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Committee on Liberalization of Foreign Trade, Economic
Globalization and Financing for Development
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Item 12 of the provisional agenda

**Proposed programme of work for the biennium 2016-2017
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 2016-2017 in the field of liberalization of foreign trade 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 strategic framework for the biennium 2016-2017. Subprogramme 3, which is implemented by the Economic Development and Integration Division at ESCWA, comprises the work of ESCWA in the fields of economic development and regional integration which includes infrastructure logistics, transport, trade, macroeconomic convergence and financing for development; economic policy; economic governance and planning; and forecasting and modeling. This document presents the proposed outputs of all subprogramme 3; but since this session focuses on liberalization of foreign trade only, the activities related to that theme are presented in bold in order to be distinguished from other activities.

The Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development is invited to review and present comments on the proposed outputs, the extent to which they meet the priorities of ESCWA member States and their relevance to the expected accomplishments in the field of liberalization of foreign trade 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 as a result of implementing the proposed outputs.

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Introduction

1. This document contains the proposed programme of work of the Economic and Social Commission for Western Asia (ESCWA) for the biennium 2016-2017 in the fields of liberalization of foreign trade, economic globalization and financing for development. It was formulated on the basis of subprogramme 3 on economic development and integration of the proposed strategic framework for the period 2016-2017,¹ which was adopted by the United Nations General Assembly at its sixty-ninth session. The proposed programme of work is presented to the Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development at its tenth session for consideration and comments.

2. Subprogramme 3, which is implemented by the Economic Development and Integration Division at ESCWA, comprises the work of ESCWA in the fields of economic development and regional integration. Under this subprogramme, ESCWA seeks to strengthen the technical and institutional capacities of Governments in the Arab region, enabling them to: formulate and implement sound economic policies in the areas of trade, transport, logistics and infrastructure, macroeconomic policy convergence, competitiveness, diversification and productive capacities; participate effectively in regional and international trade; foster cooperation and achieve regional integration; conduct trade reforms, structural transformation and the diversification of exports to achieve sustainable and inclusive growth. For that purpose, ESCWA will conduct research and policy analyses on trade and cross-cutting issues; offer policy advice and capacity-building to Arab Governments and regional institutions involved in the process of regional integration; and provide a platform for advocacy and knowledge-sharing.

3. The activities planned for the biennium 2016-2017 will contribute to assisting Arab countries in better incorporating trade into their development strategies through the following actions: (a) identifying diversification policies and building export supply chains; (b) improving the skills of Arab negotiators to carry out and utilize impact analysis studies in order to obtain beneficial trade outcomes; (c) improving the capacities of the subregional entities involved in regional economic integration to meet the legislative and administrative requirements for complying with international trade rules; and (d) better integrating such cross-cutting issues as gender and environment into trade policy.

4. Recognizing that industrial and infrastructure development in the Arab region requires a larger regional market and effective cooperation between countries, ESCWA is already engaged in a series of activities to create quantifiable measures of regional economic integration, which will serve as a region-tailored benchmark to help gauge performance in different aspects of economic integration. One such measure will be the Arab Integration Index, which will help Arab countries and stakeholders of regional economic agreements and unions analyse their performance in different areas of economic integration.

5. In preparing the outputs proposed in this programme of work, the ESCWA secretariat has given due consideration to the following:

(a) Major issues related to the participation of the countries of the region in the multilateral trading system;

(b) Issues related to financing for development in the Arab region, including those that have emerged during the implementation of the programme of work for the biennium 2014-2015;

(c) The need to continue to support the efforts of member States in conducting multilateral trade negotiations within the framework of the Doha Development Agenda;

¹ United Nations, General Assembly, sixty-ninth session, *Proposed strategic framework for the period 2016-2017* (A/69/6(Prog.19)).

