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**Economic and Social Commission for Western Asia (ESCWA)**

Committee on Liberalization of Foreign Trade, Economic Globalization  
and Financing for Development  
Eleventh session (Liberalization of foreign trade)  
Beirut, 27-28 November 2017



Item 13 of the provisional agenda

**Proposed programme of work for the biennium 2018-2019  
in the field of foreign trade liberalization****Summary**

The proposed programme of work of the Economic and Social Commission for Western Asia (ESCWA) for the biennium 2018-2019 in the field of foreign trade liberalization presents a set of activities and outputs related to the implementation of the expected accomplishments envisaged under subprogramme 3 on economic development and integration of the revised strategic framework for the biennium 2018-2019. While subprogramme 3 comprises the work of ESCWA in the fields of liberalization of foreign trade, economic globalization and financing for development, and is implemented by the Economic Development and Integration Division (EDID) at ESCWA, this document contains the proposed activities in the field of liberalization of foreign trade only, which are implemented by the Regional Integration Section of EDID.

The Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development is invited to review the proposed activities in the field of liberalization of foreign trade, and discuss the extent to which they meet the priorities of ESCWA member States and their relevance to the expected accomplishments under subprogramme 3. The Committee is also invited to discuss ways to concretely measure the indicators of achievement in order to accurately monitor progress achieved in member States in the implementation of the proposed outputs.

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## Introduction

1. The activities comprised in the proposed programme of work of the Economic and Social Commission for Western Asia (ESCWA) for the biennium 2018-2019 in the field of foreign trade liberalization were formulated on the basis of subprogramme 3 on economic development and integration, of the revised strategic framework for the biennium 2018-2019, which was adopted by ESCWA at its twenty-ninth session (Doha, 13-15 December 2016).
2. The Economic Development and Integration Division (EDID) at ESCWA is responsible for the implementation of subprogramme 3 through its four sections, the Economic Development and Poverty Section, the Economic Governance and Planning Section, the Modelling and Forecasting Section and the Regional Integration Section. During the biennium 2018-2019, EDID will continue to place emphasis on promoting regional integration through policies and programmes aimed at improving economic governance and cooperation in the Arab region, assisting Arab countries in achieving sustainable and inclusive growth and strengthening their role in global trade through trade reforms, structural transformation and diversification of exports. It will undertake research and policy analysis on trade and cross-cutting issues, provide policy advice and capacity building to member States on regional integration issues, and provide a platform for advocacy and knowledge-sharing.
3. While subprogramme 3 comprises the work of ESCWA in the fields of liberalization of foreign trade, economic globalization and financing for development, and is implemented by EDID, this document contains the proposed activities in the field of liberalization of foreign trade only, which are implemented by the Regional Integration Section of EDID.

### I. ACTION REQUIRED OF THE COMMITTEE ON LIBERALIZATION OF FOREIGN TRADE, ECONOMIC GLOBALIZATION AND FINANCING FOR DEVELOPMENT

4. The Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development is invited to review the proposed outputs and provide its guidance to the ESCWA secretariat on the basis of the following two criteria: (a) the extent to which the proposed outputs respond to the needs of intended beneficiaries, namely ministries and authorities of the Arab region in charge of trade issues; and (b) the extent to which those outputs contribute to the realization of the expected accomplishments of subprogramme 3.

### II. SUBPROGRAMME 3: ECONOMIC DEVELOPMENT AND INTEGRATION

#### A. OBJECTIVE FOR THE BIENNIUM 2018-2019

To achieve a basic standard of living for all people in member States through sustained and more inclusive economic development within a more integrated region.

#### B. EXPECTED ACCOMPLISHMENTS AND INDICATORS OF ACHIEVEMENT

Expected accomplishments	Indicators of achievement
(a) More effective responses by member States to reduce poverty by adopting and implementing multidimensional poverty approaches	(a) (i) Increased number of member States that agree on a regional action plan addressing multidimensional poverty

