

Economic Planning Agency Japan

Economic Research Institute of Economic Planning Agency, Japan started researches using the GTAP model from April 1996. Professor Kanemi BAN of OSAKA University and Professor Shigeru OTSUBO of NAGOYA University take part in our research team. Our current projects are as follows.

The Impact of Trade Liberalization in APEC

The motive of our research was to estimate the economic effects of trade and investment liberalization in accordance with the Manila Action Plan, which was agreed in the APEC Ministerial Meeting in November 1996. EPA estimated this effect and reported them to the APEC Ministerial Meeting in November of 1997.

Now, there are several new demands on updating the report. New members joined APEC in November 1998. It would be desirable to revise the existing estimate on the impact of APEC Individual Action Plans (IAPs) on each member. We may expect further improvement of the new IAPs of the members in 1999. The database used in the last study has been updated. The new database (Version 4) reflects more recent trade and industrial structures in the world. In the context of APEC, the update would provide vivid pictures of the latest APEC economies. The new report will be submitted to the Ministerial Meeting in September 1999.

Effects of Regulation Reform in Japan

Another topic of our CGE analysis is an application to regulation reform in Japan. Regulation reform is one of the policies our government has been eagerly promoting. In the action plan of regulation reform updated by the cabinet meeting on March 30 of this year, Economic Planning Agency has a responsibility to estimate the economic effects of the reform. We prepared a detailed Japanese Database for ORANI-G model because the GTAP database does not have enough industrial categories especially in service industries. It is necessary to link our database and the GTAP database to analyze the impact on the world economy.