenges of WTO accession. Cambodia is obligated to have a sound legal infrastructure conducive to a fair and predictable business environment and economic activity, through a proposed broad range of reforms including strengthening the judicial system in regard to commercial activities, protecting intellectual property rights, ensuring the safety of manufactured and agricultural products, facilitating trade and ensuring conformity with WTO requirements and complying with the principles and provision of the General Agreement on Trade in Services.

Implementation of these requirements is very demanding for small developing countries like Cambodia, given the lack of profound understanding of WTO-required laws among legislators, governmental institutions and other key stakeholders like the private sector, research institutions and civil organisations. In this sense, technical assistance and capacity development are badly needed in areas such as the legislative framework, valuation procedures, trade policy evaluation and reporting and assessing the impact of trade protection and liberalisation.

#### 4.2. The Development, Capacity and Capacity-Building Needs of Research Institutions in Cambodia

##### 4.2.1. *The Historical Development of Research Institutions in Cambodia*

Research institutions in Cambodia evolved only as recently as the early 1990s, as Cambodia emerged from more than two decades of war and isolation from the international community. A few research institutions initially emerged as independent non-profit organisations with the immediate primary objective of strengthening the capacity of Cambodians and civil servants to manage national development and economic reconstruction.

The first of these, the Cambodia Development Resource Institute (CDRI), was established to respond to Cambodia's needs in making the transition from a centrally planned to a market economy and the normalisation of relations with the international donor community. It first operated as a training facility, located in the government's Ministry of Planning, for government officials to acquire English language and computer skills. Only later, in 1993, was it reconstituted as an independent development research and policy institute.

The Cambodian Institute for Cooperation and Peace (CICP) was founded in 1994 as a non-government organisation, but working closely with the Ministry of Foreign Affairs, to enhance the ability of government officials to promote regional and international cooperation. Its primary activities were providing a range of national and regional seminars, workshops and conferences, with research and policy underpinning, on regional and international cooperation issues, with a particular focus on Cambodia's role in ASEAN.

The roles and functions of research institutions have evolved since the mid-1990s in response to political and economic development, turning their focus from training and capacity building alone to research and policy programmes, with knowledge and information generation and dissemination functions to inform the stakeholders in Cambodia's development—government policy makers, multilateral and bilateral development agencies, the private sector and civil society organisations. Since then, research institutions in Cambodia have functioned as an independent source of output and policy options for policy makers and government as well as an independent

source of advice and support for development practitioners working for or in cooperation with multilateral and bilateral development agencies and non-government organizations. They provide research studies, policy briefs, development reviews, fact finding and surveys on: economy and trade, regional economic integration, globalisation and the WTO, governance and decentralisation, agriculture and rural development, poverty, natural resources and the environment and international cooperation. Some research institutions have also functioned as platforms for policy dialogue. In general, research institutions have made a very significant contribution to social and economic development in Cambodia through human capacity development and by acting as knowledge and information centres for policy makers and civil society.

Despite these positive developments, research institutions in Cambodia remain nascent and relatively poorly equipped, with limited human and capital resources. The lack of skilled people with substantial research expertise and lack of funds to conduct research are still common constraints. Most research institutes depend on external financial assistance from international and bilateral development agencies, international foundations and international NGOs to support operations and to fund research. This makes their research programmes more reactive than active or more supply/donor-driven than demand-driven, and means that very limited resources are available for longer-term capacity development.

#### *4.2.2. Trade-Related Research Institutions in Cambodia*

Trade is a relatively new research area for research institutes in Cambodia, although CDRI has done trade-related research since the late 1990s. Trade issues have become a higher priority for the government and its development partners in recent years, particularly with Cambodia's accession to the WTO in 2004. The number of independent research institutes that dedicate resources to trade research is still very small, while government institutes that conduct policy-relevant trade research and analysis are virtually non-existent. There are currently three independent research institutions undertaking trade-related research and associated activities—CDRI, the Economic Institute of Cambodia (EIC) and CICP—and one highest level government body, the Supreme National Economic Council, which dedicates some resources to trade policy making and research. The Department of International Trade within the Ministry of Commerce is responsible for government trade policy and its implementation, including WTO negotiations and compliance, but has a very limited research capacity and largely relies on the research and policy outputs of others.

(i) CDRI was established in 1990 as non-profit independent institute to enhance human resource capacity in Cambodia and to undertake research and analysis contributing to sustainable development policies and strategies. CDRI provides research and analysis of socio-economic and development issues in such areas as macro-economy, trade and SME, governance and decentralisation, agricultural and rural development, natural resources and environment and peace building and conflict resolution. Ten to 25 percent of CDRI's research activity is focused on trade issues relevant to export competitiveness, regional trade arrangements, agricultural trade, trade and environment, trade and poverty and trade research capacity-building needs.

There are currently four Cambodian researchers working on trade-related issues, of whom one dedicates full time to trade research, while the others devote 30–50 percent of their time to it. All trade researchers have a masters degree from abroad and average research experience of less than two years, and work under the direct supervision of the research director, who holds a Ph.D. in economics.

Over the next year, CDRI expects to publish at least three major trade-related publications covering different aspects of regional trade, FTAs and the economic impact of China. CDRI will also focus on Cambodian accession to the WTO, its impacts and compliance programme and trade facilitation, which are issues receiving greater attention in government plans and strategies. However, none of CDRI's trade researchers has profound knowledge and skills in conducting comprehensive and analytical studies on these themes.

(ii) EIC was established in 2003 as a non-government organisation to provide better understanding of the economy through socio-economic research and to participate actively and critically in formulating economic policies and strategies. The major activities of EIC are developing Cambodia's socio-economic database and modelling; conducting policy-oriented research on issues of relevance to trade, investment, poverty reduction, private sector development, social justice and economic governance; and organising dissemination workshops and conferences.

There are currently four Cambodian researchers working on trade issues, all with Masters degrees and with average research experience of less than two years. Two researchers spend most of their time on trade studies, while two others spend less time on trade-related research. EIC trade research focuses on issues relevant to export competitiveness, regional trade arrangements, WTO negotiations/accession, trade in services, trade and investment and trade and poverty. EIC has not produced a working paper on trade, but has produced project reports and articles in its bi-monthly *Economic Review*.