Expected accomplishments	Indicators of achievement
(b) Increased effectiveness of member States in filling the financing gap and raising funds from traditional and innovative sources to implement the 2030 Agenda	<ul style="list-style-type: none"> <li data-bbox="783 264 1426 394">(ii) Increased number of member States that adopt policies to promote new methods for monitoring indicators related to multidimensional poverty and inequality</li> <li data-bbox="783 409 1426 506">(iii) Increased number of member States that adopt and implement inclusive plans and policies to address multidimensional poverty and inequality</li> <li data-bbox="751 521 1426 719">(b) (i) Increased number of member States that implement measures to mobilize financial resources for development according to the Addis Ababa Action Agenda of the Third International Conference on Financing for Development</li> </ul>
(c) Enhanced macroeconomic policy environment enabling regional integration, supported by policy assessment tools	<ul style="list-style-type: none"> <li data-bbox="783 734 1426 831">(ii) Increased number of member States that adopt regulatory reforms and legislation to enhance the business environment</li> <li data-bbox="751 846 1426 943">(c) (i) Increased number of institutions that develop knowledge-based economic tools and strategies with the support of ESCWA</li> <li data-bbox="783 992 1426 1088">(ii) Increased number of member States that develop and implement policies using ESCWA forecasting tools</li> </ul>
(d) Increased application of principles of good economic governance to promote inclusive economic transformation and regional integration	<ul style="list-style-type: none"> <li data-bbox="751 1104 1426 1200">(d) (i) Increased number of member States that use economic governance indicators to inform policymaking in the public and private sectors</li> <li data-bbox="783 1283 1426 1447">(ii) Increased number of member States that adopt policies for economic transformation and improved economic governance to facilitate development of viable regional value chains and connectivity to global value chains</li> </ul>
(e) Improved regional coordination among member States for cross-border infrastructure, especially in transport and trade facilitation	<ul style="list-style-type: none"> <li data-bbox="751 1462 1426 1626">(e) (i) Increased number of member States that adopt and implement regional and bilateral cross-border trade and trade facilitation agreements, such as the Arab Customs Union, to enhance intraregional and interregional trade</li> <li data-bbox="783 1641 1426 1771">(ii) Increased number of member States that adopt and implement ESCWA recommendations to enhance the coordination of their macroeconomic and sectoral policies for trade promotion</li> <li data-bbox="783 1787 1426 1946">(iii) Increased number of instances where member States adopt the agreements of the Integrated Transport System between Arab States and/or create national committees for transport and trade facilitation</li> </ul>

### C. STRATEGY\*

19.29 The Economic Development and Integration Division is responsible for the implementation of subprogramme 3. During the biennium 2018-2019, ESCWA will assist member States in achieving the Sustainable Development Goals (SDGs) and greater social justice. Using the tools that it has designed during the biennium 2016-2017 to monitor poverty, inequality and fiscal policy effectiveness, ESCWA will extend better advocacy and policy support services to member States. It will produce further evidence-based analytical reports and technical studies to identify gaps and solutions in those areas, with a view to achieving the SDGs, taking into account national and regional priorities. ESCWA will work in close collaboration with the League of Arab States to that end.

19.30 ESCWA will support member States to implement the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. It will focus on mobilizing financial resources and designing appropriate financing policies to address socioeconomic development gaps and implement the SDGs.

19.31 The lack of participation in policy dialogue, particularly on government budget and fiscal policy, remains one of the impediments to social justice in the region. Evidence-based policy assessments are needed in order to prepare constructive dialogue on these issues. ESCWA will support national policymaking institutions and other stakeholders in the development of policy assessment tools based on economic models, to create an enabling macroeconomic environment for regional integration and the implementation of the 2030 Agenda for Sustainable Development.

19.32 ESCWA will carry out various types of activities aimed at promoting economic transformation and building the capacities of member States in that regard. It will work towards increased efficiency in the infrastructure and economic policy to facilitate the expansion of exports. This will help the private sector to enhance its competitiveness, produce higher-value goods and services, develop regional value chains and improve connectivity to global ones in areas where the region has comparative advantages, benefiting from its available natural, capital and human resources. In that context, ESCWA will assist member States in achieving higher complementarity by facilitating the exchange of production factors and coordination of economic policies.

19.33 In order to provide an evidence-based advocacy for regional economic integration and identify focus areas for the Arab region, ESCWA will undertake rigorous quantitative analyses of the legal and institutional arrangements that are necessary for creating an environment that fosters regional economic integration and the achievement of regional development objectives, including high and labour-intensive economic growth rates.

