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POLICY ISSUES IN THE ESCWA REGION**NEW CHALLENGES IN THE REGION AND THEIR IMPACT
ON THE WORK OF ESCWA**

*High-Level Expert Group Meeting on the Role of ESCWA
in Serving its Member Countries to 2010
Beirut, 24-25 January 2006*

Summary

This document reviews the High-Level Expert Group Meeting on the Role of ESCWA in Serving its Member Countries to 2010.

The Meeting considered the challenges facing and opportunities available to the countries of the region and the role of the Economic and Social Commission for Western Asia (ESCWA) in confronting and exploiting those challenges and opportunities in the light of current regional and global trends, with a view to developing a practical and theoretical vision of the issues on which it is possible for the Commission to concentrate by including them in its programme of work or developing new mechanisms for dealing with issues and priorities.

During the Meeting, discussions focused on the organizational and programme restructuring of ESCWA; the implications of the resolutions adopted by the 2005 World Summit; and the needs of the countries of the region and the role of ESCWA to the year 2010 in respect of Arab regional integration, water, energy, technology, globalization (commercial and economic issues) and social policies.

The Meeting concluded by making basic general recommendations and others on social and economic policies. Further recommendations concerned the activation of regional integration plans, State and civil society institutions and the role of the Arab media.

Albeit many of the recommendations made and proposals put forward by the experts do not fall within the remit of the Commission, the secretariat believes that all those recommendations and proposals should be put before member countries because they represent an integrated approach to the challenges of economic and social development in the region, the implementation of which will require the investment of all the abilities and mechanisms that are available to the countries of the region, in accordance with their priorities. Within the constraints of its mandate and capabilities, ESCWA welcomes the opportunity to contribute thereto.

Meeting participants affirmed that the priorities of the region which were adopted by ESCWA in 2002 continue to apply. Those priorities are water, energy, globalization, regional integration, technology and social policies, in addition to issues that are common to the programmes, namely, the provision of statistics, the empowerment of women and issues relating to countries affected by conflict.

Introduction

1. The High-Level Expert Group Meeting on the Role of ESCWA in Serving its Member Countries to 2010 was held at the invitation of ESCWA and with the aim of consulting the views of Arab experts, intellectuals and officials on the challenges facing and opportunities available to the countries of the region and the role of ESCWA in confronting and exploiting those challenges and opportunities in the light of current regional and global trends, including the outcomes of the 2005 World Summit.

I. RECOMMENDATIONS

2. Participants discussed several recommendations that are necessary in order to further development and regional integration, and asked ESCWA to forward all those recommendations to the parties concerned and, where possible, implement them as part of its programmes, in cooperation with all the bodies and institutions that have expressed a willingness to work in that field and, in particular, the pertinent United Nations and League of Arab States institutions, as well as the national bodies and institutions of each Arab country, at both the Government and the non-government levels.

A. GENERAL RECOMMENDATIONS

3. An Arab regional observatory should be established with the primary task of devising comparative indicators for various issues related to development, security and human rights in the Arab region. A further responsibility would be the amassing of the data necessary to regularly follow up and issue periodic reports on the development of those indicators in the region. Such indicators should include the following:

(a) Issues that foment internal, regional and international tensions and conflicts, including, inter alia, political, racial, religious and social problems and internal community tensions in each Arab country, including human rights issues; the illegal movement of workers; and disputes over shared water resources;

(b) Factors that affect sustainable development in each Arab country and at the Arab regional level;

(c) Factors affecting civil partnership and relating to the development of institutional and leadership capacities in Government and non-government institutions at the national and regional levels.

4. In that regard, participants advised all the relevant national institutes and institutions in each country of the region to establish national observatories with dedicated human capacities capable of amassing economic and social data at the national level, in close cooperation with the Arab/regional observatory.

5. Integrated views on sustainable development should be formulated, given the uncertain and unstable conditions that prevail in the region, which are likely to continue for the foreseeable future. Each pertinent national and regional party should integrate those views into their work when formulating economic and social development plans and when translating those plans into actual programmes of work, in order to ensure that such plans and programmes include indicators that could be used for comparisons and analysis, with a view to taking into account the factors of tension and lack of stability. Similarly, participants emphasized the need to raise awareness of citizenship and the participation of civil society in decision-making and the formulation of development plans and programmes at all levels within each country and at the regional level. They also stressed the importance of devising practical indicators to monitor and measure the development of awareness of citizenship and the participation of civil society institutions in various development-related issues.