(iii) CICP was established in 1994 as non-government organisation to enhance the abilities of government officials, to promote regional and international cooperation and to conduct policy research on development issues. CICP has concentrated on six main program areas: civil society, civil-military relations, economic development, foreign policy and international relations, the Greater Mekong Sub-region (GMS), ASEAN and the WTO. CICP is more involved in organising conferences and roundtables on regional economic integration and WTO issues, mostly in the context of international relations, and is less active in research. There is currently one researcher who works on trade issues, with a masters degree and research experience of less than two years. It has no periodical review of trade-related studies, but it produces working and conference papers, although relatively fewer trade-related articles or papers than other trade research institutes in the country.

#### *4.2.3. The Current Capacity of Trade-Related Research Institutions in Cambodia*

Research institutions in Cambodia face severe human resource capacity limitations in trade research, which is a relatively new area. The existing trade research capacity is limited and constrained by a lack of advanced education, research experience and core research skills. The average educational level of trade researchers is mostly masters degree, which is relatively low compared to Vietnam, Thailand, Indonesia, the Philippines, Bangladesh and Sri Lanka. Although research institutions have increasing access to a "talent pool" as more and more Cambodians get postgraduate degrees overseas, the lack of persons who have a good understanding and knowledge of international trade is widely recognised. The average level of experience of trade researchers is less than two years, again much less than in some neighbouring countries.

The scarcity of experienced trade researchers is compounded by a lack of funding for trade-related research and by the "brain drain" of experienced researchers to international organisations, which usually provide better remuneration. It appears that most trade researchers have good qualitative analytical skills, research proposal writing skills and knowledge of international and national trade issues. However, there seems to be a crucial shortage of quantitative analytical skills and modelling expertise, e.g. with respect to simulation or CGE, which are important tools for quantifying and assessing social and economic impacts of trade policies. The shortage of such skills has hampered the production of trade research of high quality and relevance to policy makers.

#### *4.2.4. The Need for Capacity Development in Trade-Related Research in Cambodia*

It is generally agreed that there is an urgent need to build the capacity for trade research among research institutes in Cambodia. This means increasing advanced education in trade, enhancing research experience and improving research methodologies and related skills. The most important and urgent need is ongoing and long-term access to research skill training with a focus on analytical techniques that are commonly used to assess trade policy, i.e. CGE modelling, partial equilibrium models, GTAP and other simulation methods. An improvement in such analytical skills

is very necessary for research institutions to be able to produce quality policy-relevant trade research in response to the constantly growing demands of policy makers for analysis of rapid developments in regional and international trade.

In addition, trade research institutions in Cambodia need long-term access to technical advisers or trade experts who can assist in constructing analytical tools or modelling that fits Cambodia, and in designing research frameworks for trade-related sectoral studies, such as regional trade agreements, agricultural trade and WTO-related subjects. Research institutions are also keen to enhance their research capacity and expertise through joint research projects, research fellowships and access to experienced mentors, and through short-term training courses (typically three to six months) and scholarships for postgraduate study.

#### 4.3. The Linkage between Research Institutions and Trade Policy Makers in Cambodia

A many-layered relationship exists between research institutions and trade policy makers in Cambodia, from top policy makers and senior management to middle and lower level officials and research staff, in both formal and informal ways.

*First*, senior policy makers are active members of the boards of directors of some research institutes. While independent in both its charter and operations, CDRI, for example, has four board members who are senior policy makers from the Ministry of Commerce, Ministry of Economy and Finance, the Council for the Development of Cambodia and the Ministry of Women's Affairs. Most of CICP's board members are senior policy makers from the Ministry of Economy and Finance or the Ministry of Foreign Affairs. This type of linkage is very useful to ensure that strategic directions are consistent with and supportive of the government's development strategies.

*Second*, various senior management and research staff are involved in policy consultation mechanisms, e.g. through participation in technical working groups to devise government policy and strategy and to provide comments on draft strategy and policy documents.

*Third*, a linkage exists through research institutes providing services to trade policy makers, ranging from trade research studies, fact-finding, surveys and trade policy briefs to trade policy dialogues or forums. Research institutes have produced regular monthly, quarterly and annual trade-related articles and policy briefs, and these publications are widely distributed among governmental institutions, including the Senate and National Assembly and various line ministries. Trade-related issues have been substantially researched as background information for trade negotiations, policy formulation and implementation.

*Fourth*, policy makers and senior government officials regularly interact with research institutions by participating in seminars and workshops. Research findings are broadly disseminated to the public and to key stakeholders, in particular senior government officials and policy makers.

Although research institutes and policy makers have increased their mutual interaction, there is still a considerable gap in research and policy linkage, especially at middle and lower levels. The major factors to which this gap is attributed are lack of effective mechanisms and institutional arrangements for communication between middle and lower level government officials and research staff, lack of formal regular consultations between top, middle and lower level officials and research staff and capacity limitations among researchers and policy makers.

To bridge this gap, ongoing joint capacity-building programmes are necessary, designed and implemented to strengthen the skills of researchers and policy makers. The programmes should include short training courses on trade policy, research skills training and participation in relevant international conferences or meetings. There should also be regular formal consultations between middle and lower level trade officials and research staff in order to improve understanding of emerging trade issues and challenges and to find ways to work more cooperatively and effectively in dealing with these challenges.



On the institutional front, a long-term partnership between research and government institutions at high and middle levels should be further strengthened. Research institutions should be provided adequate access to policy consultation and dialogues on many aspects, such as trade policy and legal and implementation challenges, as well as wider access to trade policy documentation and trade data.