(d) The importance of improving the skills of trade officials to handle multilateral negotiations within the framework of the World Trade Organization (WTO);

(e) The importance of offering advisory services on WTO accession procedures;

(f) The necessity to contribute to increasing knowledge of issues related to international trade in the Arab private sector.

6. The Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development is invited to review the proposed outputs taking into consideration the outcome of the discussions that will take place during the current session and give guidance to the secretariat on the basis of the following criteria:

(a) The extent to which the proposed outputs meet the needs of targeted beneficiaries, namely the ministries and bodies concerned with foreign trade, economic globalization and financing for development in the Arab region;

(b) The extent to which the proposed outputs contribute to the implementation of the expected achievements of subprogramme 3.

7. Aspects related to the liberalization of foreign trade in the expected achievements, indicators of achievement, and the outputs of subprogramme 3 are presented in bold characters in order to be distinguished from other areas covered by the subprogramme.

SUBPROGRAMME 3: ECONOMIC DEVELOPMENT AND INTEGRATION

A. OBJECTIVE

The objective of subprogramme 3 is to achieve a decent standard of living for all people in member States, through sustained, inclusive and integrated regional economic development.

B. EXPECTED ACCOMPLISHMENTS AND INDICATORS OF ACHIEVEMENT

Expected accomplishments	Indicators of achievement
<p>(a) Member States reform economic institutions and develop and implement policies based on principles of good governance in order to enable economic planning and policymaking in support of inclusive and sustainable development</p> <p><i>Strategic pillar: good governance and resilience</i></p> <p><i>Priority area: institutional development</i></p>	<p>(a) (i) Number of member States that commit to or pass regulatory reforms or legislation related to the improvement of governance in economic institutions</p> <p><i>Performance measures:</i></p> <p>2012-2013: 0 member States Estimate for 2014-2015: 2 member States Target for 2016-2017: 4 member States</p> <p>(ii) Number of policies related to good economic governance adopted by member States with the assistance of ESCWA</p> <p><i>Performance measures:</i></p> <p>2012-2013: 0 policies Estimate for 2014-2015: 2 policies Target for 2016-2017: 3 policies</p>

Expected accomplishments	Indicators of achievement
<p>(b) Member States design and implement pro-poor, rights- and evidence-based economic plans and policies towards eradicating poverty and reducing income inequality</p> <p><i>Strategic pillar: inclusive development</i> <i>Priority area: social justice</i></p>	<p>(iii) Number of member States that improve their rating on established national and/or international indicators for good economic governance, such as business environment scorecards, the Open Budget Index, or the World Bank ease of doing business index</p> <p><i>Performance measures:</i></p> <p>2012-2013: 0 member States Estimate for 2014-2015: 3 member States Target for 2016-2017: 6 member States</p> <p>(iv) Number of member States that implement the models advocated by ESCWA to prepare national development strategies for evidence-based policy dialogue</p> <p><i>Performance measures:</i></p> <p>2012-2013: 0 member States Estimate for 2014-2015: 2 member States Target for 2016-2017: 4 member States</p>
<p>(c) National policymaking institutions develop evidence-based tools to create decent and competitive jobs for men and women</p> <p><i>Strategic pillar: inclusive development</i> <i>Priority area: knowledge economy and employment</i></p>	<p>(b) (i) Number of member States that adopt plans and policies to promote new methods of monitoring poverty</p> <p><i>Performance measures:</i></p> <p>2012-2013: 0 member States Estimate for 2014-2015: 0 member States Target for 2016-2017: 3 member States</p> <p>(ii) Number of pro-poor, rights- and evidence-based plans designed and implemented</p> <p><i>Performance measures:</i></p> <p>2012-2013: 0 plans Estimate for 2014-2015: 0 plans Target for 2016-2017: 3 plans</p> <p>(c) (i) Number of member States that design and incorporate an employment agenda into their national development planning mechanisms</p> <p><i>Performance measures:</i></p> <p>2012-2013: 0 member States Estimate for 2014-2015: 0 member States Target for 2016-2017: 3 member States</p>