6. A common Arab vision of sustainable development over the forthcoming 20 years should be formulated and entitled "The Arab region to the year 2025". That vision should take into account the outcomes of the indicators recommended in paragraphs 3 and 4 above and, in particular, the unstable circumstances in the region.

B. ECONOMIC RECOMMENDATIONS

7. Comprehensive studies on economic development in the region should be prepared and translated into clear programmes of work for both the public and private sectors, for specific periods of time, with a view to making effective use of the opportunity offered by the significant increase in oil and gas revenues and the accumulation of large amounts of Arab capital from those revenues that would be available for investment in the region when the opportunity arose, rather than depending on foreign investment. Participants also stressed that studies and investment projects should take into consideration the need to facilitate the transition of Arab economies and Arab societies into new economic channels and the establishment of knowledge-based societies that were entirely different from the currently prevailing rent economies of the region. Development plans should concentrate on the following issues:

(a) The diversification of economic and productive activities in the Arab region, in order to make maximum use of the financial and human resources available, respond in the first place to the most urgent needs of local and regional Arab markets, and attempt to reap the greatest possible benefit from oil and gas as sources of energy and basic materials for industrial inputs;

(b) The steering of Arab investment towards employment in activities for which there is extensive demand in the Arab region and, in particular, in all areas relating to energy and water resources, including the following:

- (i) Projects relating to water desalination and treatment at all levels; major water projects, including, inter alia, dams, irrigation channels and the maintenance of groundwater wells. Such projects should include investment in shared water resources and, in particular, groundwater;
- (ii) Investment projects related to oil and gas, at all stages, from extraction to consumption, including the development and use of clean technologies for fossil fuels and national and regional distribution and linkage networks for oil, gas and electricity.

8. Detailed technological and economic studies should be prepared on investment in establishing Arab information and communication networks, in order to enable every Arab citizen to have access to those networks and benefit from the opportunities they provide for economic, social and cultural development and to strengthen the links between Arab markets. Against that background, participants stressed the great economic value, as yet neglected, of Arabic language-related digital technologies and industries, both with respect to Arabic software and Arabic Internet content, which are areas of high value added for private Arab investment.

9. Academic and practical studies should be prepared and their outcomes disseminated with the aim of encouraging Arab economic and productive institutions and firms to merge, network and cooperate, with a view to forming large Arab economic and productive institutions and corporations that would be able to compete with big multinational corporations and keep abreast of the demands of globalization and market liberalization. In that context, participants affirmed the vital and effective nature of the role that could be played by the Union of Arab Banks, Arab development banks and other relevant economic institutions in promoting mergers and networking between Arab economic institutions and firms and expanding their capacities, in order to make effective use of accumulated private Arab capital both within and beyond the region.

C. RECOMMENDATIONS REGARDING SOCIAL POLICIES

10. Integrated social policies should be formulated and translated into practical programmes that can be implemented and show measurable results. Modern social science views and methodologies must be adopted and, in particular, the methodology of prospective studies that give specific estimates of the consequences of the alternative social policies proposed. The issues set forth below should, in particular, be considered:

- (a) Poverty and all aspects of its causes;
 - (b) Increasing unemployment and disguised unemployment, particularly among youth and university graduates;
 - (c) The protection and empowerment of women and the facilitation and activation of their participation in the national economy;
 - (d) The protection of children, ageing persons, disabled persons and other marginalized social groups.
11. Comprehensive social, cultural and educational studies of all stages of the educational curriculum in the region should be prepared, with the aim of identifying weaknesses and deficiencies and, in particular, in respect of such issues as awareness of citizenship and new technology, and linking social and economic issues. The relevant parties should be requested to translate such studies into practical programmes for the development of curriculums in keeping with global developments in various fields.
12. An in-depth study that illustrates the technological impact on socio-economic development should be prepared, given that technology is, above all, a social trend that comprises a direct link between curriculums and the culture that they can generate in youth which encourages scientific and technological curiosity and invention and innovation.
13. Governmental and non-governmental institutions in all the Arab countries should be invited to coordinate the formulation of social policies and programmes, with a view to transferring successful national and regional experiences in that field, adopting those that are appropriate and adapting them to local particularities, to the extent possible.

