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Arab Trade Gateway

Summary

The Arab region remains the least integrated region of the globe in terms of cross-border trade. In addition to the weak regional trade policy context, information and data related to Arab economic integration are scattered among a wide variety of regional and international sources, which impedes the work of trade stakeholders, especially during decision-making.

To remedy the gap, the Economic and Social Commission for Western Asia (ESCWA) has embarked on developing the Arab Trade Gateway (ATG), which aims to offer useful and engaging access to reliable data for an array of trade stakeholders, ranging from government focal points to the private sector, civil society, academia and trade operators. With its tools for conducting simulations using verified data, the ATG enables stakeholders to make informed decisions and develop their positions with regards to trade opportunities and challenges. In the long term, the ATG aims to amplify regional conversations about trade and its role in regional integration to ultimately boost Arab trade performance.

The Executive Committee is invited to discover the ATG and make comments for its further development.

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Introduction

1. The Arab region remains the least integrated region of the globe in terms of cross-border trade. In addition to the weak regional trade policy context, information and data related to Arab economic integration are scattered among a wide variety of regional and international sources, which impedes the work of trade stakeholders, especially during decision-making. While the world enjoys a wide range of digital platforms and facilities concerning global and regional economic integration and trade, the Arab region lacks a platform that is customized to its regional context and priorities. More importantly, trade operators and policymakers of the region do not always have access to those data platforms or face language barriers that impede their engagement with information relevant to their day-to-day work in trade.
2. To remedy the gap, the Economic and Social Commission for Western Asia (ESCWA) has embarked on developing the Arab Trade Gateway (ATG), which aims to offer useful and engaging access to reliable data for an array of trade stakeholders, ranging from government focal points to the private sector, civil society, academia and trade operators. With its tools for conducting simulations using verified data, the ATG enables stakeholders to make informed decisions and develop their positions with regards to respective trade opportunities and challenges. In the long term, the ATG aims to amplify regional conversations about trade and its role in regional integration to ultimately boost Arab trade performance.
3. The ESCWA secretariat presented the ATG to the Arab trade policymaker community during the second session of the Committee on Trade Policies in States Members of ESCWA, which was held online on 15 and 16 September 2021. Member State representatives welcomed the ATG and its different components and recommended that trade stakeholders avail themselves of the data and information provided therein.

I. Components

4. The ATG currently comprises the following components: market access, trade performance and trade negotiations. In addition to the substantive components, the ATG also offers a window for all trade stakeholders in the region to access trade-related courses and learning opportunities. Moreover, the ATG showcases partner trade publications in addition to those produced by ESCWA.

A. Market access

5. Market access provides information on market access conditions through the following tabs:
 - (a) **Trade agreements:** provides a list of selected Arab countries' trade agreements with the rest of the world, whether bilateral, plurilateral or unilateral, in addition to a brief on each agreement and the original text;
 - (b) **Business environment:** the Arab Legislative Portal provides easy and quick online access to legislation from 22 Arab countries. The Portal facilitates the analysis of current legislation and the identification of regulatory gaps in the region to exchange expertise and carry out comparative evaluations between countries and hence support countries in their regulatory reforms. The Portal, available in Arabic and English, allows for legislation to be searched in four different categories: anti-corruption, competition, consumer protection and foreign direct investment. They can be filtered by country, year of issuance and language. In the Portal, the Arab Business Legislative Frameworks Report provides a holistic mapping of the legislative business climate in the Arab region. It assesses the legislation, conditions of competition, anti-corruption, foreign direct investment and consumer protection for the 22 Arab States and provides a set of recommendations highlighting the condition of every legislative field under study;
 - (c) **Competition policies:** the segment displays activities to promote competition policy in the Arab region. Competition regulations and policies are crucial in consolidating growth strategies at both the national and regional levels. Competitive markets are a key determinant for improving the business climate, boosting

consumer welfare, attracting investments, developing productive capacities, boosting exports and creating jobs. At the same time, strengthening competition policies is crucial to enhancing regional trade agreements through better coordination of macroeconomic and sectoral policies that affect competition between trade partners;