#### 4.4. The Challenges and Needs of Trade Policy Makers in Cambodia

Trade policy makers in Cambodia currently face a number of challenges, including bilateral and regional trade arrangements, elimination of quotas on trade in textiles and clothing, WTO implementation and legal obligations, market access, cross-border economy and trade facilitation. These constantly changing and growing trade issues stimulate further demands for research as input to trade negotiations and policy formulation. The major difficulty facing trade policy makers in the Ministry of Commerce, the governmental institution primarily responsible for trade negotiations and trade policy formation and implementation, is the non-existence of policy-relevant in-house research. Negotiation teams usually consult with key stakeholders—relevant line ministries, the private sector and importers and exporters—before beginning negotiations, but often without any detailed research underpinning or feasibility/impact assessment of particular negotiating positions or policies. Having no capacity (financial or skills) to develop in-house research, trade policy makers have faced increasing challenges in effective policy formulation and have supported the great need for specialist trade studies from credible research institutions in at least the following areas: trade facilitation (implementation strategies, institutional set-up and socio-economic impact assessments), regional trade agreements, market access and trade preferences, building supply-side capacity and export competitiveness, trade remedies under WTO and cross-border economy.

#### 4.5. Cambodia Case Study: Key Findings

- Trade plays a key role in Cambodia's economic development and, with accession to the WTO, Cambodia currently faces a very demanding compliance programme.
- Cambodian public policy makers, particularly in the Ministry of Commerce, and influencers of policy such as the private sector and civil society organisations, have an urgent need for access to ongoing reliable, high quality, policy-relevant research from institutions that are able to work effectively in cooperation with them.
- Existing Cambodian trade-related research institutions have great potential, but very limited current capacity to provide policy-relevant input to policy makers and others.
- To build real mutual capacity in policy-relevant trade research, research institutions and policy makers need a deep, long-term and well-resourced programme of capacity development that is based on institutions and programmes rather than short-term projects.

#### 4.6 Cambodia Case Study: Conclusion

Effective linkages and partnerships between research institutes and trade policy makers in Cambodia have been improving significantly, but are still limited. The poor capacities of research institutions and policy makers, and their respective institutional limitations, are the major determinants of this gap. Negotiators and policy makers have in the past often outsourced trade studies to research institutes and international organisations without having conducted preliminary in-house research.

It is widely accepted among Cambodian policy makers that research institutes still have an important role to play in trade policy formulation. However, the capacity and resources of trade research institutions to conduct high quality, relevant trade research are very limited. Therefore, initiatives or programmes to develop jointly the capacities of policy makers and researchers are an urgent priority. International organisations, development agencies, established research institutions

and other key stakeholders in development assistance and capacity development should strengthen long-term assistance programmes that will build core capacities and skills of researchers and policy makers, and help bridge the trade research and policy gap in Cambodia.

## **5. General Conclusion**

Research institutions in the Asia-Pacific region have good capabilities in trade research in terms of education, experience and skills, but research institutions in LDCs have less capacity than those in developing countries, and research institutions in countries with lower per capita GDP have less capacity than those in countries with higher per capita GDP. It is also generally recognised that research institutions need to develop further capacity in trade research; their needs range from long-term trade research training programmes to long-term access to technical advisers and trade experts and wider access to trade data and literature. In addition to some skill limitations, research institutions commonly face various impediments in conducting trade research of high quality and policy relevance. These range from lack of funding to lack of trade data, lack of links with trade research institutions in other countries and limited availability of relevant IT hardware and software.

Another practical issue considered a major constraint on trade research capacity building is irregular involvement of research institutions in trade negotiations and high-level international trade policy meetings. Many research institutions agree that they are leading policy research that has great influence on trade policy, but they are not often invited to high-level trade policy meetings. There is an inconsistency between the influence and role of research institutions in policy formulation and their participation in trade policy meetings and negotiations.

The responses to these articulated needs have varied from technical and financial support to institutional collaboration. The most dynamic and helpful programme for capacity development in trade research would be a long-term and ongoing training programme. To build real capacity in policy-relevant trade research in LDCs, research institutions and policy makers need a long-term, well-resourced programme of capacity development that is based on institutions and programmes rather than on short-term projects. In addition, other measures of significance to capacity building in trade research are: greater financial assistance and support for trade-related research; more lasting partnership programmes with governmental institutions, research institutions, development agencies and academia; long-term access to trade experts; and greater institutional facilitation and coordination to manage specialised research networks.

More resources and policy intervention need to be directed to develop the capacity for trade research and to address impediments facing research institutions. International organisations, government, international and bilateral development agencies, established research institutions, international foundations and academia should play a more dynamic and supportive role in this regard. Also, international organisations deeply involved in international trade policy and government should involve research institutions in trade policy via a regular presence in trade negotiations and high-level trade policy meetings. More importantly, much greater resources need to be devoted to supporting capacity development in trade research, especially for institutes in war-ravaged LDC countries like Cambodia, whose research institutions are inadequately equipped with human and capital resources, capacities and skills, whose policy makers remain relatively weak, and where linkage between research and policy making is limited.

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## APPENDIX A

### Detailed Survey Findings

Table A-1: Research Institutions by Category and Region

Category	Region				Total
	South-East Asia	South Asia	North Asia	South Pacific	
Independent profit-making institute/centre	0	1	0	0	1
Independent non-profit institute/centre	7	4	1	0	12
Governmental institute/centre	3	1	0	1	5
University-affiliated institute/centre	2	0	0	0	2
Academic institute/centre	2	1	0	1	4
<b>Total</b>	<b>14</b>	<b>7</b>	<b>1</b>	<b>2</b>	<b>24</b>

Figure A-1: Types of Services Provided by Research Institutions  
(Percentage of institutions involved in each activity)