D. RECOMMENDATIONS RELATED TO REGIONAL INTEGRATION

14. In-depth academic studies should be prepared on previous experiences of regional integration in the area, both successful and unsuccessful, in order to identify the elements of political, economic, social, national, regional and international success and failure in a manner that will help to understand the factors that affect the progress of Arab regional integration. Such studies must include, inter alia, such bilateral integration experiences as that between Egypt and the Syrian Arab Republic and such semi-regional experiments as the Gulf Cooperation Council, in order to identify alternative approaches to integration that might be more successful in bringing together their disparate elements.
15. In-depth, detailed studies should be prepared on bilateral and multilateral trade liberalization agreements between the Arab countries and between those and other countries, and a study on the extent to which such agreements impact on sustainable development in each country and the process of Arab economic integration.
16. Arab countries non-members of ESCWA should always be invited to take part in all its activities and to seek acceptable alternative institutions to continue such participation, as far as the United Nations permits.

E. RECOMMENDATIONS ON BUILDING STATE AND COMMUNITY INSTITUTIONS

17. Studies should be made of global experiences of tripartite consultative partnership between Government, civil society and private sector institutions in formulating economic and social development policies, making use of the experience ESCWA acquired in Palestine while preparing for the Arab-International Forum on Rehabilitation and Development in the Occupied Palestinian Territory. Such studies should include theoretical and practical mechanisms for consultation, coordination and the division of roles, with a view to making consultation with respect to development endeavours in general more effective. Such studies and programmes should also make it possible for successful experiences within and beyond the Arab region to be transferred, and investigate ways of directly benefiting from such experiences.

18. Institutional capacity-building programmes should be prepared for Arab Government and civil society institutions, including practical training courses and the transfer of successful global experiences.

19. Action should be taken in order to increase coordination between international development organizations and the foreign development funding institutions active in the region; and training programmes should be arranged for Arab civil society institutions in order to build their capacities to negotiate with foreign funding bodies. Further practical programmes should be prepared to enable the national institutions of the Arab region to network, between themselves initially and, subsequently, at the international level, with a view to expanding the horizons of those institutions and facilitating their relationships with international institutions. In this regard, attention is drawn to a number of successful experiments that ESCWA has undertaken in the field, including the creation of networks between national institutions for water and energy.

F. RECOMMENDATIONS RESPECTING THE MEDIA

20. Studies should be prepared on the role of the Arab media in all its forms in raising the awareness of Arab citizens of development issues that affect the development of society, the concept of citizenship and the right to participate in decision-making. Arab media and civil society institutions should be called upon to devise programmes for inter-active schemes that can increase the impact of media undertakings in the various fields of civil society activity.

II. ISSUES DISCUSSED

A. THE IMPLICATIONS OF THE FINAL DOCUMENT OF THE 2005 WORLD SUMMIT

21. A paper was presented on the implications for the role of ESCWA of the final document of the 2005 World Summit and other international agreements. In that document, a framework was devised for forthcoming United Nations action in respect of national, regional and international challenges. The organic link between human rights, security and development was stressed, as was the importance of the international conferences organized by the United Nations in mobilizing the international community at the national, regional and international levels, and the comparative advantage enjoyed by the United Nations in promoting development goals and giving them priority on the international agenda.

22. The strategic goals of the regional commissions include addressing the discrepancies that exist between countries and regions and encouraging regional integration plans and joint activities at the regional level in economic and social development fields and security and peace issues. The regional commissions enjoy a number of comparative advantages because they have access to accumulated expertise in and knowledge of issues relevant to their regions. They also constitute independent forums for the exchange of expertise in national policies with respect to development issues of joint concern and the establishment of debate over regional development issue-related policies. Furthermore, they have the authority to call for meetings to be convened.