Expected accomplishments	Indicators of achievement
(d) Member States and regional institutions develop policies and implementation mechanisms towards economic policy convergence	(ii) Number of member States requesting and receiving ESCWA support in developing knowledge-based economic strategies and policies to reduce unemployment <i>Performance measures:</i> 2012-2013: 0 member States Estimate for 2014-2015: 2 member States Target for 2016-2017: 4 member States
<i>Strategic pillar: regional integration</i> <i>Priority area: policy coherence</i>	(d) (i) Number of member States taking steps towards coordinating their fiscal and monetary policies <i>Performance measures:</i> 2012-2013: 0 member States Estimate for 2014-2015: 2 member States Target for 2016-2017: 4 member States
(e) Member States and regional institutions develop plans and policies for cross-border infrastructure, especially in transport and trade facilitation	(e) (i) Number of member States that improve in major logistic performance indicators <i>Performance measures:</i> 2012-2013: 0 member States Estimate for 2014-2015: 2 member States Target for 2016-2017: 4 member States
<i>Strategic pillar: regional integration</i> <i>Priority area: agreements and strategies</i>	(ii) Number of member States that adopt or develop plans or programmes containing new measures articulated in the Trade Facilitation Agreement of the World Trade Organization <i>Performance measures:</i> 2012-2013: 0 member States Estimate for 2014-2015: 2 member States Target for 2016-2017: 4 member States
	(iii) Number of member States that adopt the Integrated Transport System in the Arab Mashreq agreements and establish national committees for transport and trade facilitation <i>Performance measures:</i> 2012-2013: 43 cases Estimate for 2014-2015: 46 cases Target for 2016-2017: 48 cases

C. STRATEGY²

19.41 The Economic Development and Globalization Division is responsible for the implementation of subprogramme 3. The legislative mandates for this subprogramme are: the 2013 report of the Secretary-General on global economic governance and development (A/67/769), the Second United Nations Decade for the Eradication of Poverty (2008-2017), the follow-up to the International Conference on Financing for Development, the Monterrey Consensus, the Doha Declaration on Financing for Development, the Integrated Transport System in the Arab Mashreq and the relevant resolutions of the General Assembly, the Economic and Social Council and ESCWA.

19.42 ESCWA will promote equitable growth and sustainability, regional integration and economic governance by supporting member States in reforming economic institutions and developing and implementing policies based on good governance; designing and implementing pro-poor rights and evidence-based economic plans and policies; working towards creating and improving access to decent and competitive jobs for men and women; fostering policies and implementation mechanisms towards economic policy convergence; and enhancing regional integration.

19.43 The main directives of the subprogramme in the biennium 2016-2017 are the needs and demands of the populations of the region. The primary concern of the Arab region is the promotion of decent employment opportunities in an equitable knowledge economy that is based on good governance and poverty eradication.

19.44 Regional integration accompanied by evidence-based planning is highly needed to enhance regional economic development. Efforts will focus on the implementation of intraregional and international agreements on trade and transport, and the establishment of well-coordinated fiscal, investment and monetary policies.

19.45 To achieve the above, ESCWA will develop and use economic analysis and forecasting tools such as macroeconomic models that enable sound policy recommendations; conduct the research needed for the preparation of flagship publications; and provide technical assistance and capacity-building based on the individual needs of member States.

19.46 Work will be carried out in close coordination with relevant stakeholders in member States, particularly governments, development partners, including international financial institutions, civil society organizations and the private sector. Existing and new partnerships with other regional commissions, United Nations agencies, the League of Arab States, international and regional organizations and academic institutions will be strengthened.

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) no significant shortfalls occur in extrabudgetary funding; (c) the political and security situation in member States and the region allows the implementation of the work plan; and (d) up-to-date and reliable statistics are made available.

