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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### Chapter

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

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

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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

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<td>(a) More effective responses by member States to reduce poverty by adopting and implementing multidimensional poverty approaches</td>
<td>(a) (i) Increased number of member States that agree on a regional action plan addressing multidimensional poverty</td>
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<tr>
<td>Expected accomplishments</td>
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<td>(b) Increased effectiveness of member States in filling the financing gap and raising</td>
<td>(b) (i) Increased number of member States that adopt measures to mobilize financial resources for development according to the Addis Ababa Action Agenda of the Third International Conference on Financing for Development</td>
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<td>innovative sources to implement the 2030 Agenda</td>
<td>(ii) Increased number of member States that adopt regulatory reforms and legislation to enhance the business environment</td>
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<td>(c) Enhanced macroeconomic policy environment enabling regional integration, supported</td>
<td>(c) (i) Increased number of institutions that develop knowledge-based economic tools and strategies with the support of ESCWA</td>
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<td>by policy assessment tools</td>
<td>(ii) Increased number of member States that develop and implement policies using ESCWA forecasting tools</td>
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<td>(d) Increased application of principles of good economic governance to promote inclusive</td>
<td>(d) (i) Increased number of member States that use economic governance indicators to inform policymaking in the public and private sectors</td>
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<td>economic transformation and regional integration</td>
<td>(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</td>
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<td>(e) Improved regional coordination among member States for cross-border infrastructure,</td>
<td>(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</td>
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<td>especially in transport and trade facilitation</td>
<td>(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</td>
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<td>(iii) Increased number of instances where member States adopt the agreements of the</td>
<td>(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</td>
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<td>Integrated Transport System between Arab States and/or create national committees for</td>
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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.

* 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;

(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;

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