23. A general discussion followed the presentation of this paper, during which participants raised a number of points, including the following:

(a) The feasibility of expanding the role of the regional commissions to include political, security and human rights issues;

(b) The United Nations plays a basic role in assisting the fight against the causes of terrorism by devising and implementing projects to eradicate poverty and unemployment in a variety of ways, through which efforts the regional outlook on terrorism may be reflected;

(c) The regional commissions should devise a more effective mechanism for coordination that should include economic and social development strategies at the national, regional and international levels;

(d) The document should be analysed from the perspective of regional priorities and consideration should be given to reducing the programme of work in order to concentrate the resources available on priority issues and high-impact questions;

(e) There is an urgent need to build and develop capacities in the field of monitoring the progress made towards achieving the Millennium Development Goals;

(f) The dominant role played in the region by energy resources should be acknowledged and the best ways of using oil revenues to meet current and future development needs should be studied;

(g) There must be a regional perspective on issues related to global energy security and, in particular, issues related to security of demand, which is of utmost importance to oil and gas-exporting countries, as is the security of supply to oil-consuming States;

(h) A strategy must be formulated for political reform that will lead to the conclusion of a new social contract between the State and its citizens in the Arab region;

(i) There is a need to formulate a strategic vision based on integrated cultural, economic and social policies, if the prospects desired for the region are to be realized in the forthcoming 20 years.

B. ARAB REGIONAL INTEGRATION: THE NEEDS OF THE COUNTRIES OF THE REGION AND THE ROLE OF ESCWA TO 2010

24. A paper on the needs of the countries of the region and the role of ESCWA to 2010 was presented. It reviewed the most significant challenges to the Arab regional integration plan for the twenty-first century, including the lack of a regional actor or international proponent for the plan; poor rates of compliance with resolutions and policies with a regional orientation; in addition to the conflicts, wars, occupations and other political, economic, cultural and social challenges. Contrary to the prevailing perception, experience of regional groupings in other regions of the world indicate that, while a regional grouping may not always be related to democracy, such groupings develop well when they have a democratic basis.

25. The United Nations and the international organizations can play a positive role in promoting the Arab regional grouping, by taking a number of steps to strengthen regional cooperation and integration and participating in finding an effective regional actor and international proponent for that plan. Use may be made of previous Arab experiences and forms of regional grouping in other parts of the world. In general, the strengthening of Arab regional cooperation may benefit from the strategic advantages of the United Nations and its bodies, including ESCWA, as platforms capable of reconciling undertakings with regional and international interests and goals, and representing the international will and, at the same time, expressing the needs and aspirations of the Arab region, given that those organizations focus on both economic and social concerns and issues.

26. A general discussion followed the presentation of this paper, during which participants raised a number of points, including the following:

(a) The financial plenty that is pouring into the region as a result of the significant increase in oil revenues must be exploited, and there should be no repetition of the lost development opportunities of the 1970s and 1980s;

(b) Note should be taken of an emerging culture which may be called a globalization counter-culture, that is developing throughout the region and that should be promoted, encouraged and exploited;

(c) It is difficult to differentiate between the economy and politics, particularly in countries which employ centralized planning in the management of political decision-making;

(d) The Governments of member countries must develop economic and political interest in support of regional cooperation and take action to achieve it;

(e) A mechanism must be found for training private sector institutions and staff and raising their awareness, particularly at the youth level, and preparing youth leaders in Arab countries that are trained to the highest standard in various fields.

C. WATER AND ENERGY

27. A report on sustainable development and water and energy issues in the region reviewed the challenges faced by those two sectors and the policies and programmes that must be devised in that regard. The ESCWA region is one of the most arid in the world, and the problem of insufficient water has been exacerbated in recent years by a steady increase in population, greater rural to urban migration and a lack of effective procedures and mechanisms for management of the use of the available water resources. In the ESCWA region, the sector faces a number of challenges related to water resources and policies and security and peace issues, albeit some measures have been taken by many countries of the region in that regard. Planning, coordination, optimum water use, academic research and the development of independent and institutional capacities are priorities in the regional water sector.

28. The energy sector plays an important role in ESCWA member countries, both as a source of oil and gas revenue and as a means of providing the energy required for sustainable development. The sector also serves all the other production and economic sectors. Most of the countries of the region have revised their energy-related policies and programmes and adopted one or more policies or programmes designed to make optimum use of and involve the private sector in developing energy and achieving sustainable development. Nevertheless, the progress that has been made is insufficient and further endeavours are required in all the relevant fields. While there are many serious challenges to improved exploitation of the sector, the opportunities are many, various and within easy reach, including those available to the region for integration and cooperation with other countries in the fields of transport and the adoption of alternative energy technology.