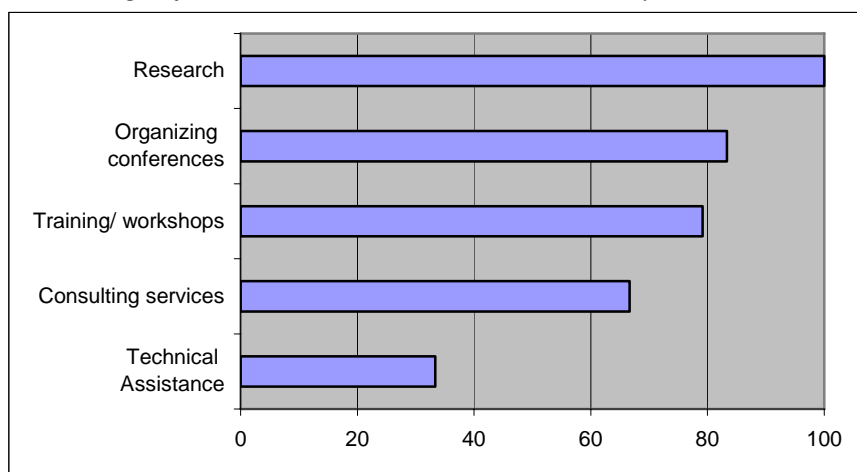


Table A-2: Main Sources of Funding

	Most Important (1)	Second important (2)	Third important (3)
Bilateral donor/development agencies	53.30	26.70	20
National government	43.75	43.75	12.50
Research contracts/grants and consulting services	31.82	36.40	31.82
Training fees/tuition fees	33.33	0	66.67
Private foundation/NGOs	11.11	33.33	55.56
Sales of publications	0	16.67	83.33

Figure A-2: Degree of Specialisation in Trade Research

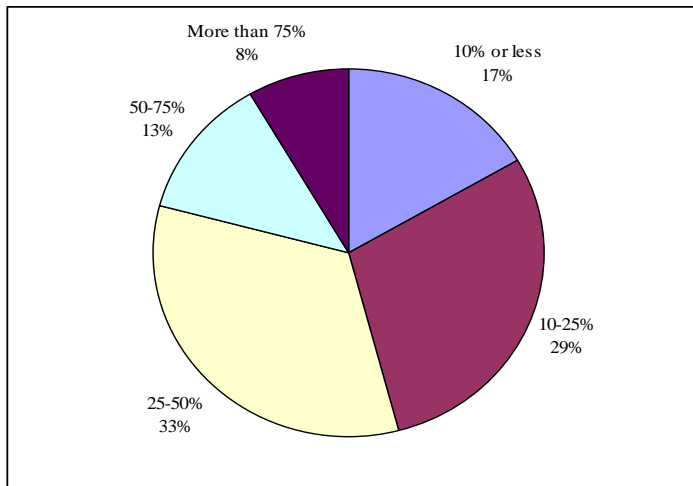


Figure A-3: Focus of Ongoing Trade Research  
(Percentage of institutions engaging in each area)

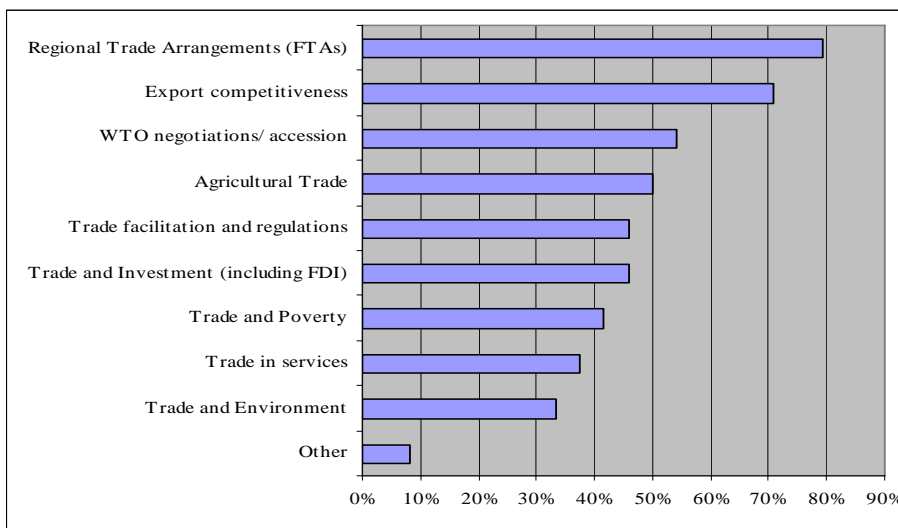
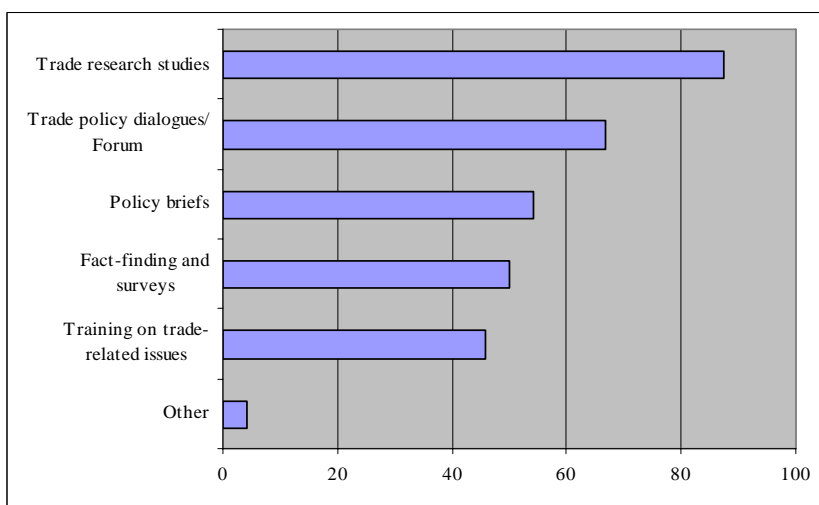


Figure A-4: Type of Trade-Related Services Provided to Policy Makers  
(Percentage of institutions engaging in each activity)



*Table A-3: The Status of Research Institutions in National and Regional Environment*

	Strongly agree	Agree	Disagree	Strongly disagree
	(1)	(2)	(3)	(4)
My institution is a leading policy research institute in the country	75	16.7	8.3	0
My RI is a leading trade policy researcher in the country	37.5	37.5	25	0
My RI is a leading trade policy researcher in Asia-Pacific	0	29.2	54.2	16.7
Trade policy makers and advisers regularly use trade research studies	37.5	41.7	20.8	0
Researchers have regular interaction with trade policy makers	50	33.3	16.7	0
Staff of my RI are regularly invited to join trade task force	37.5	29.2	29.2	4.2
Researchers of my RI regularly publish articles in regional or international journals	8.3	37.5	37.5	16.7
Board or steering group of my RI includes senior trade officials	29.2	25	29.2	16.7

