Regional Training Workshop on Measuring, Monitoring and Evaluating Regional Integration performance

ESCWA ongoing work to extend the monitoring and evaluation system and data issues

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Expanding the system to services

- As it is the fastest growing sector globally
- Account for large share of GDP of Arab countries
- Constitute the next frontier of economic integration

- Arab countries that just signed an agreement (4 countries)
- Services are covered by RTAs with the EU and the US
- And are an integral component of any new RTA
- Necessary to understand the impact on Arab countries economic development, options and challenges, and the political economy of services trade liberalization
Expanding the monitoring system

We are working with Jordan and Morocco and countries where information is already available to build new economic integration indexes.

Bilateral flows are necessary.

Estimating bilateral flows will be used when not readily available.
Data issues
Data issues

Improving statistical information for FDI
- For now were used greenfield FDI
- We are working on collecting bilateral information
- For Jordan and Morocco via the DA project
- Disaggregated by sector
- From balance of payments

and workers’ remittances
- Workers’ remittances used are from World Bank
- We are working with Jordan and Morocco to collect information through banks and other actors through which individual remit
- The goal is to get more accurate information
Data issues

Collecting detailed information on policies and instruments
Starting with
- Tariffs
- AVEs of NTM
- Services Restrictiveness Indexes
Upcoming amendments to the structure of the monitoring and evaluation system
Amendment to the structure

Services will be included in all the 3 composite indexes

Sub-indexes will be computed

In order to better understand the magnitude and prevalence of barriers to trade, an index will be calculated using
- Tariffs
- AVEs of NTMs
- STRI
Development Account Project activities
Development Account Project activities

Undertaking capacity building activities to train member States on the use of the information generated through the index for better policy making and analysis

For pilot countries, Jordan and Morocco

Produce national overviews on regional integration status based on index information (for pilot countries: Jordan and Morocco)

Develop national action plans on how to overcome constraints and bottlenecks to successful trade integration
Development Account Project activities

Using detailed information about the policy instruments and newly computed indexes, gaps will be identified as well as lessons learnt.

Steps will be as follow:

1. A tool will be developed to assess the correlation between economic growth and policy instruments for Arab countries and benchmarks.

2. Other models will be developed (CGE) to assess potential impact of policy instruments on GDP, employment (rural, urban), and other variables.

The goal is to assess whether the level of economic integration achieved is coherent with other countries’ experience, and eventually:

- what are the remaining bottlenecks,
- what is not being implemented,
- which policy instrument to use,
- which additional measures should be taken,
- what would be the appropriate sequencing.
Building a dedicated web platform
Thank you