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POLICY ISSUES IN THE ESCWA REGION**REGIONAL COOPERATION FOR ACHIEVING THE
MILLENNIUM DEVELOPMENT GOALS**

*Strengthening regional cooperation for achieving the
Millennium Development Goals*

Summary

While Arab countries have recently achieved significant progress towards the attainment of the Millennium Development Goals (MDGs), particularly in the fields of health and education, the Arab region continues to witness sharp disparities between the high-income countries of the Gulf Cooperation Council (GCC) and Arab least developed countries (LDCs). Recent reports of the Economic and Social Commission for Western Asia (ESCWA) show that, while GCC countries seem to be on track in terms of achieving most MDG targets, Arab LDCs and conflict-ridden Iraq and Palestine are lagging significantly behind and are therefore unlikely to meet the majority of MDGs by 2015.

The United Nations Millennium Declaration recognized that the prime responsibility for the attainment of MDGs rests with individual countries. However, the Declaration equally called for "strong partnerships" aimed at promoting a more open and equitable system of international finance and trade, increasing development assistance and enhancing international commitment towards good governance, development and poverty reduction. Developing countries are increasingly relying on assistance from international partners in order to achieve those objectives, particularly within the framework of South-South agreements.

More than ever before, sustained regional cooperation towards achieving shared development goals is now a priority in the Arab region, given the various challenges ranging from the growing youth population and the resulting demographic pressures; climate change and stress on food, water and energy resources; and political unrest, which still undermines the move towards shared prosperity. Regional cooperation in the form of the exchange of good practices, regional monitoring of MDGs and increasing regional social projects could greatly enhance the social outcomes of the region. The efficiency of health outcomes in the region could be substantially improved given regional cooperation in health through the development of regional early warning systems of epidemics and the facilitation of regional access of citizens to specialized health-care facilities through partnerships. Moreover, sustaining regional investments by linking and integrating the physical networks that underlie and facilitate trade could greatly contribute towards enhancing regional integration. The mobility of factors of production, capital flows and direct investment could also be facilitated by a greater degree of network integration among Arab countries, through air, rail and road transportation; energy, oil and gas pipelines; and modern information and communications technology (ICT) networks.

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I. INTRODUCTION

1. Aware that 2007 marks the midpoint between the adoption of the Millennium Development Goals (MDGs) in 2000, under the United Nations Millennium Declaration, and the target date of 2015 for their attainment, international development institutions and practitioners have increasingly put forward international cooperation and solidarity as a cornerstone for attaining these Goals. Increased trade and economic integration, along with efficient flows of persons and aid funding contribute towards sustained economic growth, which is essential for achieving MDGs. Moreover, development is accelerated when countries exchange technology and best practices in health, environmental and energy policies, thereby contributing to a flow of international public goods that benefit the neediest nations.
2. According to the report by the Economic and Social Commission for Western Asia (ESCWA), entitled "The Millennium Development Goals in the Arab Region 2007: A Youth Lens", the ESCWA region has achieved progress in many relevant areas, including significant strides in health and education. However, despite the efforts invested by ESCWA member countries aimed at meeting the Goals, there have been setbacks and constraints, which can be attributed to a number of factors, including the relatively poor economic performance in the 1990s and at the turn of the new century; inadequate financing of social policies; lack of administrative and managerial competencies; and increasing political tensions and conflicts. The ESCWA region continues to be characterized by sharp disparities between its constituent subregions, particularly between the high-income countries of the Gulf Cooperation Council (GCC) and the countries and territories in conflict and Yemen. As highlighted in the above-mentioned report, those disparities are substantial in terms of both the level of development and the progress made towards the attainment of MDGs. Indeed, progress in Iraq, Palestine and Yemen needs to accelerate over the coming years in order to be able to reach the eight MDGs and their corresponding targets by 2015; and these ESCWA members will not attain most of the Goals by 2015 without comprehensive regional and international assistance.
3. Arab countries are increasingly aware of the importance of regional cooperation towards achieving shared development goals. At its twenty-third session, the Commission adopted the Damascus Declaration on the realization of the MDGs, which stressed the importance of economic growth, poverty elimination and unemployment reduction, social integration and the need for regional coordination for the attainment of MDGs. These recommendations were reconfirmed in the Economic and Social Council resolution 2005/50 of 27 July 2005 on the Damascus Declaration and the role of ESCWA in the achievement of the internationally agreed development goals, including those contained in the Millennium Declaration. These developments come amid a rising trend in regional cooperation towards achieving MDGs.

II. INTERNATIONAL AND REGIONAL COOPERATION FOR ACHIEVING MDGS

4. The United Nations Millennium Declaration in 2000 established human development as "a shared responsibility" and called for "strong partnerships" aimed at promoting a more open and equitable system of international finance and trade; increasing development assistance; and enhancing international commitment to good governance, development and poverty reduction. While development practitioners and policymakers have recognized that the prime responsibility for the attainment of MDGs rests with individual countries, developing countries are increasingly relying on assistance from international partners in order to achieve those objectives. Partners can contribute new knowledge and ideas in addition to innovative technologies and new resources. The international partners can be other countries in the region; international organizations, including within the United Nations system; development banks; regional organizations; new global funds; bilateral donors; private foundations; and non-governmental organizations (NGOs). While the prevailing international cooperation paradigm of past decades was the so called North-South cooperation model, South-South cooperation frameworks have been emerging in the past ten years as efficient complementary platforms among developing countries aimed at enhancing mutual development objectives.
5. South-South cooperation is a process whereby two or more developing countries pursue their individual or collective development through cooperative exchanges of knowledge, skills, resources and technical know-how. Linked by socio-economic and political commonalities, the countries of the South have important lessons to share. South-South cooperation is a multidimensional process, which can be bilateral or

multilateral in scope and subregional, regional or interregional in character. Moreover, South-South cooperation is an important complement to traditional North-South development cooperation given that it constitutes a solidarity mechanism among developing countries aimed at achieving common goals.

6. In fact, many developing countries have acquired excellence that rivals industrial countries in many economic fields, ranging from manufacturing to information technology, modern agriculture to medical science, and management to scientific innovation.¹ For reasons related to shared historical experience, comparable socio-economic conditions and/or geographical proximity, the expertise of developing countries is often more appropriate to the needs of other developing countries. These developments, coupled with regional integration, have given a fresh impetus to South-South cooperation.