*Table A-4: Average education level of trade researchers*

	Frequency	Percentage
Bachelor to masters	3	12.5
Mostly masters	3	12.5
Masters to Ph.D.	12	50
Mostly Ph.D.	6	25
Total	24	100

*Table A-5: Research Experience of Trade Researchers*

	Frequency	Percentage
Less than 2 years	3	12.5
2 to 5 years	7	29.2
5 to 10 years	6	25
More than 10 years	8	33.3
Total	24	100

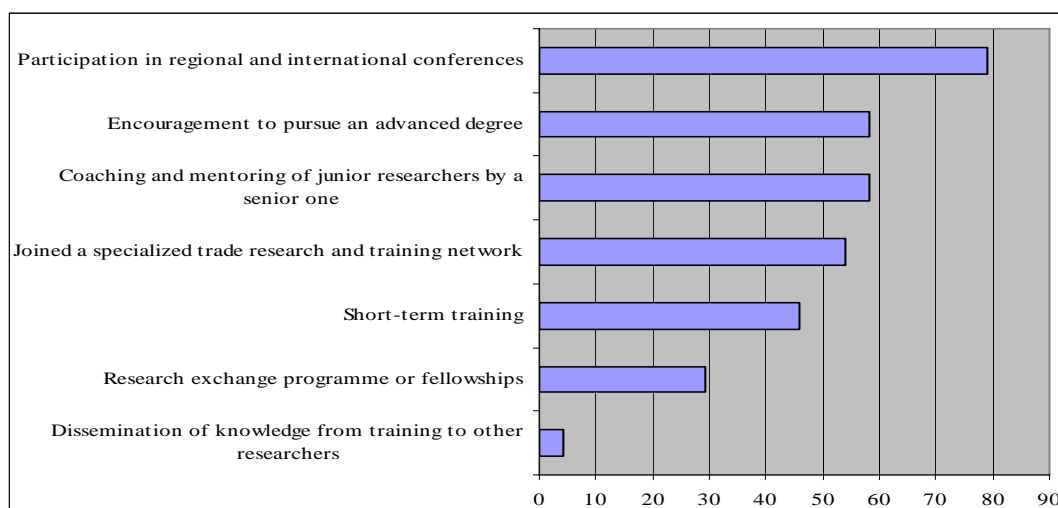
Table A-6: Abilities and Skills

	Very weak	Weak	Moderate	Strong	Very strong
	(1)	(2)	(3)	(4)	(5)
Quantitative analysis	4.2	8.3	20.8	45.8	20.8
Qualitative analysis	0	4.2	20.8	50	25
Research proposal writing	0	0	37.5	45.8	16.7
Policy brief writing	0	8.3	29.2	45.8	16.7
Knowledge of CGE and other trade modelling	29.1	16.7	16.7	12.5	25.0
Knowledge of international and national trade issues	0	0	29.2	37.5	33.3

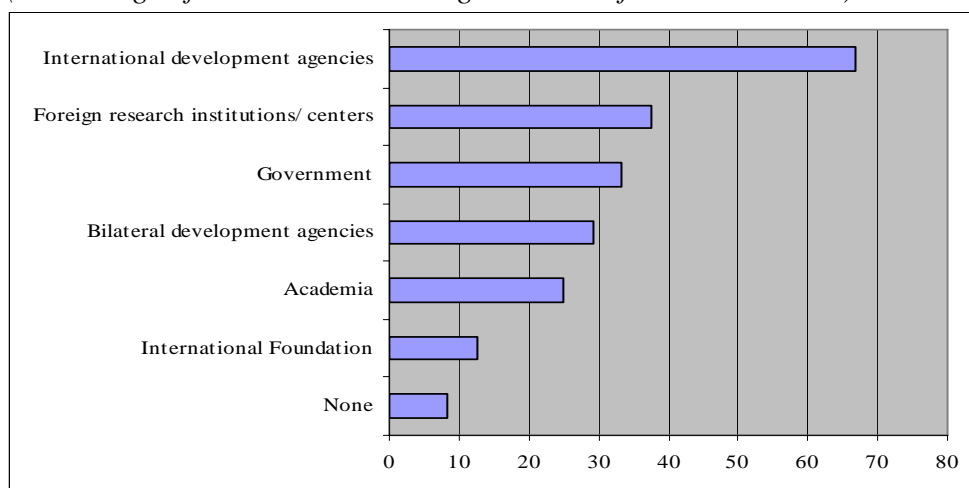
Table A-7: Trade Research Capacity Building Needs

	No need	Limited need	Some need	Strong need
	(1)	(2)	(3)	(4)
Quantitative trade research	4.35	4.35	30.43	60.87
Qualitative trade research	4.35	13.04	30.43	52.17
Trade research proposal writing	0	21.74	47.83	30.43
Trade policy paper/brief writing	0	17.39	52.17	30.43

Figure A-5: Trade Capacity Building Activities Undertaken by Research Institutions (Percentage of institutions that have undertaken each capacity building activity)



*Figure A-6: Sources of Assistance for Capacity Development  
(Percentage of institutions receiving assistance from each source)*



*Table A-8: Activities Helpful to Capacity Building*

	Not helpful	Less helpful	Somewhat helpful	Helpful	Most helpful
	(1)	(2)	(3)	(4)	(5)
Regional consultative meeting for trade researchers and policy makers	0	4.35	17.39	26.09	52.17
Regional team (multi-institutional) research projects	0	4.35	17.39	30.43	47.83
Research exchange programmes	0	8.70	13.04	30.43	47.83
Online access to literature reviews, surveys and working papers on trade issues	0	8.70	17.39	30.43	43.48
Research fellowships	0	4.35	8.70	30.43	56.52
3–6 month trade policy course	4.35	0	34.78	13.04	47.83
Access to technical adviser and/or trade expert	0	4.35	30.43	26.09	39.13
2-10 day training workshop on focused issues/methods	0	8.70	30.43	21.74	39.13

### **The Definition of Capacity 1 and Capacity 2**

Capacity 1 is measured by the average level of education and research experience of trade researchers. It is defined as weak or strong based on the following assumptions:

- A research institution that has researchers with average education at any level except Ph.D. degree and with research experience of less than five years is assumed weak.
- A research institution that has researchers with average education at mostly masters or from masters to Ph.D. or mostly Ph.D. and with research experience more than 5 years is assumed strong.



