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Committee on Liberalization of Foreign Trade and Economic
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Item 5 (c) of the provisional agenda

**REVIEW OF ACTION TAKEN IN THE FIELD OF LIBERALIZATION
OF FOREIGN TRADE AND ECONOMIC GLOBALIZATION
SINCE THE FOURTH SESSION OF THE COMMITTEE**

CONSULTANCY SERVICES AND TECHNICAL COOPERATION

Introduction

As part of the general trend in the countries of the Economic and Social Commission for Western Asia (ESCWA) region towards globalization and regional integration, the six members of the Gulf Cooperation Council (GCC) completed World Trade Organization (WTO) membership procedures, immediately after Saudi Arabia, which acceded to WTO after negotiations that lasted more than 10 years. The countries of the Arab region have increased measures to conclude and implement collective, regional and bilateral agreements at the Gulf and Arab levels to further integration at the regional level and, at the bilateral level, with the United States of America and the European Union.

That general trend has highlighted the need of the countries of the region for consultancy services and technical cooperation in order to keep abreast of the prevailing move towards establishing free trade areas in cooperation with the major economic and regional powers, and to conclude an Arab agreement on services, in addition to the continuing need for consultancy services on traditional matters, the most important of which are preparing for WTO accession negotiations and establishing negotiating positions on the Doha Work Programme at the national and regional levels.

The countries of the region are showing increasing interest in trade and the environment in the Arab region: they have all cooperated in the preparation of the Arab list of environmental goods to be submitted to the Council of Arab Ministers Responsible for the Environment. Some of those countries have paid particular attention to the matter, especially those that have applied to join WTO.

This report reviews consultancy services and technical cooperation activities undertaken between the fourth session of the Technical Committee on Liberalization of Foreign Trade and Economic Globalization in the Countries of the ESCWA Region, held in Beirut on 7-8 March 2005, and the fifth session, held in Beirut from 24 to 26 April 2007. The report discusses activities involving the following:

- (a) Consultancy services;
- (b) Training;
- (c) Workshops and seminars;
- (d) Other fields connected with specific needs.

A. CONSULTANCY SERVICES

Consultancy services are central to the technical cooperation programme that ESCWA provides to member countries, at their request, in order to meet particular needs related to world trade issues. The ESCWA member countries that are negotiating WTO membership, namely, Iraq, Lebanon and Yemen, are preparing accession applications in the fields of goods and services and the specific commitments to be submitted at accession negotiations. The Syrian Arab Republic is preparing and amending its national legislation in order to bring it into line with WTO accession commitments and is preparing the file for accession negotiations with the benefit of the experience of countries which have already acceded. Other countries, that are already members of WTO, wish to obtain consultancy services in two key areas, firstly, the application and implementation of world trade agreements and secondly, study and analysis of the issues currently under negotiation in the Doha Work Programme.

The following consultancy services have been provided at the request of ESCWA member countries:

1. At the request of the Ministry of Commerce and Industry of Bahrain, a study on the new draft law on vehicle import regulations and its compliance with WTO agreements. (March 2005).

The study took into account the compliance of the new regulations with Bahrain's WTO commitments.

2. Technical advice to the Ministry of the Economy and Planning of the United Arab Emirates on bilateral free trade agreements and negotiations on the Doha Work Programme, including the energy services sector. (Abu Dhabi, April 2005).

A reference framework for a study on the energy services sector was prepared in order to assist the oil-producing countries to deal with this important issue in world trade negotiations.

3. Technical assistance to the Ministry of Industry and Trade of Yemen in preparing a preliminary draft of specific commitments in the field of goods and services and revision of the initial replies to enquiries from trading partners during the negotiations for accession to WTO. (Sana'a, 29 April to 6 May 2005).

The mission concluded with the formulation of a draft memorandum for submission by Yemen to the working group on Yemen's accession negotiations.

4. At the request of the General People's Committee for Economy, Trade and Investment, a plan of action was drafted for the negotiations on accession by the Libyan Arab Jamahiriya to WTO. (Tripoli, 19 June to 1 July 2005).

An initial framework was prepared for the memorandum on trade policy, which the Libyan Arab Jamahiriya submitted for consideration at the first meeting of the working group studying its accession to WTO.