7. South-South cooperation has evolved over time by responding to contemporary social, economic, technical and political challenges. The current phase of South-South cooperation focuses on enabling developing countries to become effective partners with all other actors in achieving MDGs and the targets set by the Group of 77 (G-77) and China in the Havana Programme of Action, which was adopted in the first South Summit in Havana in 2000, and by the Doha Plan of Action, which was adopted in the Second South Summit in Doha in 2005.² Recently, the United Nations has provided specific examples of the growing cooperation among developing nations, specifically in trade, investments and development aid.³ For example, the Government of Malaysia, through its “prosper-thy-neighbor” policy, invested more than \$4.8 billion in other developing countries in 2006, and signed 56 investment guarantee agreements with the global South.⁴ Equally, since 2004, India has extended a total of \$1.4 billion in concessional lines of credit to developing nations, primarily for infrastructure development, agricultural equipment, pharmaceuticals and other development projects; and under the Indian Technical and Economic Cooperation (ITEC) programme, the Government in New Delhi has provided more than \$3 billion in technical assistance to 156 developing countries. Moreover, India has pledged some \$100 million for poverty alleviation among member countries of the South Asian Association for Regional Cooperation (SAARC), including Afghanistan, Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka. India has also earmarked approximately \$200 million for the New Partnership for Africa’s Development (NEPAD); \$500 million for countries in West Africa; and a line of credit valued at \$250 million for the investment bank of the Economic Community of West African States (ECOWAS).⁵

8. Many Arab countries have been very active in promoting South-South cooperation. Specifically, Kuwait, Qatar, Saudi Arabia and the United Arab Emirates, among others, have been very active in assisting the Government of Lebanon in the aftermath of the war in July-August 2006 by granting funds for reconstruction and providing liquidity that ensured the financial stability of that country. Most recently, Qatar organized the High-level Meeting on Oil and Gas Development (Doha, 8-10 September 2007), which brought together senior officials from 42 countries in Africa, Asia and Latin America and from United Nations agencies and international organizations with the objective of sharing experiences among the petroleum-exporting countries of the South. Moreover, Qatar recently established the South Fund for Development and Humanitarian Assistance, with a pledge of \$20 million; and Sheikha Mozah bint Nasser al-Missned of Qatar provided \$100 million for a programme by the Alliance of Civilizations (AoC), namely, the “Silatech” Global Initiative for Youth Employment, aimed at creating jobs and opportunities for young people in the Middle East and North Africa.

¹ For example, Brazil has been particularly active in recent years in developing HIV/AIDS generic drugs, which has greatly helped HIV-inflicted countries in Africa in terms of providing treatment for their populations.

² Special Unit for South-South Cooperation, “Current and emerging trends in South-South cooperation” (United Nations Development Programme (UNDP), 2005).

³ General Assembly, Report of the Secretary-General, “State of South-South cooperation” (2007) (A/62/295).

⁴ *Ibid.*, para. 41.

⁵ *Ibid.*, para. 36.

III. REGIONAL ECONOMIC INTEGRATION AS A CORNERSTONE FOR DEVELOPMENT

9. While economic integration is increasingly playing the role of a growth and convergence engine in regions across the world, Arab countries are still experiencing a low level of economic integration among themselves. This situation reflects the fact that Arab countries are still lagging behind in terms of integration into the global economy, despite some progress achieved in recent years. By promoting the intraregional exchange of goods, services, investments and labour flows, regional economic integration can contribute to higher growth, especially among Arab Least Developed Countries (LDCs). In turn, higher economic growth contributes to poverty reduction, thereby achieving the first MDG, namely, Goal 1, on eradicating extreme poverty and hunger in the Arab region.

A. THE FLOW OF GOODS AND SERVICES

10. Arab countries are not reaping the benefits of an integrated market, including economies of scale, greater demand, and higher degrees of labour and capital mobility. Intraregional trade accounts for only some 10 per cent of total ESCWA trade, which is far below the percentages in other regions across the world. Comparable data from other regions show that intraregional trade flows in the European Union (EU) represent as high as 74 per cent of total EU merchandise exports (see table 1). The North American region comes second in terms of intensity of regional trading, while Arab countries rank second to last before Africa, with a very modest 11 per cent of merchandise exports traded regionally.

TABLE 1. PERCENTAGE OF ALL MERCHANDISE EXPORTS REPRESENTED
 BY INTERREGIONAL TRADE FLOWS, 2006
 (Percentage)

Europe	73.6
North America	53.9
Asia	50.0
South and Central America	25.9
Commonwealth of Independent States	18.9
Arab countries	11.2
Africa	9.0

Sources: World Trade Organization (WTO), *International Trade Statistics 2007*; data for Arab countries are based on ESCWA statistics for 2005.

11. The low degree of intraregional trade can be attributed to a myriad of factors, including the lack of complementarities among ESCWA economies; non-compliance by many countries to their obligations under trade agreements, primarily the Greater Arab Free Trade Area (GAFTA); the absence of credible dispute settlement mechanisms; weak infrastructure and high transaction costs; and excessive regulations and legislations.⁶ Despite some recent improvements in the past couple of years, largely driven by some successes in GAFTA and by higher oil exports, the foreign trade of Arab countries remains limited at some 3.3 per cent of global trade, which is similar to their share in world income. Intraregional trade represented some \$98 billion in 2005, which is approximately 10 per cent of gross domestic product (GDP)⁷ in the Arab countries.

12. However, within the context of intraregional Arab trade, two characteristics are apparent, namely: (a) most intra-Arab trade is limited to the respective subregions whereby some 75 per cent of GCC trade with Arab countries is with other countries in the GCC; and the trade of Arab countries in North Africa is largely

⁶ ESCWA, *Annual Review of Developments in Globalization and Regional Integration in the Arab Countries* (E/ESCWA/GRID/2006/3).

⁷ Ibid.

between themselves, which is equally the case of countries in the Levant;⁸ and (b) the pattern of intra-Arab trade is similar to their non-Arab trade, with energy exports representing more than 60 per cent of exports. Achieving higher intraregional Arab trade, which goes in tandem with greater integration of Arab markets into the global economy, can help Arab countries to reach the eighth MDG, namely, Goal 8 on developing a global partnership for development.

13. Intraregional trade in such services as, among others, transportation and telecommunications is a very dynamic aspect of regional economic integration that has received limited attention, mostly owing to the lack of reliable data. This is moderately worrying given that the recent economic boom in the Arab region has been somewhat concentrated in the services sectors, with extensive cross-border impacts. A case in point in this context is the telecommunications sector, especially in Kuwait. According to the World Trade Organization (WTO), Kuwait became an important provider of telecommunications services by almost tripling its exports in that sector to \$3.4 billion in 2006. That country has specialized in mobile communications services and has recorded rapid growth since 2004. In 2006, Kuwait connected an estimated 27 million mobile subscribers in neighbouring countries across the Middle East and sub-Saharan Africa. In 2006, cellular mobile subscribers in the Middle East were estimated at some 67 million; and their number has quadrupled in just five years.⁹

14. Recent WTO data on trade in commercial services for a representative sample of ESCWA member countries shows that trade in services surged in most countries between 2000 and 2005, reaching more than \$118 billion in 2005, which represents double the level reached in 2003 (see table 2). Despite this increase, trade in services is still limited to less than 3 per cent of global trade in commercial services.

