Part III

Intraregional trade in ESCWA member countries
Introduction

This chapter presents analysis and statistics for ESCWA member countries for which data on intraregional trade in non-oil goods for 2016 were available. Intraregional exports for these countries decreased by 6.6 billion dollars in comparison with 2015, despite the observed increases in few cases. Available data show also the increasing importance of intraregional exports in the Arab region to the region’s total non-oil exports, which increased by 2.7 percent in 2016 compared to 14 percent five years ago.

Available data for 2016 show that, notwithstanding the retraction of the non-oil intraregional exports which dropped by to 7.3 percent, the decline was far slighter than the decline of the region’s total exports, which reached 12.5 percent.

UAE experienced the largest decrease in non-oil intraregional exports in the region in 2016, which retracted by 5.8 billion dollars or 17.6 percent. Bahrain came second with a decrease of 2.1 billion dollars or 30.9 percent, followed by Saudi Arabia with 815 million dollars and by 4.3 percent. On the other hand, a number of countries in the region enjoyed growth in their intraregional exports during 2016, and those were led by Egypt, whose exports increased by 1.3 billion dollars or 17.2 percent, followed by Libya by 1.1 billion dollars or 68.4 percent, and Kuwait with an increase of 496 million dollars and or 19.4 percent.

In contrast to the overall decline in total imports in the ESCWA region, non-oil imports increased by 11 billion dollars, or 13.6 percent. The leading country in the region in this respect was the United Arab Emirates which showed an increase of 5.3 billion US dollars or 40 percent, followed by Lebanon by 0.5 billion dollars or 22.6 percent, in addition to Kuwait and Morocco, whose intraregional imports increased by about 139 million dollars. As for the countries whose imports decreased, the UAE experienced the largest decrease in non-oil intraregional imports in the region in 2016, which retracted by 6.7 billion dollars or 44.7 percent. Bahrain came second with a decrease of 3.9 billion dollars or 61.9 percent, followed by Saudi Arabia with 1.3 billion dollars and by 24.7 percent. On the other hand, a number of countries in the region enjoyed growth in their intraregional imports during 2016, and those were led by the UAE, whose imports increased by 5.6 billion dollars or 36.7 percent, followed by Bahrain by 0.2 billion dollars or 51.6 percent, and Kuwait by 0.1 billion dollars or 24.7 percent.
decreased in 2016, Saudi Arabia saw the sharpest decline, by 2.6 billion dollars or 14.5 percent, followed by Egypt by 807 million dollars or 11.5 percent, and Jordan by 563 million dollars or 14.3 percent.

With respect to the regional trade integration, available data in 2016 show that the region’s more diversified economies were still the most integrated in terms of non-oil intraregional exports. Sudan claimed the first rank in this respect with about 77 percent of its exports destined to the other countries in the region, followed by Yemen with 70 percent, and Bahrain with 69 percent. On the other hand, the ESCWA member countries in North Africa still represented the least integrated countries in the region. Morocco and Tunisia had the lowest percentages in that regard with only 4.5 and 6 percent of their exports destined to the region’s markets. The share of intraregional exports to total exports for the GCC countries recorded an average of 24 percent.

As for the money value of the intraregional non-oil exports, available statistics for 2016 show that UAE is by far the leading exporter to the rest of the region, with its exports reaching 27.2 billion US dollars. It is followed by Saudi Arabia with 18.3 billion dollars, Egypt with 9 billion dollars and Qatar with 6.7 billion dollars. Iraq had the least exports to the region as it only exported 7 million US dollars in 2016, followed by Mauritania with 15 million dollars, and the State of Palestine with 300 million dollars. Unfortunately, and due to the unavailability of updated data on the regional trade for all the Arab countries, it is difficult to provide a complete view of intraregional trade in the ESCWA region.