5. At the request of the Ministry of Economy and Planning, an opinion was given on long-term strategy for the economy of Saudi Arabia (2005-2025) as regards the country's commitments after completion of the procedures for its membership of WTO. (Riyadh, 15-22 July 2005).

6. Preparation of an urgent plan of action for 2006 to cover technical requirements for accession to WTO by the Syrian Arab Republic as part of national economic reform measures, in cooperation with the United Nations Development Programme (UNDP) - Damascus and the United Nations Conference on Trade and Development (UNCTAD). (Damascus, 25-28 July 2005).

A plan was prepared in the form of an urgent project to be jointly undertaken by the Government of the Syrian Arab Republic and UNDP - Damascus, while ESCWA was assigned some of the activities contained in the draft, with costs to be borne by the project.

7. Advisory mission to the Ministry of Trade of Bahrain to discuss the UNDP project on capacity-building on globalization issues and various related matters, particularly training, studies and advice on the Doha Work Programme negotiations. (Manama, 3-13 March 2006).

A plan of action for implementation of the project was drafted and followed up every six months.

8. Follow-up of negotiations over accession to WTO by Yemen and the improvement of specific commitments in the field of goods and services, at the request of the Ministry of Industry and Trade. (Sana'a, 27-28 May 2006).

Some amendments were made to the preliminary offer for services and possible technical alternatives were investigated for subsequent submission to the negotiating committee.

9. The preliminary memorandum on Libyan trade policy was revised when negotiations on the Libyan Arab Jamahiriya's accession to WTO began, at the request of the United Nations Development Programme and the General People's Committee for Economy, Trade and Investment of the Libyan Arab Jamahiriya. (Tripoli, 12-18 August 2006).

B. TRAINING

Training is the most important technical cooperation need on world trade-related issues. Training needs can be divided into the following two main categories:

(a) General training that serves a group of countries simultaneously, in accordance with their membership of WTO;

(b) Special training that focuses on the specific needs of countries of the region, at the request of the Governments of those countries.

The services provided to the countries of the region have included those two types of training in the field of world trade. The most important activities undertaken in that area are the following:

(a) Participation in the training programme for senior officials of the Ministry of Planning of Iraq and presentation and discussion of the steps and stages in the negotiations over the accession to WTO of Iraq. (ESCWA, Beirut, 8 February 2005 and 24 May 2005);

(b) In cooperation with the Federation of GCC Chambers for Commerce, Industry and Agriculture, preparation of a training programme on the WTO trade dispute settlement system. One working paper was presented on dispute settlement cases, and another on the concerns of the GCC States over the WTO dispute settlement system. Some 100 trainees from all the GCC countries took part in that programme and their assessment of the training course was positive. (Al-Khobar, Saudi Arabia, 21-24 February 2005);

(c) With the Arab Planning Institute of Kuwait, participation in a training programme on world trade negotiations that considered the priority issues for the countries of the region, namely, accession negotiations, the Doha Work Programme, the future of WTO, agriculture, services and preparation for the Ministerial Conference. Some 28 senior officials from 10 Arab countries took part in the training session, which received a positive assessment from both participants and the Arab Institute for Planning. (27-30 March 2005);

(d) Organization and implementation of two training sessions on how to determine commitments, conditions for access to national markets and national transactions in the framework of the new agreement on

trade in services between the Arab countries. (General People's Committee for Economy, Trade and Investment, Tripoli, 19 June 2005), (Ministry of the Economy, Damascus, 31 July to 4 August 2005).

Those two sessions were particularly important because neither the Syrian Arab Republic nor the Libyan Arab Jamahiriya has completed WTO membership procedures nor had experience in dealing with trade in services issues. The requesting bodies and the participants gave them a positive assessment;

(e) Jointly with the Federation of GCC Chambers for Commerce, Industry and Agriculture, preparation of a training session specifically for the GCC countries on anti-dumping measures, dispute settlement in relation to that issue, the standardized anti-dumping law, subsidies and related preventive measures and executive decree. (Jeddah, 18-21 November 2005).

On the basis of the positive results of that session, a further request was made for an advanced session on the same subject and other subjects of interest to the GCC countries;

(f) Preparation, organization and implementation of a training programme for the Ministry of Agriculture of Iraq on agriculture issues in the negotiations for accession to WTO. The programme was implemented in cooperation with UNCTAD, Food and Agriculture Organization of the United Nations, WTO and the World Bank, and was conducted through lectures by videoconference. (ESCWA, Beirut, December 2005).