TABLE 2. TRADE IN COMMERCIAL SERVICES FOR SELECTED ESCWA MEMBER COUNTRIES
 (Billions of current United States dollars)

	2000	2001	2002	2003	2004	2005
Bahrain	1.7	1.7	2.0	2.1	2.5	2.6
Egypt	..	..	15.1	16.8	21.4	24.1
Jordan	3.1	2.9	3.4	3.4	4.0	4.7
Kuwait	5.6	5.9	6.3	7.3	8.8	11.4
Lebanon	..	..	7.8	15.9	17.9	18.6
Oman	2.2	2.5	2.5	2.8	3.5	3.9
Qatar	1.2	1.6	1.7	2.3	3.3	6.2
Saudi Arabia	15.7	12.2	12.3	13.6	16.9	20.2
Syrian Arab Republic	2.9	3.1	3.0	2.9	4.3	5.0
United Arab Emirates	10.1	10.9	12.1	13.8	17.2	20.6
Yemen	0.9	0.9	1.0	1.2	1.3	1.4
<i>Subtotal</i>	<i>43.5</i>	<i>41.7</i>	<i>67.1</i>	<i>82.2</i>	<i>101.0</i>	<i>118.5</i>

Source: WTO, *International Trade Statistics 2007*; data for Arab countries are based on ESCWA statistics for 2005.

Notes: Trade in commercial services includes the following categories: transportation, travel, communications, telecommunications, construction, insurance, computer and information, cultural, audio-visual and financial services.

Two dots (..) indicate that data are not available.

B. FOREIGN DIRECT INVESTMENT AND CROSS-BORDER INVESTMENT

15. Foreign direct investment (FDI) flows to the ESCWA region have been on a strong upward trend since 2002, owing mainly to high rates of economic growth, successful diversification efforts and improved

⁸ H.M. al-Atrash and T. Yousef, "Intra-Arab trade: is it too little?", IMF Working Paper 00/10 (January 2000).

⁹ World Trade Organization (WTO), *International Trade Statistics 2007*.

regulatory frameworks. FDI inflows to the Arab region reached almost \$38 billion in 2005, representing some 4 per cent of world FDI flows.¹⁰ However, the geographical distribution of FDI inflows in the region has remained significantly uneven. Specifically, FDI inflows were largely concentrated in Egypt and the GCC countries, particularly Saudi Arabia and the United Arab Emirates, while Palestine, the Syrian Arab Republic and Yemen attracted only limited inflows.

16. In fact, a portion of the oil revenues of regional Arab oil exporters is being channelled through FDI and equity investments within the region to countries that have recently liberalized their economies. These investments are becoming an important link between the diversified economies of the region and the resource-abundant countries. FDI flows from the GCC, private firms and other entities are therefore making a substantial impact on economic development in the Arab region. For example, according to recent estimates by the World Bank, FDI inflows into Jordan surged to \$2 billion in 2006, which represents an increase from \$750 million in 2005. However, most intraregional investments have focused on the real estate and tourism sectors, with little investments going towards industrial upgrading and improving competitiveness in tradeable goods. This imbalance has created an upward push in real estate prices in such countries as Jordan, the Syrian Arab Republic and the United Arab Emirates, thereby resulting in inflationary pressures on Arab economies. Consequently, channelling FDI towards export-oriented production sectors needs to be placed on top of the economic development priorities in order to render the Arab region more competitive internationally.

C. THE FLOW OF PERSONS

17. Labour and population movements and the accompanying flow of worker remittances and tourism receipts appear to be the exception to the lack of regional integration. The tourism sector remains an important pillar of Arab regional integration. A number of factors played a pivotal role in increasing intraregional tourism in some Arab countries, namely, Government support for the tourism sector, ongoing infrastructure development, active investment in the sector, relatively cheap travel tickets, geographical factors and border facilities for tourists. Arab intraregional tourists reached 17.4 million in 2004, which represents some 43 per cent of total tourism in the region. Saudi Arabia ranked first in terms of the number of Arab tourists in 2004, with 5.2 million; followed by Bahrain, with 2.7 million; and Tunisia, with 2.3 million. In 2005, tourism revenues reached a total of \$35.5 billion and \$28.6 billion in the Arab and ESCWA regions, respectively, thereby representing slightly more than 6 per cent of world tourism revenues in the same year.¹¹

18. Historically, intra-Arab labour flows are directed from the resource-poor albeit labour-rich countries, including, Egypt, Jordan and Lebanon, to the resource-rich but labour-poor countries. However, Arab labour has been facing increasing competition from lower-wage labour from Asian countries, thereby resulting in reducing the flow from labour-exporting Arab countries. While far from comprehensive, the available data on labour migration in the region indicates that, in 2000-2003, the number of Arab migrants to the GCC and other countries in the Middle East and North Africa reached 3.5 million, representing 48 per cent of the total; while migrants to Europe and North America, at 4.8 million and 1.8 million, respectively, represented 52 per cent of the total (see table 3).¹² Moreover, migration to North America and Europe tends to be permanent and attracts educated workers, which is an effect that is commonly referred to as the brain drain. By contrast, migration to the oil-exporting countries of the Gulf subregion is temporary and attracts many skilled and semi-skilled workers, in addition to businessmen, professionals and contractors who accumulate private wealth during their stay in these countries.

¹⁰ ESCWA, E/ESCWA/GRID/2006/3.

¹¹ Ibid.

¹² The compiled migration data focuses on the main migration destinations in 2000-2003, as reported by Arab countries, the EU and the Organisation for Economic Co-operation and Development (OECD).