² The paragraphs under "Strategy" are numbered from 19.41 to 19.46, where 19 refers to programme 19 on economic and social development in Western Asia of the strategic framework of the United Nations for the biennium 2016-2017. 41 to 46 are the consecutive paragraph numbers in that document which contains all United Nations programmes.

E. OUTPUTS

During the biennium 2016-2017, the following outputs are expected to be delivered under subprogramme 3. Those related to the liberalization of trade are presented in bold characters.

(a) *Servicing intergovernmental and expert bodies (regular budget)*

(i) *Economic and Social Commission for Western Asia (twenty-ninth session)*

Parliamentary documentation:

- a. Report of the Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development on its ninth session;
- b. Report of the Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development on its tenth session;**
- c. Report of the Committee on Transport on its seventeenth session.

(ii) *Committee on Transport*

- a. Substantive servicing of meetings of the seventeenth and eighteenth sessions of the Committee on Transport (4 each in 2016 and 2017, expected accomplishment (e));
- b. Parliamentary documentation:
 - i. Follow-up report on the implementation of the Integrated Transport System in the Arab Mashreq (ITSAM) (2016 and 2017, expected accomplishment (e));**
 - ii. Assessing transport connectivity in the Arab region.

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

- a. Substantive servicing of the eleventh (focus on trade in services) and twelfth (focus on finance) sessions of the Committee (4 each in 2016 and 2017, expected accomplishments (d) and (e));**
- b. Parliamentary documentation:**
 - i. Regional financial integration (2017, expected accomplishment (d));**
 - ii. Promoting trade in services in the Arab region (2016, expected accomplishment (e));**
 - iii. Trade policy convergence in the Greater Arab Free Trade Area: trade integration evaluation and challenges;**
 - iv. Rethinking multidimensional poverty in the Arab region;
 - v. Trade, industrial policy and employment in the Arab region.**

(iv) *Ad hoc expert groups*

Twelve expert group meetings on the following topics:

- a. Developing economic governance standards;
- b. Arab economic governance;
- c. Regional economic situation and prospects;
- d. Multidimensional poverty in the least developed countries;
- e. Multidimensional poverty in middle-income countries;
- f. The Arab Development Outlook;
- g. Evaluation and monitoring of macroeconomic policies coordination (2016, expected accomplishment (d));**
- h. International Conference on Banking for Sustainable Development in the Arab Region;
- i. Transport connectivity and regional value chains (2016, expected accomplishment (e));
- j. Deepening regional economic integration through the liberalization of trade in services in the Arab region (prospects, requisites and implications) (2016, expected accomplishment (e));**
- k. Debt management in the Arab region;
- l. Foreign direct investment for sustainable development.

(b) *Other substantive activities (regular budget)*(i) *Recurrent publications*

- a. Survey of Economic and Social Developments in the Arab Region 2015-2016;
- b. Survey of Economic and Social Developments in the Arab Region 2016-2017;
- c. Arab Development Outlook 2017;
- d. Financing for development in the Arab region;
- e. The Arab Economic Integration Report (Second Edition).**

(ii) *Non-recurrent publications*

- a. Arab Poverty Report;
- b. Transport Connectivity and Regional Value Chains (2016, expected accomplishment (e)).

(iii) *Technical material*

- a. Working papers:
 - i. Identification of barriers to trade in services in selected Arab countries;**
 - ii. Progress in the establishment of an Arab customs union;**
 - iii. Implementation of the Trade Facilitation Agreement in Arab countries in preparation for the ministerial meeting of the World Trade Organization in 2017;**
 - iv. Economic governance standards;
 - v. Annual fiscal and balance of payments situation survey for Arab countries;
 - vi. Manual on national development planning in the Arab region.