### D. EXTERNAL FACTORS

Subprogramme 3 will achieve its objective and expected accomplishments provided that: (a) member States remain committed to increasing subregional and regional cooperation and integration; (b) there are no significant shortfalls in budgetary funding; (c) the political and security situation in member States and the region allows the implementation of the work plan; (d) up-to-date and reliable statistics are made available; and (e) Governments enjoy enough stability to pay due attention to such issues.

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\* The paragraphs under Strategy are numbered from 19.29 to 19.33, where 19 refers to programme 19 on economic and social development in Western Asia of the United Nations strategic framework for the biennium 2018-2019, and paragraphs 29 to 33 are the consecutive numbers in that document which contains all the United Nations programmes. This numbering is maintained in ESCWA programme of work documents as well as in the programme of work for each of the seven subprogrammes.

E. OUTPUTS  
(In the field of liberalization of foreign trade only)

During the biennium 2018-2019, the following outputs are expected to be delivered in the field of liberalization of foreign trade:

(a) *Servicing of intergovernmental and expert bodies*

(i) *Economic and Social Commission for Western Asia (thirtieth session)*

Parliamentary documentation:

Report of the Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development on its twelfth session-focus on trade

(ii) *Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development*

a. Substantive servicing of the fourteenth session of the Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development-focus on trade;

b. Parliamentary documentation:

i. Impediments towards the full implementation of the Pan-Arab Free Trade Area (PAFTA) – 2018;

ii. Overlapping of free trade agreements in the Arab region: challenges and options for deeper economic integration into global value chains – 2018;

iii. Trade logistics performance in the Arab region – 2018-2019;

iv. From PAFTA to the Arab Customs Union (ACU): implementation issues – 2018;

v. Status of implementation of the World Trade Organization Trade Facilitation Agreement in the Arab region – 2019;

(iii) *Ad hoc expert group meetings*

Expert group meeting on the concept note of the third edition of the Assessing Arab Economic Integration Report (AAEIR) – 2018;

(b) *Other substantive activities (regular budget)*

(i) *Recurrent publication*: Assessing Arab Economic Integration Report: Towards Achieving Selected SDGs – 2019;

(ii) *Non-recurrent publication*: Trade promotion and technical measures: examples from the Arab region – 2018;

(iii) *Technical material*

a. Technical material on assessing the role of trade policy in foreign direct investment inflows – 2018;

b. Contribution to the surveys of the Organisation for Economic Co-operation and Development on aid for trade – 2018-2019;

- c. Technical material on assessing the connectivity of selected Arab countries in global value chains: trends and recent changes – 2018;
- d. Technical material on techniques of defining appropriate rules of origin in preferential trade agreements – 2019;
- e. Technical material on assessing changes in trade costs in the Arab region – 2019;
- f. Introducing foreign direct investment in the regional CGE model;
- g. Trade policy overview – fact sheets for 18 member States – 2019.

Annex

**LEGISLATIVE MANDATES**

**Subprogramme 3. Economic development and integration**

*General Assembly resolutions*

68/199	International trade and development
68/200	Unilateral economic measures as a means of political and economic coercion against developing countries
68/201	International financial system and development
68/202	External debt sustainability and development
68/204	Follow-up to the International Conference on Financing for Development
68/222	Development cooperation with middle-income countries
68/269	Improving global road safety
68/279	Modalities for the third International Conference on Financing for Development
69/205	International trade and development
69/207	External debt sustainability and development
69/208	Follow-up to the International Conference on Financing for Development
69/213	Role of transport and transit corridors in ensuring international cooperation for sustainable development
69/227	Towards a New International Economic Order
69/235	Industrial development cooperation
69/313	Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda)

*Economic and Social Council resolutions*

2014/5	Promoting empowerment of people in achieving poverty eradication, social integration and full employment and decent work for all
2014/11	Follow-up to the International Conference on Financing for Development

*ESCWA resolutions*

296 (XXVI)	Enhancing public sector institutions and resources to attain national development goals
303 (XXVII)	Towards enhancing the macroeconomic policy in ESCWA member countries
313 (XXVII)	Frequency of sessions of the Technical Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development in the Countries of the ESCWA Region

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