TABLE 3. DISTRIBUTION OF ARAB MIGRANTS BY MAIN DESTINATION, 2000-2003

Country or territory of birth	Migrants to countries in North America and Australia	Migrants to countries in Europe	Migrants to the GCC and other Arab countries	Grand total	Share of intra-Arab (%)
Algeria	33 250	1 327 854	66 398	1 427 502	5
Morocco	67 505	1 533 404	282 772	1 883 681	15
Tunisia	12 833	429 417	107 000	549 250	19
Egypt	187 852	146 104	1 912 729	2 246 685	85
Iraq	143 077	191 577	..	334 654	0
Jordan ^{a/}	57 557	12 969	480 000	550 526	87
Lebanon	250 999	99 095	123 966	474 060	26
Palestine	8 319	7 028	..	15 347	0
Syrian Arab Republic	78 660	57 350	265 000	401 010	66
Yemen	..	..	1 035 000	1 035 000	100
<i>Subtotal</i>	<i>1 875 052</i>	<i>4 839 798</i>	<i>3 587 867</i>	<i>7 532 714</i>	<i>48</i>

Sources: Organisation for Economic Co-operation and Development (OECD), "Database on immigrants and expatriates", *Demography and Population* (November 2005) for the GCC and other Arab countries; M. Baldwin-Edwards, "Migration in the Middle East and the Mediterranean" (Global Commission on Migration (GCIM), September 2005) for Jordan, Iraq, Syrian Arab Republic and Yemen; and the Euro-Mediterranean Consortium for Applied Research on International Migration (CARIM) database for Algeria (1995), Egypt (2000), Lebanon (2001), Morocco (2004) and Tunisia (2003).

Notes: ^{a/} Migrants to the GCC from Jordan include Palestinians.

Two dots (..) indicate that data are not available.

19. Workers' remittances generate substantial financial resources for non-oil economies in the region without which local economies and the domestic liquidity and financial systems would be under severe constraints. Moreover, these remittances contribute towards preventing a decline in the standard of living of the poorest strata of the population or towards improving it in the middle classes. In fact, recent estimates show that, annually, intraregional workers' remittances exceed the value of the annual intraregional Official Development Assistance (ODA) by at least five times. Specifically, the total intraregional remittances from the region reached more than \$15.3 billion in 2005 according to official estimates, which represents nearly 5.3 per cent of GDP.¹³ However, the real figure is expected to be considerably higher given the existence of unofficial channels to transfer remittances.

20. The management of emigration is comparatively weak in the Arab region relative to such countries as the Philippines and Sri-Lanka that have organized and channelled the flows of their migrants. However, while countries are devoting efforts aimed at inducing emigrants to return to their home countries and at investing their savings in business activities, the greatest share of remittances is still being used to increase consumption, improve housing conditions or pay for the education of children at home.¹⁴

21. In addition to labour migration, which can be beneficial in terms of poverty and unemployment alleviation, Arab economies are facing other, forced population flows through the displacement of war refugees. Nearly 4.5 million Palestinian refugees reside in ESCWA member countries, with Jordan, Lebanon

¹³ ESCWA, E/ESCWA/GRID/2006/3.

¹⁴ R.H. Adams and J. Page, "International migration, remittances and poverty in developing countries", *Policy Research Working Paper 3179* (World Bank, December 2003).

and the Syrian Arab Republic hosting nearly 3 million long-term Palestinian refugees.¹⁵ In 2006, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) spent more than \$500 million on relief work for Palestinian refugees, half of which was disbursed in Gaza and Jordan.¹⁶ Over the years, armed conflicts have created new waves of refugees and internally displaced persons (IDPs) in the ESCWA region. Millions of people have been compelled to flee their homes in Iraq; and persistent fighting fuelled by the presence of armed militant groups in Palestinian camps has caused further displacement of Palestinian refugees.

22. In particular, Jordan and the Syrian Arab Republic are straining to cope with the thousands of refugees who continue to cross their borders from Iraq. Within the context of the latter, the Syrian Arab Republic currently hosts some 1.3 million Iraqi refugees, which represents 7 per cent of the national population. In Jordan, the numbers are estimated at some 625,000 refugees, thereby representing approximately 10 per cent of the population in that country.¹⁷ This translates into a substantially adverse impact on the people and economies of these host countries, particularly with regard to the costs of providing housing and such basic services as schooling and health care. Recent economic estimates evaluate the refugee burden for the Syrian economy at almost \$60 million in 2006, mainly as a result of increased demand for such subsidized commodities as bread, potable water, electricity and public education.¹⁸ In Jordan, the consumption of subsidized energy and water resources by Iraqi refugees reached an estimated \$50 million in 2005.¹⁹

23. The increased flow of persons across the Arab region, driven either for economic reasons or as a result of conflicts, therefore represents a heightened challenge for intraregional cooperation that requires more effective coordination towards addressing the needs of the displaced and the countries that are hosting them.

IV. INTRAREGIONAL AID FLOWS

24. Developing regional policies and programmes aimed at promoting such development objectives as MDGs requires funding. This funding can originate at the regional level, if some regional countries are prepared to cover the costs of regional integration. This is the case of Germany and other wealthier European countries that have accepted the role of supporting less developed countries in the EU for the common public interest. This is equally the case of oil-rich Venezuela, which is supporting the development of less prosperous Latin American neighbours, and of GCC countries with other Arab countries.

25. In fact, Arab ODA represents a pivotal form of regional cooperation, and Arab States provide aid financing through a variety of channels, including bilateral aid, funding through national and multinational development funds, and aid offered by Arab NGOs and other private social funds. Arab ODA has been fairly attractive for LDCs in the region, particularly given that it is much cheaper and more flexible in terms of repayment periods and grant composition than other available development financing. Moreover, most Arab loans and grants are unconditional, thereby allowing countries in the region to adapt their received funding to their local needs.

26. From 1970 to 2006, ODA funded by Arab countries totalled nearly \$129.1 billion, with 94.5 per cent of total Arab ODA, or some \$122.1 billion, originating from countries in the Gulf subregion. Specifically, the largest contributor was Saudi Arabia, at 65.8 per cent; followed by Kuwait, at 15.7 per cent; United Arab Emirates, at 10 per cent; and Qatar, at 2.6 per cent. With regard to Arab development funds, cumulative

¹⁵ Statistics by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) for December 2006, which are available at: www.un.org/unrwa/publications/index.html.

¹⁶ Statistics by UNRWA for September 2007.

¹⁷ United Nations High Commissioner for Refugees (UNHCR), "Statistics on displaced Iraqis around the world: global overview" (UNHCR, September 2007).

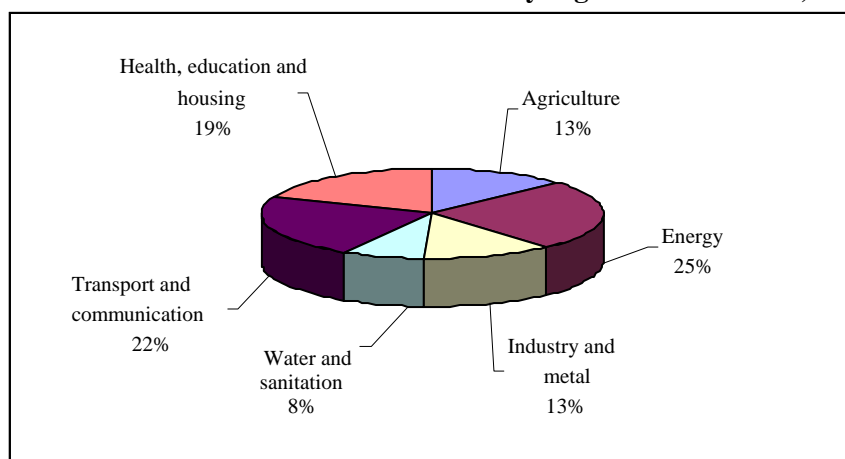
¹⁸ The Brookings Institution, "Iraqi refugees in the Syrian Arab Republic: a field-based snapshot", Brookings-Bern Project on Internal Displacement (June 2007).