29. A general discussion followed the presentation of this document, during which participants raised a number of points, including the following:

(a) The future of no other region in the world is as strongly tied to dwindling natural resources as that of the Arab region is to energy and water, and those two sectors are closely related with respect to practicalities and their strategic importance: in the Gulf States, for example, desalination is the principle source of water, and that process requires large amounts of energy;

(b) There is a huge imbalance between interests of the regional and global powers, which also affect water and energy. There is therefore a need for coordination between the Arab countries in demanding their rights with respect to water and energy;

(c) ESCWA can help the countries of the region by participating in the development of national capacities to devise national and regional plans and programmes in respect of the integrated management of water and raising awareness of the use of better technology to reduce water consumption in the agriculture sector, which is one of the most important from the social and employment points of view;

(d) Importance must be accorded to the issue of protecting water resources from pollution and destruction as a result of the unstable security situation in the region, and a plan must be devised in that respect;

(e) There are serious shortcomings in respect of scientific research into the development of techniques related to the water desalination industry: Arab countries are totally dependent on foreign companies and expertise;

(f) Differences between one country and another in the availability of primary energy supplies and financial resources, and in levels of knowledge and technology make it essential to integrate and cooperate with other countries with respect to transport and alternative energy technologies;

(g) The role of the private sector in investing in energy projects is critical, as is the gradual liberalization of the market while continuing to guarantee provision of all services in accordance with international standards and levels of performance;

(h) Notwithstanding the wealth of primary energy and oil resources in the region, all forms of renewable energy must be exploited in order to ensure long-term sustainable development. Legislation must be devised and adopted with a view to genuinely stimulating the use of such energy as a primary source of energy and for electricity, particularly in deprived rural areas.

D. TECHNOLOGY SYSTEMS

30. In a paper entitled: "Technology systems: Opportunities and challenges for development in the West Asia region", it was affirmed that, because the process of expediting production was closely linked with technology systems, the assimilation of such innovative systems was essential for productive growth. As part of its contribution to those efforts, ESCWA should focus on high-yield technology system projects in the region. Any programme related to technology systems must be appropriate to the need to change the current pattern of supply and demand. Intellectual capital and all the bases of knowledge must be focused on increasing economic value and reducing the cost of technology and other system innovation, production and distribution.

31. A general discussion followed the presentation of that paper, during which participants raised a number of points, including the following:

(a) The knowledge-based economy has become the main goal of most societies and development has become linked to information and communications technology (ICT). Nevertheless, technology is merely a tool and its ill-considered use in developing countries could have a negative impact. The issue is therefore the way in which advanced technology is employed;

(b) It is a mistake to suppose that modern technology reduces the demand for labour. On the contrary, it can lead to highly-paid employment possibilities and a wealth of opportunities. However, that is conditional upon the development of human resources that meet ICT market requirements;

(c) Education is the primary path towards the creation, transfer and use of ICT. The region urgently needs to undertake a close examination of education systems and restructure them in such a way as to better prepare future generations to integrate into the knowledge-based world;

(d) The public sector must provide access to ICT for the widest possible segment of the population by reducing costs and improving infrastructure throughout the region, using international standards;

(e) The Arab region lacks codified policies or visions for confronting the challenges of an ICT- and knowledge-based economy, and businesses and engineering institutions are not geared towards absorbing ICT;

(f) All the parties involved must devise partnerships between international organizations, the public and private sectors and civil society institutions and, in particular, universities and research institutes. International organizations, especially the United Nations, given its networking expertise, must assist in strengthening those partnerships;

(g) The use of the Arabic language in ICT and knowledge-based systems represents an opportunity to create a large market and plentiful opportunities for employment. However, further development is necessary, which requires extensive investment in research and development;

(h) Arab Governments must take action to break the monopoly that controls ICT in the region. Plans must be formulated at the regional level, human and financial resources must be used more effectively and consumer costs must be reduced. A study could be conducted of the best practices of the countries that pioneered cable and wireless communications, which could then be adapted as appropriate to Arab needs.