Here is the education-research experience matrix that maps the level of Capacity 1 based on all observations in the survey.

	Less than 2 years	2 to 5 years	5 to 10 years	More than 10 years
Mostly bachelor				
Bachelor to masters	Weak	Weak		
Mostly masters	Weak	Weak	Strong	Strong
Master to Ph.D.	Weak	Weak	Strong	Strong
Mostly Ph.D.				Strong

Capacity 2 is measured by abilities and skills in qualitative analysis, quantitative analysis, research proposal writing and policy brief writing, and by knowledge of international and national trade issues and of CGE and other trade modelling and simulation methods (question No. 9 in the questionnaire). These abilities and skills are scored from 1, representing very weak, to 5, representing very strong, and are aggregated. Thus Capacity 2 is derived from the average score of all the above abilities and skills, and is considered weak or strong based upon the following assumption:

- A research institution that has an aggregated average score of less than 3.5 is assumed to have weak Capacity 2.
- A research institution that has an aggregated average score of more than 3.5 is assumed to have strong Capacity 2.

Table A-9: Capacity 1 by Country

		Capacity 1		Total
		Weak	Strong	
<b>Least Developed Countries</b>				
<b>Country</b>	Bangladesh	2	0	<b>2</b>
	Bhutan	1	0	<b>1</b>
	Cambodia	3	0	<b>3</b>
	Lao PDR	2	0	<b>2</b>
	Nepal	0	3	<b>3</b>
<b>Other Developing Countries</b>				
	Fiji	0	1	<b>1</b>
	Indonesia	1	2	<b>3</b>
	Mongolia	1	0	<b>1</b>
	Papua New Guinea	1	0	<b>1</b>
	Philippines	0	2	<b>2</b>
	Sri Lanka	0	1	<b>1</b>
	Thailand	0	2	<b>2</b>
	Vietnam	0	2	<b>2</b>
	<b>Total</b>	<b>11</b>	<b>13</b>	<b>24</b>

Table A-9: Capacity 2 by Country

		Capacity 2		Total
		Weak	Strong	
<b>Least Developed Countries</b>				
<b>Country</b>	Bangladesh	0	2	<b>2</b>
	Bhutan	1	0	<b>1</b>
	Cambodia	3	0	<b>3</b>
	Lao PDR	2	0	<b>2</b>
	Nepal	2	1	<b>3</b>
<b>Other Developing Countries</b>				
	Fiji	0	1	<b>1</b>
	Indonesia	2	1	<b>3</b>
	Mongolia	1	0	<b>1</b>
	Papua New Guinea	1	0	<b>1</b>
	Philippines	0	2	<b>2</b>
	Sri Lanka	0	1	<b>1</b>
	Thailand	0	2	<b>2</b>
	Vietnam	1	1	<b>2</b>
	<b>Total</b>	<b>13</b>	<b>11</b>	<b>24</b>

## APPENDIX B

### Methodology of the Study

This study used three different approaches—desk /internet research, survey and case study - to understand the concept of capacity building, to identify various capacity-building needs of different categories of research institutions across the region and to investigate in depth the links between research and policy makers in one particular country.

- Desk/internet research reviewed existing literatures on concept of capacity building. Numbers of publications on capacity development and strengthening research capacity from development organisations such as UNDP, OECD, CIDA, RAWOO and KFPE as well as relevant documents in [www.capacity.org](http://www.capacity.org), are widely reviewed and cited.
- A survey was the most important part of this study; it attempted to learn the current capacity and capacity-building needs in trade research of research institutions in the Asia-Pacific region. A questionnaire was used to collect primary data from research institutions to test the following important hypotheses:
  - The research institutions are in need of capacity building for trade research;
  - Institutions already specialising in trade research need to build their trade research capacity further;
  - Institutions that are well connected with government officials have a good understanding of trade;
  - Degree to which the perceived need for a capacity building activity is affected / explained by institution and country characteristics;
  - Institutions in countries less open to trade (as measured by total trade/ GDP) do less trade research and have less trade research capacity-building needs.

The questionnaire consisted of three sections: existing trade research capacity and policy linkages; impediments to trade research and capacity building needs; and general information. They were sent via electronic mail to research institutions listed in the directory of selected trade and investment-related research institutions and universities in the Asia-Pacific region compiled by UNESCAP and NIRA's world directory of think-tanks. Follow-up was done through e-mail, telephone calls and airmail. First, follow-up e-mails were sent a few days after the questionnaire to check whether the directors of all research institutions had received it. Second, if confirmation still was not received within a few days, phone calls were made. If an institution could not be contacted by e-mail, the documents were sent via airmail and followed up by telephone. It took much longer than expected to collect the questionnaires, and in some cases we did not receive any response from the institution.

#### Sampling method

Only research institutions in LDCs and selected low-income developing countries in the sub-regions south-east Asia, south Asia, north Asia, and South Pacific islands were covered in the survey. Low-income developing countries with populations over 100 million or countries with no research institutions were excluded. Based on these criteria, the 15 countries from which sample research institutions were chosen were Bangladesh, Bhutan, Cambodia, Indonesia, Fiji, Lao PDR, Mongolia, Myanmar, Nepal, Papua New Guinea, Philippines, Samoa, Sri Lanka, Thailand and Vietnam. Seven are from south-east Asia, four from south Asia, one from north Asia and three from South Pacific. Seven are LDC and eight are low-income developing countries.