¹⁹ M. al-Abed, "Study explores socio-economic impact of Iraqi community in Jordan", *Jordan Times* (17 April 2005).

committed ODA reached more than \$79.9 billion by end 2006. The share of Arab countries of this committed ODA represented 61.5 per cent, or \$49.1 billion; followed by countries in Asia, at 21.7 per cent; and countries in Africa, at 14.7 per cent.²⁰ Moreover, the Islamic Development Bank (IDB) held the largest share among Arab development funds, at 28.6 per cent; followed by the Arab Fund for Economic and Social Development (AFESD), at 22.7 per cent; the Kuwait Fund for Arab Economic Development (KFAED), at 17.9 per cent; and the Saudi Development Fund (SDF), at 10.1 per cent.²¹

27. The sectoral distribution of ODA originating from Arab development funds reflects a priority given to infrastructure spending, given that aid channelled to the energy, transport, communications and water sectors represented more than 50 per cent of cumulative ODA by end 2006 (see the figure below).

Sectoral distribution of cumulative ODA by regional Arab funds, 2006



Source: Arab Monetary Fund (AMF), *Unified Arab Economic Report* (2007).

28. Recently, the role of regional Arab ODA has increased and Arab donors have been substantially involved in the following: the reconstruction efforts in Lebanon in the aftermath of the war of July 2006 in that country; development assistance to Iraq and Palestine; and support for Yemen in its economic development plan (2007-2010) through the recent donor conference that was held in London. The continuing political instability in the region requires sustaining this important form of regional solidarity. While high oil prices in the foreseeable future could probably make Arab ODA sustainable, this does not rule out the need for increased efficiency in aid allocation and disbursement.

29. Using a robust econometric methodology to measure the impact of aid on growth and cyclicity, a recent report by ESCWA found evidence to suggest that both total ODA and short-impact aid promoted growth in Arab countries between 1969 and 2004.²² Additionally, the report showed that Arab aid was comparatively efficient over this period, with an increase of 1 per cent in aid to GDP leading to an average increase of a little under 0.35 percentage points in GDP-per-capita growth. Given that economic growth is central to achieving most MDGs, Arab aid could be seen as playing a substantive role in reaching a more prosperous region.

²⁰ Arab Monetary Fund (AMF), *Unified Arab Economic Report* (2007).

²¹ Ibid.

²² ESCWA, "Economic Trends and Impacts, Issue No. 4: Foreign Aid and Development in the Arab Region", (E/ESCWA/EAD/2007/1).

V. REGIONAL COOPERATION IN ACHIEVING SOCIAL AND ENVIRONMENTAL DEVELOPMENT GOALS

30. Regional cooperation can play a major role in terms of accelerating progress towards social and development goals. The League of Arab States (LAS) has played an important role in education and in preserving Arab cultural heritage. Within that context, LAS has launched literacy campaigns, worked to harmonize school curricula and reproduced intellectual works, thereby making progress towards achieving the second MDG, namely, Goal 2 on universal primary education. Moreover, LAS encourages common measures against crime and drug abuse; deals with labour issues, particularly among the expatriate Arab workforce; fosters cultural exchanges between its member countries; and promotes youth and sports programmes, women's development and child welfare activities, especially within the framework of the Pan Arab Project for Family Health (PAPFAM). In 1990, LAS member countries signed the Arab Charter on Human Rights; and grants and loans for housing and social services have been provided by AFESD and the OPEC Fund.

31. Despite this progress, regional cooperation could be strengthened further in order to facilitate the exchange of knowledge and promote capacity-building among Arab countries. For example, Brazil has expanded treatment for people with HIV/AIDS by donating locally-produced antiretroviral drugs to at least 11 other developing nations and territories, namely: Bolivia, Burkina Faso, Cape Verde, Colombia, East Timor, El Salvador, Guinea-Bissau, Mozambique, Nicaragua, Paraguay and Sao Tome and Principe. Additionally, Brazil coordinates an international technical cooperation network on HIV/AIDS aimed at facilitating technology transfer for the production of antiretroviral drugs among Argentina, China, Cuba, Nigeria, Russian Federation, Thailand and Ukraine. Similarly, Cuba, which has provided a steady supply of doctors and health-care experts to many developing nations, has assisted Nigeria with the production of ethanol.²³ Regional Arab cooperation can substantially help to achieve the sixth MDG, namely, Goal 6 on combating HIV/AIDS, malaria and other diseases, by facilitating access to treatment for patients across the region through risk-pooling health funds. Access to antiretroviral therapy in Arab countries is in fact only available for a fraction of people living with HIV in these countries, and regional cooperation can greatly modify this situation along the lines of the Brazilian model.²⁴

32. Moreover, regional cooperation could play an important role in terms of improving the conditions and status of women in the Arab region. The share of Arab women in the labour force and their participation at the political and decision-making levels are among the lowest in the world, despite improvements in educational attainment and health. More coordinated and concerted efforts are needed to integrate gender in policymaking, with a view to removing formal and informal rules and practices that deny women equal rights, including access to and control over assets and resources, and opportunities to participate in society. The sharing of cross-regional best practices is again essential in order to achieve better development outcomes for Arab women. Given enhanced regional cooperation, Arab countries, especially LDCs, could see themselves progressing significantly towards achieving two MDGs, namely: Goal 3 on promoting gender equality and empowering women; and Goal 5 on improving maternal health.

33. On a different track, climate change could be regarded as the most serious environmental threat facing the Arab region, thereby preventing Arab countries from achieving fully Goal 7 on ensuring environmental sustainability. The Arab region is one of the world's most water-scarce and arid regions, with a high dependency on climate-sensitive agriculture and a large share of its population and economic activity in flood-prone urban coastal zones. On the other hand, societies of this region have been under pressure to adapt to water scarcity and heat for thousands of years, and have therefore developed various technical solutions and institutional mechanisms aimed at dealing with these environmental constraints. As such, the Arab region is a valuable repository of traditional and institutional knowledge, which, if preserved and made accessible, could prove an important contribution to global and regional efforts aimed at addressing climate

²³ General Assembly, A/62/295.