E. GLOBALIZATION: COMMERCIAL AND ECONOMIC ISSUES

32. A paper entitled "Globalization trends and challenges for the ESCWA region" stated that ICT was reshaping the ways in which people live, work and interact with each other, while Governments were "in retreat", leaving more political and economic space to the market and private sector. It was stressed that Arab economies and, in particular, those of the ESCWA region, were facing challenges created by the new competitive dynamic, whereby States open their markets, restructure their economies with a view to placing greater emphasis on exports, and welcome foreign investment. The structural weakness from which Arab economies suffer limits their capacities to confront those challenges. Ultimately, success will depend on the ability of those countries to devise a joint plan of action, whereas most countries in the Arab region are concluding free trade agreements, some of which will undermine any actual or future Arab free trade agreements.

33. The paper set forth the developments that have the greatest impact on the region, including the World Trade Organization (WTO) and the exclusion of oil from WTO concerns; the termination of the Multifibre Arrangement; monetary and capital haemorrhage; the increasing instability of the exchange rate of the United States dollar; low regional levels of foreign direct investment; the lack of management of Arab labour mobility; the withdrawal of the State; and the dearth of any large conglomerates in the region.

34. The Arab economy must overcome certain serious structural problems, construct sustainable sources of income and create new competitive advantages. Furthermore, sustainable development in the region must focus on human development, systematic entry into the new economy, the improvement of State capacities for change and Arab strategies for cooperation and joint action.

35. A general discussion followed the presentation of that paper, during which participants raised a number of points, including the following:

(a) It is possible for growth in the region to change and become a development process that generates employment and strengthens development and income;

(b) The United Nations and other multiparty organizations may be able to help the Arab region to negotiate in international forums and, in particular, with respect to WTO-related issues and a regional agreement on making perceptible progress towards regional integration. A new social contract must also be formulated in the Arab countries with a view to providing social safety nets and economic capabilities;

(c) Political reform with a view to optimal governance is essential to the development of human resources and to appropriately deploying those resources as best suited to their skills and expertise;

(d) The educated workforce in the region continues to grow and, if properly nurtured and harnessed, could constitute a mainstay of development;

(e) There is no investment plan in the Arab region and banks therefore have high levels of liquidity. However, there is a lack of feasibility studies on the development of the sectors in which investment could be made. Endeavours must therefore be exerted with a view to encouraging Arab banks to adopt more highly remunerative investment and lending policies. In that context, the monetary sector must be researched, including ways of protecting investors in Arab markets through strengthening the rule of law;

(f) Regional and international organizations can assist in regulating cooperation and effective solidarity between companies, particularly in the industry, financial and services sectors, by underwriting

modern structures, programmes and strategies in order to augment the capacity of those companies for joint action.

F. SOCIAL POLICIES

36. A paper on globalization and social policies affirmed that the Arab world will, in future, face a number of challenges that should be dealt with by expanding the horizons of the development vision; freeing development projects from narrow restraints; developing and guiding the decision-making process; and interacting creatively with global developments. The most serious social and economic problems, to which solutions must be found, include poverty, unemployment and illiteracy, which are all largely the outcome of lack of awareness in the management of the population increase, and constitute the most significant challenges to sustainable development in several Arab countries.

37. While responsibility for development is currently shared by the State, civil society and the private sector, there remains room for the investigation of mechanisms that will make development partnership endeavours effective and fruitful. Among the most important are reliance on academic research in the fields of the natural and social sciences when development decisions are being made; the effective use of legislation; detailed planning of finance for development projects; and coordination between the various resources, with a view to distributing them most effectively.

38. The paper noted the links between the various aspects of social development, and the need for the development process to ensure balance between the various social strata, the different sectors and the geographical areas, if sustainable and equitable human development was to be achieved. There is therefore an urgent need to establish an Arab social observatory that would closely monitor social changes and provide early warning of negative phenomena and social tensions that could accompany the comprehensive human development process. Theories and methodologies from all branches of the social sciences will have to be adopted and, in particular, the methodologies of prospective studies.

39. A general discussion followed the presentation of that paper, during which participants raised a number of points, including the following:

(a) The need to collect and disseminate accurate and realistic statistics on the social situation in the Arab countries;

(b) Illiterate persons in the Arab region do not suffer so much from unemployment as from poverty. Unemployment is increasing among educated persons and, in particular, graduates of middle-level education: it is not quite so high among those with university and post-graduate education. The problem of poverty is related to inadequate employment, which does not provide sufficient income;

(c) Employment policies should not be confused with labour market policies: the former should cover all issues and provide for procedures at all the political, overall economy and sectoral levels;