The success of the training session led the Government of Iraq to request further sessions on various subjects relating to the accession negotiations;

(g) In cooperation with UNCTAD and the UNDP office in Damascus, organization of a workshop for the national committee for negotiations on accession by the Syrian Arab Republic to WTO, in order to identify the various stages of accession negotiations. (13-18 May 2006).

That workshop was part of an ongoing project to assist the Syrian Arab Republic in preparing for WTO accession negotiations;

(h) Cooperation with the Federation of GCC Chambers for Commerce, Industry and Agriculture in organizing and implementing a training workshop on Saudi Arabia's commitments in the field of goods and services consequent upon its membership of WTO. Some 60 administrative and technical officials participated in the workshop. (Al-Dammam, Saudi Arabia, 19-23 May 2006).

The workshop considered the commitments of Saudi Arabia in the field of goods and services, how to deal with them and opportunities for Saudi businessmen;

(i) Participation in the UNCTAD/ESCWA programme to train senior administrative officials in the Arab region in the workings of world trade. Three parts of the programme have been prepared and implemented. (Beirut, 26 June - 14 July 2006).

That partnership is a continuation of the cooperation between ESCWA and UNCTAD in the Western Asia region and there have been consultations on future training-related subjects.

C. WORKSHOPS AND SEMINARS

Participation in workshops and seminars is one of the components of the technical assistance provided to member countries, particularly where they relate to new issues in world trade negotiations. Such workshops and seminars may be regarded as tantamount to collective training to build independent capacities, explain aspects of traditional and new issues on the agenda of the multilateral trade negotiations, determine the trade issues and positions of member countries, and strengthen positive and reduce negative aspects thereof by negotiation before those positions become firmly established. Such workshops and seminars also create general awareness of new issues, thereby enabling civil society organizations to participate positively. Activities carried out during the period covered by this report were as follows:

(a) Contribution to working documents on the future of the world trade negotiations from the point of view of the GCC States and the opportunities and challenges afforded to them by globalization through a workshop organized by the Kuwait Institute for Scientific Research on the challenges of globalization for the Gulf States. (Kuwait, 28 January - 1 February 2005);

(b) Presentation and discussion of a working paper on opportunities and challenges for businessmen, and global trade agreements at the conference for Gulf economists that was organized by the Omani Economic Association. (Muscat, September 2005);

(c) Participation in a workshop to prepare the trade and environment file of the Syrian Arab Republic, through cooperation between the Sustainable Development and Productivity Division of ESCWA and the Syrian Ministry of Environment, and presentation of the agreements on Technical Barriers to Trade, and on the Application of Sanitary and Phytosanitary Measures. (Damascus, December 2006).

The meeting ended with the presentation of proposals on the operation of the trade and environment committee in the Syrian Arab Republic and follow-up of its work.

D. OTHER FIELDS CONNECTED WITH SPECIAL NEEDS

Because of the number of trade issues covered by the multilateral trading system, whether relating to established agreements or new issues arising from negotiations over the Doha Work Programme, assistance is frequently required in preparing special studies to assist member countries with the implementation or application of world trade regulations or in adopting negotiating positions over such multilateral trade issues. Such assistance is provided at the request of regional or international organizations or the member countries themselves, according to their needs. The most important activities undertaken in that field during the period covered by this report were as follows:

(a) Participation with the WTO Secretariat in the advanced session for senior Arab officials aimed at evaluating developments in the negotiations over the Doha Work Programme and the position of the Arab countries with regard to the WTO General Council resolution of July 2004. (Abu Dhabi, 14-20 January 2005).

The meeting considered the latest developments in the negotiations over the Doha Work Programme and the priorities of the ESCWA region on the various issues over which negotiations are taking place. Work will continue with the WTO Secretariat on such issues;

(b) Presentation at a meeting of the ESCWA Globalization and Regional Integration Division of a working paper on the latest developments in the negotiations over trade facilitation that are being conducted through the Doha Work Programme. (Beirut, 7-8 March 2005);

(c) Pronouncement of an opinion on plans by the Arab Industrial Development and Mining Organization, based in Rabat, to study an anti-dumping system, subsidies and safeguards, in cooperation with the ESCWA Globalization and Regional Integration Division. (Beirut, 22-24 March 2005).