²⁴ According to recent World Health Organization (WHO) estimates for 15 Arab countries, only some 6.5 per cent of those in need of antiretroviral therapy actually received treatment.

change. These efforts are gaining new momentum in the wake of the recent Conference of the United Nations Framework Convention on Climate Change (Bali, Indonesia, 3-14 December 2007). In addition to setting out a roadmap for a new international agreement on the reduction of greenhouse gas emissions, the Conference launched a series of initiatives aimed at helping countries to adapt to climate change, including the activation of the Adaptation Fund, which will be entrusted to the World Bank.

34. According to the latest assessment by the Intergovernmental Panel on Climate Change (IPCC), the climate is predicted to become even hotter and drier in most of the Arab region.²⁵ Higher temperatures and reduced precipitation will increase the occurrence of droughts, which is already materializing in the Maghreb countries. Moreover, by 2025, an additional 80-100 million people are projected to be exposed to water stress, thereby resulting in increased pressure on groundwater resources, which are currently being extracted in most areas beyond the recharge potential of aquifers. In urban areas in North Africa, a temperature increase of 1-3 degrees could expose 6-25 million people to coastal flooding. In addition, heat waves, an increased "heat-island effect", water scarcity, decreasing water quality, worsening air quality and ground ozone formation are likely to affect public health and, more generally, lead to challenging living conditions. Global models predict that the sea level is set to rise from some 0.1 to 0.3 metres by 2050, and from about 0.1 to 0.9 metres by 2100. For the Arab region, the social, economic and ecological impacts are expected to be relatively higher compared to the rest of the world. Low-lying coastal areas especially in Egypt, in addition to Kuwait, Libyan Arab Jamahiriya, Qatar, Tunisia and United Arab Emirates are at particular risk.

35. To date, much of the progress achieved by countries in the region aimed at tackling challenges of high unemployment and integration with the global economy could be jeopardized by climate change. Income and employment could be lost as a result of more frequent droughts in rural areas, and of floods and sea surges in urban and coastal areas. Moreover, changes in temperature and precipitation patterns damage such strategic economic sectors as tourism or other sectors with growth potential, including high, value-added agriculture. The combination of such impacts is likely to slow down the reform process, thereby ultimately offsetting the growth benefits generated by high oil prices.

36. Consequently, collaboration between Arab countries aimed at preventing, managing and mitigating potential disasters caused by climate change is essential if human and economic losses are to be avoided. Economies of scale can be achieved by regional policies in disaster preparedness, assessing hazards, planning risk reduction and monitoring programmes; and by strengthening local-level risk reduction capacity. Some of these measures require expensive investments, including computerized hazard forecasting that can best be addressed by regional efforts.

37. The region has already embarked on a number of initiatives within the facilitative framework of ESCWA, including energy projects related to electricity and gas. Within that context, a pioneering project was launched in 2005 to link the electrical grids of seven countries, namely, Egypt, Iraq, Jordan, Lebanon, Libyan Arab Jamahiriya, Syrian Arab Republic and Turkey. Furthermore, ESCWA continued to promote the Arab Gas Pipeline project, whose first phase involved laying a 248-kilometre pipeline from Egypt to Jordan and a 15-kilometre marine pipeline in the Gulf of Aqaba and, in its second phase, a 370-kilometre pipeline through Jordan. In the area of water resources, efforts by ESCWA included the establishment of the Arab Integrated Water Resources Management Network (AWARENET), in cooperation with the United Nations Educational, Social and Cultural Organization (UNESCO), aimed at improving the implementation of Integrated Water Resources Management (IWRM) concepts in the region; and co-founding the Arab Water Council (AWC) aimed at promoting a better understanding and management of water resources in the Arab region, disseminating knowledge and enhancing the sharing of experience and information.²⁶

38. On a related issue, some regions across the world are creating regional funds in order to tackle directly problems related to climate change. For example, in 2006, the Association of South East Asian Nations (ASEAN) created a regional fund aimed at combating forest fires in Indonesia that spread heavy smoke, which in turn severely deteriorates the air quality across the region. While ASEAN approved the Agreement

²⁵ More information on the Intergovernmental Panel on Climate Change (IPCC) is available at: www.ipcc.ch.

²⁶ ESCWA, E/ESCWA/GRID/2006/3.

on Trans-boundary Haze Pollution in 2002, Indonesia did not ratify it given that the Agreement lacked the capacity to combat fires caused by slash and burn cultivation in Kalimantan, which was formerly known as Borneo. Finally, collective action was taken in 2006 when a fund was created together with a system of collaboration and capacity-building, including the exchange of technology, experts, training, information and relevant data.

VI. REGIONAL COOPERATION: BEST PRACTICES

39. The EU represents perhaps the most advanced form of regional integration and cooperation. In terms of regional social policy and regional development, the EU has made major advances in the three fields of social redistribution, social regulation and social rights. The Structural Fund/Social Cohesion Fund is the mechanism whereby the EU allocates funds for the development of impoverished or economically underdeveloped areas within its member countries.²⁷ There are a range of regulations in the fields of occupational health and safety, health services, equal opportunities, labour law, and social security and pension schemes, together with social dialogue mechanisms that apply to all countries. In terms of regional social rights, the Community Charter of Fundamental Social Rights of Workers was established at an earlier stage and, in 2000, was supplemented by the adoption of the Charter of Fundamental Rights. Over the past 50 years or more, the regional integration process of Europe has succeeded despite a wide range of obstacles, dissent, challenges and dilemmas. It now constitutes a working apparatus of social policies, practices and laws that is both far more extensive than first envisaged in the Treaty of Rome and, moreover, destined to expand further. There are several lessons for other regional integration processes, including, primarily, that when political consensus fails to materialize with the use of one procedure, innovative routes need to be explored in a continual search for effective ways aimed at advancing social integration.²⁸

40. With that in mind, some researchers on regional integration have argued that the initial pre-integration conditions of European countries are different from those that prevail in the Arab region.²⁹ The key institutional features that helped to drive integration in the EU are as follows: (a) strong political backing that enabled and supported a central executive body in order to manage and drive the process; and (b) financial and other mechanisms for redistribution aimed at sustaining integration and cooperation. While these enabling factors may not be strong in Arab countries, other factors that favour integration do currently exist, namely: a common language and ethnolinguistic traditions, shared culture and history, and geographical proximity. Moreover, Arab countries share a number of characteristics that favour their economic integration, expansion of trade, direct investment and capital flows. According to the gravity model of international trade, short distances between main urban centres and long common borders suggest that transport and transaction costs need to be low, thereby favouring a large volume of trade between Arab countries.