(d) With greater skills, and given an integrated project that would accord it priority, the Arab labour force could constitute a partial solution to the lack of manpower in certain rich States;

(e) Employment policy is closely linked to migration policy; however, if the latter is to serve the former, the equal rights of foreign and national workers must be respected;

(f) Trust between citizens and the institutions of society is very important: the greater such trust, the greater are productivity and innovation and, consequently, levels of development. The Arab communities are in greater need of development banks than of social assistance funds;

(g) ESCWA and other international organizations can assist member countries in developing their social programmes in a manner appropriate to their circumstances, thereby guaranteeing the development of

human capacities and social protection programmes and the realization of effective partnership between ministries, specialized departments and voluntary sector institutions;

(h) The Arab region needs to develop a methodology for evaluating social policies. ESCWA can also play a role in establishing a regional centre for that purpose, for identifying the methodological challenges and suggesting ways of dealing with them. Social policies in Arab countries should also be evaluated from the point of view of their basis, performance and effectiveness.

III. ORGANIZATION OF WORK

A. PLACE AND DATE OF THE MEETING

40. The High-Level Expert Group Meeting on the Role of ESCWA in Serving its Member Countries to 2010 was held on 24 and 25 January 2006 in United Nations House in Beirut.

B. OPENING OF THE MEETING

41. Ms. Mervat Tallawy, Under-Secretary-General of the United Nations and Executive Secretary of ESCWA, opened the Meeting and explained its goal, stressing the importance of the document that had been issued by the World Summit, particularly with respect to the link between security, development and human rights, which represents a qualitative development with regard to the world in general and the Arab region in particular.

42. In the course of her review of the focuses of the Meeting and its expected outcomes, Ms. Tallawy posed a number of questions to participants with respect to the direction being taken by the region at the political, security, economic, social and cultural levels; the reasons for the region's weak response to challenges and its inability to take concerted action to confront those challenges; and the requirements for overcoming that problem.

43. The Executive Secretary raised questions about the role of the United Nations and, in particular, ESCWA; the likelihood that it would be able to deal with the difficulties that the region will face in the future; whether the priorities ESCWA had adopted for its work should be reconsidered; and whether its current duties should be increased.

44. Ms. Tallawy said that the Western Asia region remained politically unstable, one could even say explosive, given the struggles taking place in Iraq and Palestine; the tense relations between certain Arab countries; the direct and indirect involvement of regional and global powers in those conflicts; the threat of terrorism; and the escalation of religious and racial divisions in the region. She referred to the wide gap between the rich and poor people and countries of the region; the region's inability to keep pace with global technological developments; and its lack of readiness to confront globalization-related economic challenges. She also reviewed several regional socio-economic indicators.

45. Ms. Tallawy said that there was plenty of money in the region, not all of which went to foreign markets as it had done formerly. However, domestic investment priorities continued to be real estate and construction. That situation should perhaps be reviewed, and would require joint endeavours in order to formulate an investment plan for the region, for which new policies would have to be devised for the banking sector.

46. With respect to the role of ESCWA, Ms. Tallawy reminded participants that, pursuant to the recommendations and resolutions adopted by the twenty-first ESCWA session in 2001, the priorities for the Commission had been determined to be water, energy, globalization, regional integration, information technology and social policies. That session had also requested special attention to be paid to reconstruction in such countries as Iraq and Palestine that are affected by conflict. As a result, ESCWA had been restructured with a view to establishing the ICT Division, the Globalization and Regional Integration

Division and the Centre for Women. She wondered whether there were new fields on which ESCWA should focus in order to assist countries in confronting the aforementioned challenges.

C. PARTICIPANTS

47. Taking part in the Meeting were more than 20 intellectuals, researchers and academics from various Arab countries and Arab communities abroad; senior staff from official departments and international organizations; and ESCWA consultants.

D. THE AGENDA

48. The High-Level Expert Group Meeting on the Role of ESCWA in Serving its Member Countries to 2010 adopted the following agenda:

1. The restructuring of the organization and programmes of ESCWA.
2. World Summit 2005 resolutions.
3. The needs of the countries of the region and the role of ESCWA to 2010 in the following fields:
 - (a) Arab regional integration;
 - (b) Water and energy;
 - (c) Technology;
 - (d) Globalization (commercial and economic issues);
 - (e) Social policies.
4. Discussion of recommendations.
5. Other matters.