An opinion on that subject was prepared on the basis of the technical opinion presented by ESCWA;

(d) Presentation of a working paper on the interests of the Arab countries with regard to trade in services at the conference organized by the Council of Arab Economic Unity in Cairo in order to examine the subject of free trade in services in the Arab countries. (Cairo, 26 April 2005).

Discussions were held on the position of the Arab countries with regard to the Doha negotiations and the progress made on an Arab agreement on services;

(e) Review of technical cooperation and consultancy services in world trade, presented by ESCWA at its ministerial session. (Damascus, 9-12 May 2005);

(f) Response to a request from the Ministry of Economy and Trade of Lebanon concerning a proposal to identify the service sectors to be submitted by the Government of Lebanon to negotiations over an Arab agreement on services, conditions for access to markets and national transactions. (Beirut, 9-13 May 2006).

The various options and priorities for the service sector in Lebanon were prepared for submission to the negotiations;

(g) Presentation and discussion of a working paper on trade and the environment in WTO accession negotiations at a special meeting organized by ESCWA in cooperation with the Environment Protection Authority of Yemen. (Sana'a, 29-31 May 2006).

On the basis of that working paper, a work plan for the trade and environment committee in Yemen was drafted;

(h) Preparation of a draft study on agriculture and agricultural subsidies in Oman in the context of WTO membership, the Greater Arab Free Trade Area agreement and Gulf regional integration agreements during the consultancy mission to the Ministry of Agriculture and Fisheries of Oman. (Oman, 29 September - 4 October 2005).

ESCWA commissioned an expert on agricultural matters to prepare the study requested by the Ministry of Agriculture and Fisheries of Oman;

(i) Pronouncement of an opinion on the first Arab list of environmental goods, which was prepared by the League of Arab States for submission to the Council of Arab Ministers Responsible for the Environment. (League of Arab States, 14-17 October 2006).

ESCWA cooperated with the League of Arab States in preparing a new, amended list in line with negotiations over world trade. Such cooperation serves Arab interests and may also be used when drawing up national environmental policies;

(j) ESCWA took part in a review and discussion of the latest developments in the negotiations over the Arab agreement on services during a videoconference training session prepared by the World Bank. It involved six ESCWA member countries and 121 trainees in the various Arab capitals. Trade in services in the Arab region was discussed. (World Bank, Beirut, November 2005).

That study group and ESCWA's participation in it constituted part of the continuing constructive cooperation with the World Bank in Washington. Participants' assessment of the training session was positive and ESCWA has coordinated with the World Bank over repeating such activities in the future;

(k) Implementation of a project to assist Arab countries in preparing for the sixth WTO Ministerial Conference, with the full cooperation of the ESCWA Globalization and Regional Integration Division. The World Bank (Washington) and the International Development Research Centre (Canada), both of which made a financial contribution, collaborated with ESCWA on the preparation and discussion of this project. The aims of the project may be summarized as follows:

(i) Preparation of a complete set of study papers dealing with the most important subjects of Doha Work Programme negotiations;

(ii) Organization of a preparatory ministerial meeting for the sixth WTO Ministerial Conference in Hong Kong, held at United Nations House, Beirut. (30 November - 1 December 2005).

ESCWA participated in the sixth WTO Ministerial Conference (Hong Kong, 8-13 December 2005) and asked ESCWA member country delegations to suggest, on the basis of the outcome of the Conference, the world trade related issues on which technical assistance could be provided;

(l) Examination of the needs of the Syrian Arab Republic in relation to the UNDP, Damascus project concerning preparation of the file on accession to WTO and harmonization of national legislation with world trade agreements in order to facilitate accession negotiations. (Damascus, 23-26 April 2006).

A draft of the project and the contribution of ESCWA and UNCTAD to its implementation was prepared for discussion and adoption by the Government of the Syrian Arab Republic and UNDP, Damascus;

(m) Cooperation with WTO and Cairo University in training Arab academics in multilateral world trade issues, and presentation of a working paper on gas and petrol in world trade agreements. (Cairo, 1 June 2006).

At the end of the meeting, it was proposed that the ESCWA request to hold the next (fourth) meeting of Arab academics at ESCWA headquarters in Beirut in 2007 should be considered;

(n) Review, at the request of the Egyptian Association of Agricultural Economics, of the latest developments in the agriculture-related Doha Work Programme negotiations. (Cairo, 20-21 September 2006).