	South-east Asia		South Asia		North Asia	South Pacific	
	LDC	Low Income	LDC	Low Income	Low income	LDC	Low Income
<b>WTO Member</b>	• Cambodia • Myanmar	• Indonesia • Philippines • Thailand	• Bangladesh • Nepal • Bhutan	• Sri Lanka	• Mongolia		• Fiji • Papua New Guinea
<b>In process of WTO accession</b>	• Laos	• Vietnam				• Samoa	

The sampling of research institutions from these countries was based on the directory of selected trade and investment-related research institutions and universities in the Asia-Pacific region compiled by UNESCAP and NIRA's world directory of think-tanks. We tried to select an appropriate proportion of research institutions in different categories: independent profit-making institutes, independent non-profit institutions, governmental institutes, university-affiliated institutes or academic institutions or departments. Thirty-seven research institutions were selected for the sample, of which 20 were from south-east Asian countries, 12 from south Asian countries, two from North Asia and three from South Pacific countries. However, we eventually received 24 responses from 13 countries, none from Myanmar or Samoa.

Case Study: to explore in depth the current capacity of trade research institutions, their capacity-building needs and their relations with trade policy makers in a particular country. Cambodia, a country that is currently classified as LDC and that has emerged from civil war and international isolation in the past decade, was selected as a case study. On the supply side of policy research, semi-structured interviews were conducted with directors and relevant management staff of two independent research institutions, CDRI and EIC. On the demand side, we had meetings with policy makers and groups of senior government officials of the Ministry of Commerce, seeking their perceptions on needed trade policy research, and on links between trade research institutions and policy makers. The information from these stakeholders enabled us to understand the existing linkages between research institutions and policy makers as well as their respective needs.

## APPENDIX C



with the support of IDRC, Canada

### **A Survey of Trade Research Capacity Building Needs of Research Institutions in Asia-Pacific**

The objective of this survey is to identify the capacity building needs of research institutions in least developed and low-income developing countries in the Asia-Pacific region in the area of international trade research. **Responses will assist the Asia-Pacific Research and Training Network on Trade (ARTNeT), an open network initiative of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), to develop additional services and activities for the benefit of trade research institutions in the region, to ensure that they have the capacity to conduct high-quality policy-relevant research studies on international trade issues** (for more information on ARTNeT, please visit: <http://www.unescap.org/tid/artnet.asp>)

**Who should complete the questionnaire?** The questionnaire should preferably be completed by the Director of the research institution, or a senior staff with extensive knowledge and a comprehensive view of the institution (e.g., research director; department head responsible for trade and/or economic research). The time required for completion is estimated at 15-20 minutes.

**Confidentiality:** This survey is administered by the Cambodia Development Resource Institute (CDRI, <http://www.cdri.org.kh/>), under contract with UNESCAP. Your responses to the questionnaire are confidential. They will be used only by CDRI to compile aggregate survey results to assist in the preparation of an ARTNeT study entitled *Trade Research Institutions in Asia-Pacific: Capacity Building Needs in Developing Countries*.

**Please return completed questionnaire to:** Dr. K. Murshid, Research Director, Cambodia Development Resource Institute [Email: [murshid@cdri.forum.org.kh](mailto:murshid@cdri.forum.org.kh), Fax: (855-23) 880-734] and/or to Dr. Yann Duval, Economic Affairs Officer, Trade and Investment Division, UNESCAP [Email: [duvaly@un.org](mailto:duvaly@un.org); Fax: (66-2) 288 1027].

**Please do not hesitate to contact CDRI or UNESCAP if you have any question.  
Thank you for your cooperation.**

**PLEASE HIGHLIGHT OR TICK ANSWERS THAT ARE APPLICABLE.**

**SECTION 1: Existing Trade Research Capacity and Policy Linkages**

**1. What percentage of the research produced by your institution focuses on trade issues?**

- a. 10% or less    b. 10-25%    c. 25-50%    d. 50-75%    e. More than 75%

**2. What is the focus of your on-going trade research, if any? (please select more than one answer when applicable)**

- |                                       |   |
|---------------------------------------|---|
| a. Export competitiveness             | b. Regional trade arrangements (RTAs)   |
| c. WTO negotiations/accession         | d. Agricultural trade                   |
| e. Trade in services                  | f. Trade and investment (including FDI) |
| g. Trade facilitation and regulations | h. Trade and poverty                    |
| i. Trade and environment              | j. Other (please specify): ____         |

**3. Please indicate the extent to which you agree with each of the following statements: (please indicate your choice with an X in one of the four categories for each statement)**

	strongly agree	agree	disagree	strongly disagree
a. My institution is a leading <u>policy research institution in the country where it is located</u>				
b. My institution is a leading <u>trade policy research institution in the country where it is located</u>				
c. My institution is a leading <u>trade policy research institution in Asia-Pacific</u>				
d. Trade policy makers and advisors <u>regularly use</u> trade research studies and other publications produced by my institution				
e. Senior managers and/or researchers have <u>regular</u> interactions with trade policy makers				
f. Staffs of my institution are <u>regularly</u> invited to participate in trade policy-related task forces setup by the government				
g. Researchers of my institution <u>regularly</u> publish trade-related articles in <u>regional or international peer-reviewed journals</u>				
h. Board or steering group members of my institution include senior <u>trade officials</u>				

**4. How many research staff does your institution employ (in full-time equivalent)?**

\_\_\_\_ full-time equivalent research staff

**5. Of those, how many are specialized in or dedicated to trade research (in full-time equivalent)?**

\_\_\_\_ full-time equivalent trade researchers

**6. Please specify the average level of education of the researchers conducting trade research in your institution (select one only)**

- a. Mostly Bachelor level
- b. Bachelor to Master level
- c. Mostly Master level
- d. Master to Ph.D. level
- e. Mostly Ph.D. level
- f. Other (*please specify*): \_\_\_\_

**7. Please specify the average level of trade research experience of researchers conducting trade research in your institution (select one only)**

- a. less than 2 years experience
- b. 2 to 5 years experience
- c. 5 to 10 years experience
- d. More than 10 years experience

