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Economic and Social Commission for Western Asia (ESCWA)

Technical Committee on Liberalization of Foreign Trade, Economic
Globalization and Financing for Development in the Countries
of the ESCWA Region

Ninth session
Amman, 7-8 April 2015

Item 3 of the provisional agenda

Provisional agenda and annotations**Main theme of the session: Financing for Development in the Arab Region**

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda and other organizational matters.
4. Review of action taken in the field of financing for development under the ESCWA programme of work since the eighth session of the Committee.
5. Proposed programme of work for the biennium 2016-2017 in the field of financing for development.
6. Sustainable development: financing gap in the Arab region.
7. Workers' remittances as a source of financing for development.
8. Innovative sources of financing for development.
9. The role of Arab funds in financing for development.
10. The ESCWA document on the Arab position in preparation for the Third International Conference on Financing for Development.
11. Date and venue of the eleventh session of the Committee.
12. Other matters.
13. Adoption of the recommendations made by the Committee at its ninth session.

ANNOTATIONS

1. Opening of the session

The opening meeting will begin at 10 am on Tuesday, 7 April 2015, at Kempinski Hotel in Amman. The representative of the Hashemite Kingdom of Jordan, in his capacity as the representative of the State which chaired the eighth session of the Technical Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development in the Countries of the ESCWA region, will give the welcoming statement and Ms. Rima Khalaf, the Under-Secretary-General of the United Nations and Executive Secretary of ESCWA, will give the opening speech.

2. Election of officers

Rule 18 of the Rules of Procedure of the Economic and Social Commission for Western Asia states: "Member States shall chair the sessions of the subsidiary bodies of the Commission on a rotating basis, in the Arabic alphabetical order employed by the United Nations.* Unless the Commission decides otherwise, those bodies shall elect all their other officers". Pursuant to that rule, the United Arab Emirates shall chair the ninth session of the Commission, succeeding Jordan which chaired the eighth session from 7 October 2013 to 7 April 2015. The Committee shall elect two vice-chairs and a rapporteur from among the representatives of member States.

3. Adoption of the agenda and other organizational matters

Rule 8 of the Rules of Procedure of the Economic and Social Commission for Western Asia, which apply to subsidiary bodies, states: "At the beginning of each session, once the Chair has assumed his/her duties in accordance with rule 12, the Commission shall adopt the agenda for that session on the basis of the provisional agenda." Pursuant to that rule, the Committee will be presented with the provisional agenda and annotations for this session in document E/ESCWA/EDID/2015/IG.1/L.1 and the organization of work in document E/ESCWA/EDID/2015/IG.1/L.2. The Committee shall adopt the agenda and organization of work as submitted or in amended forms.

4. Review of action taken in the field financing for development under the ESCWA programme of work since the eighth session of the Committee (E/ESCWA/EDID/2015/IG.1/3)

The document presented to the Committee under this item contains an overview of progress made in the implementation of activities related to financing for development in the ESCWA programme of work since the eighth session of the Committee, which was held in Amman, from 7 to 8 October 2013.

Representatives of member States are invited to take note of these activities and make comments and recommendations thereon.

5. Proposed programme of work for the biennium 2016-2017 in the field of financing for development (E/ESCWA/EDID/2015/IG.1/4)

This document contains the proposed activities to be undertaken by ESCWA in the area of financing for development during the biennium 2016-2017, under subprogramme 3 on development and economic integration, which is the responsibility of the Economic Development and Integration Division at ESCWA. The programme of work was prepared in line with the revised strategic

* ESCWA member States in the Arabic alphabetical order are: Jordan, the United Arab Emirates, Bahrain, Tunisia, the Syrian Arab Republic, the Sudan, Iraq, Oman, Palestine, Qatar, Kuwait, Lebanon, Libya, Egypt, Morocco, Saudi Arabia and Yemen.

framework for the biennium 2016-2017, which was adopted by ESCWA at its twenty-eighth session (Tunis, 15-18 September 2014).

Representatives of member States are invited to take note of the proposed programme of work and make comments and recommendations thereon.