- b. Technical papers:
 - i. Regional impact of conflicts on the neighbouring countries (Iraq, Libya and the Syrian Arab Republic);
 - ii. Multidimensional poverty;
 - iii. Public expenditure policies addressing multidimensional poverty;
 - iv. Trade, industry and employment;**
 - v. Balance of payments constrained growth;
 - vi. Introducing knowledge economies externalities in the global computable general equilibrium (CGE) model;
 - vii. Debt management in the Arab region;
 - viii. Rethinking investment policies in the Arab region;
 - ix. Rethinking the Human Development Index for Arab countries;
 - x. Inclusive finance and access to the financial sector in the Arab region;
 - xi. Governance of sovereign wealth funds in the Arab region;
 - xii. Integration of green economy in the national planning of Arab countries;
 - xiii. Economic governance/planning issues in the Arab region;
 - xiv. Advancing measurement of multidimensional poverty in the Arab region;
 - xv. Methodology to monitor sectoral policy harmonization;**
 - xvi. Estimating trade restrictiveness index for selected services sectors;**
 - xvii. Estimating the impacts of liberalization of trade in services;**
 - xviii. Development of a system of indexes for assessing Arab economic integration (new indexes);**
 - xix. Identifying policies for economic transformation through a better connectivity to global value chains.
- c. Policy papers:
 - i. Towards a pan-Arab knowledge economy;
 - ii. Regional impacts of armed conflicts in the region;
 - iii. Overview of the private sector in the Arab region.
- d. Briefs:
 - i. Poverty in Egypt;
 - ii. Poverty in Palestine;
 - iii. Poverty in Libya;
 - iv. Poverty in the Sudan;
 - v. Poverty in Yemen;
 - vi. Poverty in Morocco;
 - vii. Poverty in Oman.

(iv) *Special events*

- a. Launch of the Survey of Economic and Social Development in the Arab Region 2015-2016;
- b. Launch of the Survey of Economic and Social Development in the Arab Region 2016-2017;
- c. Launch of the Arab Poverty Report;
- d. Launch of the Arab Development Outlook;
- e. **Launch of the Arab Economic Integration Report 2017.**

(v) *Contribution to inter-agency meetings and joint outputs*

- a. The Arab Governance Report;
- b. Regional inputs to the *World Economic Situation and Prospects* of the United Nations Department of Economic and Social Affairs;
- c. The joint United Nations-World Bank report on Lebanon;
- d. The Arab Economics Conference;
- e. **The Global Trade Analysis Project Conference;**
- f. The Economic Research Forum;
- g. Conference of the Arab Organization for Administrative Development – League of Arab States;
- h. Middle East and North Africa Conference of the Organization for Economic Cooperation and Development;
- i. Basil Fuleihan Conference on Public Financial Management (2016 and 2017);
- j. **Surveys on aid-for-trade of the Organization for Economic Co-operation and Development;**
- k. Initiative on Economic Transformation and Global Value Chains of the Organization for Economic Co-operation and Development.

(c) *Technical cooperation (extrabudgetary)*

Workshop on regional impacts of armed conflicts in the region.

Annex

LEGISLATIVE MANDATES

Subprogramme 3. Economic development and integration

General Assembly resolutions

- | | |
|--------|--|
| 64/191 | External debt sustainability and development |
| 64/193 | Follow-up to and implementation of the Monterrey Consensus and the outcome of the 2008 Review Conference (Doha Declaration on Financing for Development) |
| 64/255 | Improving global road safety |
| 65/10 | Sustained, inclusive and equitable economic growth for poverty eradication and achievement of the Millennium Development Goals |
| 66/260 | Improving global road safety |
| 67/198 | External debt sustainability and development |
| 67/199 | Follow-up to the International Conference on Financing for Development |
| 67/230 | The role of the United Nations in promoting a new global human order |
| 67/289 | The United Nations in global economic governance |

Economic and Social Council resolution

- | | |
|---------|--|
| 2013/44 | Follow-up to the International Conference on Financing for Development |
|---------|--|

Economic and Social Commission for Western Asia 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 |