41. Furthermore, there has recently been a boost in South-South cooperation. A list of major initiatives and best-practice cases are grouped by region, as set forth below.³⁰

²⁷ This Fund is disbursed approximately according to the gross national product (GNP) and population size of member countries.

²⁸ M. Threlfall, "The social dimension of the EU: Innovative ways of advancing integration", *Global Social Policy*, vol. 7, No. 3 (2007).

²⁹ B. Hoekman and P. Messerlin, "Initial conditions and incentives for Arab economic integration: Can the European Community's success be emulated?", World Bank Policy Research Working Paper 2921 (October 2002).

³⁰ High-level Committee on South-South Cooperation at its fifteenth session (New York, 29 May-1 June 2007), "Review of progress in the implementation of the Buenos Aires Plan of Action, the new directions strategy for South-South cooperation and the decisions of the Committee".

A. LATIN AMERICA

42. The Southern Common Market (MERCOSUR) has an important labour and social declaration, common regulations on pharmaceuticals, some reciprocal social security entitlements, and joint health and safety inspections. Agreements have been signed to recognize education credentials, degrees and diplomas across member countries. Moreover, there are proposals for a regional social fund, and some regionally-funded projects in border areas currently exist. Technical cooperation has occurred in most social areas. In January 2007, in an effort aimed at enhancing the social dimensions of MERCOSUR, its Council approved the establishment of the Mercosur Social Institute, to be based in Asunción, Paraguay, with the mandate of elaborating regional social policies, systematizing and updating regional social indicators, and promoting the exchange of good practices in the social field and cooperation mechanisms.

43. In 2004, the Andean Community of Nations (CAN) agreed on the regional Integral Plan for Social Development that involves technical cooperation on social policy among countries in the Andean subregion, including the exchange of good practices, regional monitoring of MDGs and such regional social projects as the 2005 Andean Social Humanitarian Fund.⁵¹

44. Despite its recent creation in 2006, the Bolivarian Alternative for Latin America (ALBA) has already developed some social policies aimed at addressing various pressing issues, including health problems, illiteracy and emergency relief among member countries, by involving regional redistribution and technical cooperation. It developed a social charter to address the “social debt”, which refers to under-investment in social sectors stemming from the debt crisis in Latin America. Forthcoming legislative priorities include the production of goods for mass consumption, housing, salaries, pensions, utilities, and positive legislation for women, Afro-descendants and indigenous populations.

B. AFRICA

45. The African Union (AU) was established in 2002 in order to achieve greater unity and solidarity between African countries. With the aim of financing cross-regional investment, NEPAD was created in 2001 under the aegis of the Organization of African Unity. The Health, Labour and Social Affairs Committee of the Union has developed technical cooperation activities and is in the process of approving a social policy framework for the African region. To date, NEPAD has dealt with social development only in terms of human development, namely, education and health; and the Partnership has yet to tackle broader issues of social development. In 2006, a number of Governments in Africa recognized this gap and suggested to move towards a regional social policy that focuses on equity, employment and social protection, with the support of the United Nations and donors.

46. The Southern African Development Community (SADC) incorporates a regional health policy that was strengthened recently with an equity focus, with such action plans as the HIV/AIDS Strategic Framework and Programme of Action 2003-2007. National education policies in the region are reviewed collectively for quality assurance. Moreover, SADC has an adequate gender unit that was sanctioned by the Declaration on Gender and Development by SADC heads of State and Governments. Cross-border technical cooperation and learning from good practices exist, particularly on social protection and cash transfers. Additionally, a social charter exists to protect fundamental rights, freedom of association and collective bargaining, health and safety, and equality for women, and disabled and ageing persons. In November 2006, with the support of the Department of Economic and Social Affairs (DESA), Governments of SADC endorsed a first draft of a regional social policy.

C. ASIA

47. The South Asian Association for Regional Cooperation (SAARC) regularly includes social issues on the agendas of its summits. In 2002, SAARC signed two regional conventions aimed at, respectively,

⁵¹ More information is available at: www.comunidadandina.org/ingles/agenda_social/pids.htm.

promoting child welfare and combating the trafficking of women and children. Earlier, in 1997, a regional food security reserve was established; and, in 2002, a tuberculosis centre was established in Kathmandu in order to coordinate national programmes. The thirteenth summit of SAARC (Dhaka, 11-13 November 2005) resulted in the following: the SAARC Decade of Poverty Alleviation; a regional food bank; a poverty alleviation fund; and new resolves aimed at addressing the challenges of natural disasters and pandemics, and of trafficking of women and children.

D. DEVELOPED COUNTRIES AND THE UNITED NATIONS SYSTEM

48. In recent years, developed countries and the various entities within the United Nations system have expanded the scope of cooperation in a number of areas, thereby complementing and strengthening intraregional and South-South partnerships. Support for South-South cooperation by developed countries is most evident in public efforts aimed at implementing agreements related to debt relief, aid and other international initiatives in order to alleviate poverty in the world's poorest countries. Examples include the European Council, through the tenth European Development Fund (EDF) cycle, which set aside approximately 22.7 billion euros for its cooperation with countries in Africa, the Caribbean and Pacific regions. Japan has also been actively promoting South-South cooperation by establishing a systematic framework of triangulation under its Official Development Assistance Charter of 2003 and the Japan International Cooperation Agency (JICA). Within the context of the latter, the Agency established the issue-specific Task Force on South-South Cooperation aimed at enhancing support for activities related to South-South cooperation; and recently undertook a third-party thematic evaluation of its South-South participation.³²

49. Examples of successful ventures by United Nations entities include a South-South capacity-building network for biosafety training, which was created by the United Nations Industrial Development Organization (UNIDO) in 2006 that brings together the University of Concepción in Chile, the University of Dar es Salaam and the University of Malaya in Kuala Lumpur. In addition, it has set up the Centre for South-South Industrial Cooperation in India. Work is under way to establish similar centres in Brazil, China, Egypt and South Africa in order to facilitate the diffusion of technical expertise and knowledge from emerging economies to the poor in other countries. Equally, the Food and Agriculture Organization (FAO) recently deepened its involvement in South-South cooperation by building on a policy adopted in 1994 aimed at integrating this concept through its Special Programme for Food Security. Specifically, FAO has had success in 10 cooperating countries, which have signed agreements with 28 host countries. Within the framework of this Programme, irrigation experts from Egypt are currently sharing their knowledge in Tanzania, and 500 field experts from China are set to spend the next few years in Nigeria.