6. Sustainable development: funding gap in the Arab region
(E/ESCWA/EDID/2015/IG.1/5)

This document presents an overview of the gap in financing for sustainable development in Arab States. Financial resources to address the major challenges to sustainable development are estimated at large sums and have been on the rise since the global financial crisis. The financial gap in the Arab countries is about 85 billion United States dollars (US\$) annually, according to ESCWA estimates. It has more than doubled in those countries since 2010, owing primarily to the increase in Government spending on social services. The document also contains an account of available financial resources in various sectors of sustainable development. It also presents an overview of the challenges facing the mobilization of domestic and international resources and initiatives to mobilize such resources.

Representatives of member States are invited to make comments on the content of this document.

7. Workers' remittances as a source of financing for development
(E/ESCWA/EDID/2015/IG.1/6)

Remittances have increased significantly over the past decade, reaching more than US\$400 billion in 2013 and are expected to exceed US\$515 billion in 2015. However, these flows tend to be used primarily on consumption spending rather than on investments supporting development. The document presented to the Committee under this item introduces a new methodology to increase the flow of workers' remittances to Arab States and use these remittances in long- and medium-term projects to help bridge the financing gap and achieve sustainable development. It also underlines the role of Governments and public-private partnerships in promoting workers' remittances for development.

Representatives of member States are invited to discuss the proposals and opportunities presented in this document.

8. Innovative sources of financing for development
(E/ESCWA/EDID/2015/IG.1/7)

There are now new and innovative financial tools for mobilizing resources for sustainable development. The green bonds issued by the World Bank are a good example of innovative sources capable of mobilizing additional resources to support sustainable development. Since 2008, the green bonds issued by the World Bank exceeded US\$6.3 billion through 66 transactions in 17 different currencies. On the other hand, the green *sukuk* are securities issued according to the Islamic law (sharia) to finance investments that meet international standards in climate change mitigation. A group of leading investment institutions and non-governmental environment organizations is also supporting this programme. This initiative is an important step towards establishing strong foundations for green economy and sustainable development in the Arab region. The document presented to the Committee under this item, examines the adequacy of green bonds to finance projects in various sectors. It also highlights the success of the green *sukuk* during the period 2012-2014.

Representatives of member States are invited to express their views on the content of this document.

9. The role of Arab funds in financing for development
(E/ESCWA/EDID/2015/IG.1/8)

Arab aid played a major role in financing for development in general. The Arab donors, particularly Kuwait, Saudi Arabia and the United Arab Emirates, are among the most generous in the world in terms of official development assistance. The official development assistance provided by these three States amounted to US\$267.6 billion in the period 1975-2010, representing approximately 1.7 per cent of the gross national income of the three States, and more than twice the target rate of 0.7 per cent set by the United Nations. That amount is also five times higher than the average aid from donors of the Development Assistance Committee of the Organization for Economic Co-operation and Development (OECD). The document presented to the Committee under this item contains an overview of the evolving work of the Arab development funds and ways to improve the contribution of these funds to financing sustainable development.

Representatives of member States are invited to make comments on the content of this document.

10. The ESCWA document on the Arab position in preparation for the Third International Conference on Financing for Development
(E/ESCWA/EDID/2015/IG.1/9)

The document presented to the Committee under this item contains an overview of the outcome document prepared by ESCWA on the most relevant issues and challenges related to financing for development in the Arab region; the document shall reflect the Arab position on the major international and regional issues. The Arab position draft document has been prepared in the light of the draft outcome document of the Third International Conference on Financing for Development and the comments of member States thereon; it also took into consideration the ongoing changes in development cooperation, the interlinks among all sources of financing for development, the synergies in financing objectives related to the three dimensions of sustainable development, and the need to support the post-2015 United Nations development agenda. The Arab position document will be one of the major contributions of regional commissions in preparation for the Third International Conference on Financing for Development.

ESCWA will present the Arab position draft document in a panel discussion on financing for development. Representatives of member States shall discuss all the provisions of the draft. The updated draft will then be submitted to the General Assembly.

11. Date and venue of the eleventh session of the Committee

The Committee will consider the date and venue of its eleventh session which will be held in 2017 and will address financing for development; the tenth session, which will be held in June 2015, will address trade liberalization.

12. Other matters

This item shall cover any other matters that the members of the Committee may wish to discuss.

13. Adoption of the recommendations made by the Committee at its ninth session

The Committee will consider the draft recommendations of its ninth session for discussion and adoption.