**8. On average, how many trade-related papers and book chapters does your institution produce annually?**

\_\_\_\_ trade-related papers / book chapters

**9. How would you rate the ability and skills of trade researchers in your institution at this time? (Please indicate your choice with an X in one of the 5 categories for each of the skills)**

	Very Weak	Weak	Moderate	Strong	Very Strong
a. Quantitative analytical skills					
b. Qualitative analytical skills					
c. Research proposals writing skills					
d. Policy briefs writing skills					
e. Knowledge of CGE and other trade modeling and simulation methods					
f. Knowledge of national and international trade issues					
g. Other ( <i>please specify</i> ): ____					

**10. What type of trade-related services, if any, does your institution provide to policy makers and government? (please select all that apply)**

- a. Trade research studies
- b. Trade policy dialogues/Forum
- c. Fact-finding and surveys
- d. Training on trade-related issues
- e. Policy briefs
- f. Other (*please specify*): \_\_\_\_

**11. Do you think trade policy makers in your country need further trade research from your institution?**

- a. No need
- b. Limited need
- c. Some need
- d. Strong need

**SECTION 2: Impediments to Trade Research and Capacity Building Needs**

**12. What are the main impediments faced by your institution in conducting international trade research of relevance to policy makers? (Please rank the five main impediments in order of importance, 1: most important impediment; 5: least important)**

- a. Lack of funding opportunities to conduct trade research Rank  
\_\_\_\_
- b. Lack of access to trade literature \_\_\_\_

- c. Lack of access to trade data \_\_\_\_\_
- d. Limited availability of relevant IT hardware and software \_\_\_\_\_
- e. Limited links with government and policy makers \_\_\_\_\_
- f. Lack of links with trade research institutions in other countries \_\_\_\_\_
- g. Lack of skilled human resources \_\_\_\_\_
- h. Lack of awareness of important trade issues \_\_\_\_\_
- i. Other (please specify): \_\_\_\_\_

**13. Does your institution need to build its capacity in the area of trade research?**

- a. Yes (please go to question No. 15)
- b. No (please go to question No. 14)

**14. If No, why not?** (please go to Section 3 after answering this question)

- a. Because it already has sufficient capacity
- b. Because it is not an area of interest to us
- c. Because it is not an area of interest to our main clients or government
- d. Because other research institutions in the country already conduct trade research
- e. Other (please specify): \_\_\_\_\_

**15. If Yes, which of the following capacities would your institution need to further develop**

(Please indicate your choice with an X in one of the four categories for each capacity)

	No need	Limited Need	Some Need	Strong need
a. Quantitative trade research capacity				
b. Qualitative trade research capacity				
c. Trade research proposals writing capacity				
d. Trade policy paper/brief writing capacity				
e. Other (please specify): _____				

**16. What has your institution done to build its capacity in trade research?** (please select more than one answer when applicable)

- a. Short-term training
- b. Participation in regional and international conferences
- c. Coaching and mentoring of junior researchers by a senior trade researcher
- d. Encouragement to pursue an advanced degree
- e. Research exchange programme or fellowships
- f. Joined a specialized trade research and training network
- g. Other (please specify): \_\_\_\_\_

**17. From which agencies has your institution received assistance to develop its capacity in trade research, if any?** (please select as many as applicable)

- a. International development agencies
- b. Government
- c. Bilateral development agencies
- d. Foreign research institutes/centres
- e. Academia
- f. Other (please specify): \_\_\_\_\_

**18. To what extent would the following activities help your institution develop its capacity in delivering policy-relevant trade research?** (please indicate your choice with an X in one of the 5 categories for each of the proposed activities)



	Not -----Somewhat----- Most helpful helpful helpful				
	1	2	3	4	5
a. 2 to 10-day training workshops on focused issues/methods					
b. 3 to 6 month trade policy courses					
c. Access to technical advisor or/and trade expert					
d. Regional team (multi-institutions) research projects					
e. Regional consultative meetings for trade researchers and policy makers					
f. Online access to literature reviews, surveys, and working papers on key trade issues					
g. Research exchange programme					
h. Research fellowships					
i. Other ( <i>please specify</i> ):					

**19. Please identify your most urgent/important capacity building needs for trade research?**  
(*please be as specific as possible*)

**20. Please provide comments on the preferred means/ solutions to address those needs?**  
(*please be as specific as possible*)

### SECTION 3: General Information

**21. Your institution is best described as:**

- |   |   |
|---|---|
| <p><b>a.</b> Independent profit-making institute/centre</p> <p><b>c.</b> Governmental institute/centre</p> <p><b>e.</b> Academic institution/department</p> | <p><b>b.</b> Independent non-profit institute/centre</p> <p><b>d.</b> University-affiliated institute/centre</p> <p><b>f.</b> Other (<i>please specify</i>): ____</p> |
|---|---|

**22. Your main sources of funding are** (*please rank the 3 main sources in order of importance, 1 being the most important*)

- |  | Rank |
|--|------|
| a. National Government                                 | ___  |
| b. Bilateral donors / development agencies             | ___  |
| c. Private Foundations / NGOs                          | ___  |
| d. Research contracts / grants and consulting services | ___  |
| e. Sales of publications                               | ___  |
| f. Training fees / tuition fees                        | ___  |
| g. Other ( <i>please specify</i> ): ____               | ___  |

**23. What kind of services does your institution offer?** (*please select more than one answer when applicable*)

- a. Research
- b. Consulting services
- c. Training/Workshops
- d. Technical assistance
- e. Organizing conferences
- f. Other (*please specify*): \_\_\_\_\_

**24. What is the total number of employees in your institution** (*in full-time equivalent*)?

Approximately \_\_\_\_\_ full-time equivalent employees

**25. Please list the three main areas of research of your institution:**

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_

**26. Would you like to receive a summary of the results?**

- a. Yes
- b. No

**27. Contact details:**

Full name of institution:

Mailing Address:

City:

Country:

Phone:

Fax :

Website:

Contact Person:

Email:

THANK YOU