(d) **Trade costs:** the database is set to provide policymakers and traders with valuable information on which products or product groups are subject to relatively high import trade costs by origin and which export destinations incur higher trade costs, allowing policymakers to identify key policy-induced barriers to trade and formulate policies to mitigate trade costs due to structural factors. Similarly, the database on trade costs should help firms, especially micro, small and medium enterprises, to overcome information asymmetries when they contemplate accessing new markets;

(e) **Logistics:** the logistics tab shows data and analysis related to logistics performance in the Arab region and around the world. As a first step, this toolkit will provide an overall view of the Arab countries' Logistics Performance Index developed by the World Bank, benchmarked against the global average, regional average and best performers to better understand each country's position;

(f) **Trade facilitation measures:** this segment provides the results of the United Nations Global Survey on Digital and Sustainable Trade Facilitation. The Survey aims to gather information from countries on the implementation of digital and sustainable trade facilitation measures, monitor progress and identify best practices.

B. Trade performance

6. Within this component, data related to trade performance are presented through the following tabs:

(a) **Economic integration:** this tab is linked to the System for Measuring, Monitoring and Evaluating Arab Economic Integration (SIMEA), which produces economic integration indices and scoreboards, allows member States to monitor and track emerging trends, strengths and challenges in their economic integration efforts and shows the policies and outcomes of member States' trade efforts beyond economic integration;

(b) **Trade flows:** this is a new product for the Arab region, which gives an illustrative picture of a country's trade flows over the past nine years. The tab also provides detailed data of 14 different commodity groups and the top 10 trade flow partners for individual countries and for the region as a whole. It also has functionalities to trace intraregional trade flows, particularly of non-oil products to see beyond the domination of trade in oil;

(c) **Trade indicators:** this tab provides updated estimates on trade indicators that are commonly and frequently used in ESCWA trade performance assessments. Fifteen indicators cover areas such as export diversity, intra-industry trade, trade intensity and complementarity;

(d) **Index Simulator for Policymakers in the Arab Region (ISPAR):** this tab provides access to a simulator of national performance for the main composite indices in the areas of technology, inequality and the economy. ISPAR allows policymakers to view their countries' current scores in those indices and estimate the direct impact of their national policies on their scores and rankings in the indices they want to track.

C. Trade negotiations

7. This segment provides analysis and negotiations support tabs:

(a) **Arab Trade Simulation Interface (ATSI):** a user-friendly analytical tool that enables users who are not specialized modelling experts and do not have strong mathematical coding skills in using GAMS (General Algebraic Modeling System) to perform trade simulations. Users can perform a large number of

simulations to reflect national reform priorities, bilateral trade agreements and global shocks. The simulations reflect potential changes in exogenous variables and policy instruments;

(b) **Arab Customs Union Helpdesk** (coming soon): this tab provides a facilitation space for the ACU negotiations.

D. Knowledge and learning

8. This component directs visitors to a large list of informational materials, online trainings and interactive training tools. It also provides a large and broad range of capacity-building tools and resources in the most used languages in the region: Arabic, English and French.

E. Events

9. This component compiles links to all trade-related news of events organized by ESCWA and other partners on the region. There are three major categories of events:

- ESCWA intergovernmental meetings related to trade.
- Expert group meetings and international and regional conferences.
- Capacity-building workshops.

F. Publications

10. This component links to all trade-related ESCWA publications as well as to other international trade publications covering the Arab region, featuring recurrent and non-recurrent publications, technical papers and policy briefs.

II. Added value for the region

11. The added value of the gateway for trade stakeholders in the region, including policymakers, private sector operators, civil society and academia, will be by providing interactive and engaging information to improve the trade performance of Arab countries. The ATG will be a one-stop shop hosting all trade-related data for informed decision-making. More importantly, the ATG will be the primary engagement tool employed by ESCWA to amplify the regional conversation about trade and its role in regional integration. Its components will grow incrementally and will aim to provide demand-driven data and information with engaging applications to ensure the widest reach.

12. The Executive Committee is invited to take note of the ATG and make comments for its further development.