VII. CONCLUSIONS AND PROPOSED REGIONAL COOPERATION INITIATIVES

50. The discussion above shows that while regionally-integrated economies increase the chances of achieving greater prosperity, integration efforts and cooperation experience in the Arab region have witnessed mixed results. The Arab region, including ESCWA member countries, is still far from being fully integrated into the global economy, as registered by the region's global share in trade in goods and services and in investment and tourism flows, which are both below 6 per cent. From an intraregional perspective, trade flows among Arab countries are still very modest, at 11 per cent, while the regional shares of FDI and tourism are much higher. It is also worth noting that regional integration is comparatively advanced on the levels of development assistance and remittance flows, given that intraregional flows in these two fields are above 60 per cent (see table 4).

³² More information is available at: www.jica.go.jp/english/evaluation/program/thematic/pdf/2006_06_04.pdf.

TABLE 4. INTRAREGIONAL AND INTERNATIONAL ECONOMIC
INTEGRATION OF THE ARAB REGION

	Intraregional	Total	Regional share (%)	Global share (%)
Trade in goods, 2005 (<i>billions of \$</i>)	98	872	11.2	3.3
Trade in services, 2005 (<i>billions of \$</i>) ^{a/}	..	118	..	3
FDI inflows, 2004 (<i>billions of \$</i>)	6	21.6	27.8	3.1
Tourism revenues, 2005 (<i>billions of \$</i>)	..	35.5	..	5.2
Tourist arrivals, 2005 (<i>millions of \$</i>)	17.4	54	32.2	6.7
ODA from Arab funds, 2006 (<i>billions of \$</i>)	2.3	3.5	65.7	3.4
Remittances, 2005 (<i>billions of \$</i>)	15.3	24.1	63.5	12.8

Sources: ESCWA, WTO and AMF.

Notes: Two dots (..) indicate that data are not available.

a/ Data relates to selected Arab countries as provided in table 2 above.

51. This diversity in the patterns of intraregional integration across domains necessitates different collective policy interventions by field. To be sure, Arab countries need to increase the level of trade, both at an international and regional level, given that trade flows remain the highest source of foreign funding for growth and development. The priority to boost trade exchanges must be coupled by investments in infrastructure and institutions, thereby maintaining the relatively high FDI and tourism flows. Concerning development assistance and remittance flows, the policy in the medium term needs to be geared towards increasing the efficiency of these flows by making them reach the most vulnerable groups and encouraging remittances to be channeled towards productive investments.

52. The following list of recommendations intends to provide a preliminary list of the reforms needed at the regional level towards achieving a more prosperous and integrated Arab region.

(a) *Trade in goods and services*

- (i) To continue to implement the GAFTA agreement, especially in areas with low implementation rates, including the institutional components;
- (ii) To compile more information on intraregional trade in services and include services in trade liberalization negotiations;
- (iii) To continue to invest in linking and integrating the physical networks that underlie and facilitate trade, the mobility of factors of production, capital flows and direct investment. These networks include air, rail and road transportation; energy, oil and gas pipelines; and modern information and communications technology (ICT) networks;
- (iv) To promote intraregional investments, especially in export-oriented industries, by reforming corporate legislation and promoting capital flows and equity investments.

(b) *The intraregional flow of persons*

- (i) To elaborate and implement labour migration policies with the consensus of all social partners, including Governments, employers, trade unions and NGOs;
- (ii) To improve travel mobility in the region by issuing either a unified visa or airport registration system and by starting with a potential business travel certificate that allows the freedom of travel within Arab countries;

- (iii) To develop cross-border cooperation policies in social security and social protection policies that include policies for low-skilled and casual economic migrants in addition to highly-skilled mobile labourers, including portability of benefits;
 - (iv) To encourage labour-importing countries to invest in creating retention policies in labour-exporting countries by focusing on the improvement of domestic opportunities in the educational sector as well as those that target domestic growth and lessen the incentive to migrate.
- (c) *Regional cooperation and poverty*
- (i) To undertake capacity-building activities aimed at promoting good practices in vulnerability assessments, benefit determination, eligibility criteria, institutional capacity, monitoring and evaluation;
 - (ii) To formulate cross-border social protection programmes aimed at addressing the development needs of remote communities, including, for example, remote areas near borders and ethnic minorities;
 - (iii) To formulate capacity-building programmes at the global and regional levels aimed at drafting, implementing and monitoring regional and national action plans for women, children, youth, elderly, disabled, migrants, ethnic groups and minorities, in line with international agreements.
- (d) *Regional cooperation and health policy*
- (i) To develop regional early warning systems of epidemics coupled to the regional coordination of specialists for rapid deployment to affected areas;
 - (ii) To facilitate regional access of citizens to specialized health-care facilities through partnerships;
 - (iii) To coordinate the regional procurement and production of pharmaceuticals, thereby benefiting from economies of scale;
 - (iv) To sign agreements for exchange programmes aimed at promoting the training of health-care personnel;
 - (v) To investigate the viability of mobile medical and health-care units in order to ensure that remote rural communities have access to diagnosis and adequate treatment.
- (e) *Regional cooperation in education*
- (i) To promote the development of common primary education curricula materials that are provided for free for students in Arab LDCs;
 - (ii) To promote the translation of books into Arabic by investing in intraregional educational funds;³³
 - (iii) To encourage regional educational cooperation in the areas of textbook production, teacher training and student exchange programmes.

³³ Currently, the Arab region translates only some 330 books annually, while Spain translates each year as many books as have been translated into Arabic in the past thousand years.

- (f) *Regional cooperation in disaster and conflict prevention and management*
- (i) To establish effective regional early warning systems for food security by coordinating agricultural information from member countries on expected crop yields and droughts, floods based on seasonal rainfall and other catastrophic events, including, for example, forest fires;
 - (ii) To build regional disaster response teams with strong logistical capacity and study where these can be best placed institutionally, in other words, closer to where the disasters occur;
 - (iii) To invest in effective emergency transport for evacuation in cases of floods, typhoons and tsunamis;
 - (iv) To establish regional agricultural insurance, including, for example, crop and cattle insurance;
 - (v) To work with UNHCR on international burden-sharing efforts aimed at supporting regional approaches in order to protect refugees and IDPs, and at finding durable solutions for refugee and IDP flows; and to establish a regional fund aimed at assisting refugees and IDPs.
- (g) *Regional cooperation in research and development and knowledge and information exchange*
- (i) To establish and manage a fund aimed at providing regional academic fellowships in order to build research capacity in national and regional institutions;
 - (ii) To strengthen statistical capacity and primary data collection for adequate regional research;
 - (iii) To enhance regional cooperation in information gathering, particularly with regard to information on technical assistance and other South-South initiatives in the Arab region, including innovations that have been developed and implemented by NGOs;
 - (vi) To pursue ongoing development of the ICT sector, especially by liberalizing telecommunications and by attracting Arab and international capital and investment, thereby enhancing growth potential, interconnectedness and competitiveness, and increasing service expansion rates.
