UNITED NATIONS E



Distr. LIMITED E/ESCWA/GRID/2007/IG.2/3(Part II) 6 March 2007 ENGLISH ORIGINAL: ARABIC

#### Economic and Social Commission for Western Asia (ESCWA)

Technical Committee on Liberalization of Foreign Trade and Economic Globalization in the Countries of the ESCWA Region Fifth session Beirut, 24-26 March 2007

Item 5 (b) 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

THE PROGRESS MADE IN IMPLEMENTING LIBERALIZATION OF FOREIGN TRADE AND ECONOMIC GLOBALIZATION-RELATED ACTIVITIES SINCE THE FOURTH SESSION OF THE COMMITTEE

#### Summary

This document reviews the progress made in implementing liberalization of foreign trade and economic globalization-related activities since the fourth session of the Technical Committee on Liberalization of Foreign Trade and Economic Globalization in the Countries of the ESCWA Region, namely, between March 2005 and April 2007. Those activities fall into four categories: (a) preparation of studies; (b) preparations by the Arab countries for the sixth Ministerial Conference of the World Trade Organization (WTO); (c) implementation of the interregional partnership for promoting trade as an engine of growth through knowledge management and taking advantage of information and communications technology; (d) providing technical assistance and capacity-building to member countries and other Arab countries.

By implementing those activities, ESCWA has endeavoured to play its part in familiarizing member countries with the latest developments in world trade and, in particular, WTO-related issues, including the negotiations in the framework of the Doha Development Agenda and the multilateral trading system, and increasing awareness of the conditions for accession. It has also sought to explore the needs of member countries and strengthen their capacity to conduct negotiations, conclude agreements and fulfil related obligations and to increase trade between the countries of the region and with the rest of the world.

#### I. PREPARATION OF STUDIES

1. ESCWA prepared four studies dealing with a number of the subjects related to the multilateral negotiations known as the Doha Round and, in particular, the negotiations on agriculture and trade facilitation, intellectual property rights and the interrelationship between bilateral agreements and the WTO Agreement.

## A. PROGRESS MADE IN THE DOHA ROUND OF NEGOTIATIONS ON AGRICULTURE AND THE EXPECTED IMPACT ON MARKET ACCESS FOR THE AGRICULTURAL EXPORTS OF ARAB COUNTRIES (E/ESCWA/GRID/2005/3)

2. This study examines the agricultural issues in the current WTO negotiations, which include domestic support for agricultural producers and agricultural export subsidies in the developed countries, which help to distort world agricultural trade, as well as the imposition of customs tariffs in those countries, which deny exports from the developing countries and least developed countries (LDCs) access to the markets of the developed countries. It analyzes the points of view of the developed and the developing countries, the state of Arab agricultural trade and the agreements the Arab countries have made with the European Union (EU), which are known as European Partnership Agreements, in order to develop Arab agricultural exports to EU markets and clarify the barriers that they face. The study also provides a general framework for the examination of the long-term prospects for Arab agricultural trade in the light of current developments in the global arena.

## B. DEVELOPMENTS IN THE REGULATION OF INTELLECTUAL PROPERTY RIGHTS IN ARAB COUNTRIES (E/ESCWA/GRID/2005/8)

3. This study deals with the international references in the field of literary and technical property and reviews the international instruments that protect rights in such property or what is currently known as copyright. Those instruments include the Berne Convention for the Protection of Literary and Artistic Works, the Copyright Treaty of the World Intellectual Property Organization (WIPO) and the Treaty on the International Registration of Audiovisual Works. The study explains the amendments to the international reference conventions on literary and technical property since the establishment of WTO, which have been transposed into the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).

## C. IMPLICATIONS OF THE COMMITMENTS OF ESCWA MEMBER COUNTRIES OF WTO AGREEMENTS, EUROPEAN PARTNERSHIP AGREEMENTS AND THE GREAT ARAB FREE TRADE AREA (E/ESCWA/GRID/2005/7)

4. This study discusses and analyzes regional arrangements following the establishment of WTO and its impact on the multilateral trading system and developing countries. The study also examines regional trade arrangements, discusses types of regional integration and access to the legal framework of WTO, which governs regional trade arrangements, considers the impact of regional trade arrangements on the economic structure and presents a comparative analysis of commitments under such agreements in order to refine a consistent view on trade arrangements. It examines situations in the Arab region with respect to the trade agreements concluded between countries in the region and with countries outside the region. The study also contains two case studies comparing the commitments of Egypt and Jordan.

### D. TRADE FACILITATION WITH REFERENCE TO ARAB COUNTRIES (E/ESCWA/GRID/2005/10)

5. This study concerns trade facilitation, paying particular attention to certain Arab countries. It seeks to clarify the concept and importance of trade facilitation, the challenges to be addressed and the relevant experiences of other countries from which lessons can be drawn. The study also clarifies the positions of the various parties to the current WTO negotiations on trade facilitation and presents the proposals put forward by ESCWA member countries aimed at improving three articles of the 1994 General Agreement on Tariffs and Trade (GATT), namely, articles V, VIII and X, relating to trade facilitation measures and, in particular, cross-border transportation, import and export documentation and formalities, the publication of information and transparency. One part of the study, entitled "Trade facilitation: between actuality and ambition", examines trade facilitation in detail in order to clarify the concept and emphasize its importance; and related international agreements, programmes and regulations, the challenges they present and how to address them. Another part of the study examines trade facilitation in the Arab region, reviewing related problems, the efforts some Arab countries have made in that respect and country achievements in respect of simplifying and facilitating customs clearance procedures.

### II. PREPARATIONS BY THE ARAB COUNTRIES FOR THE SIXTH WTO MINISTERIAL CONFERENCE

6. This activity is the outcome of cooperation between ESCWA, the World Bank and the International Development Research Centre in Canada, which provided the necessary financial support.

#### A. WORKING PAPERS

- 7. The following is working papers on Doha Development Agenda issues expected to arise at the Sixth WTO Ministerial Conference which were prepared for discussion at an expert group meeting prior to the Arab ministerial meeting:
  - (a) From Cancún to Hong Kong;
  - (b) Progress made in multilateral trade negotiations on agriculture;
  - (c) Market access for industrial (non-agricultural) goods;
  - (d) Development issues and special and differential treatment;
  - (e) Developments after Cancún: the July Package 2004;
  - (f) Negotiations on trade facilitation;
  - (g) Developments in negotiations on trade-related aspects of intellectual property rights in the WTO framework;
  - (h) Trade in services: negotiations after Cancún 2003;
  - (i) Trade and technology transfer: negotiations after Cancún;
  - (j) Negotiations on Rules (dumping, subsidies and countervailing measures);
  - (k) Regional trade arrangements in the WTO framework;
  - (l) Situation of the least developed countries;
  - (m) Relationship between trade, external debt and financing;
  - (n) Negotiations on improving the dispute settlement system;
  - (o) Implementation issues.

#### B. MEETINGS AND CONFERENCES

- 1. Expert group meeting to prepare the Arab countries for the sixth WTO Ministerial Conference
- 8. An expert group meeting was held in Beirut on 28 and 29 December 2005 in order to discuss all the issues expected to arise at the sixth WTO Ministerial Conference. Recommendations were prepared and submitted to the Arab ministerial meeting to prepare the Arab countries for the Conference.
  - 2. Arab ministerial meeting to prepare for the sixth WTO Ministerial Conference
- 9. An Arab ministerial meeting was held in order to discuss the recommendations that the experts had prepared and formulate a statement on the stance of the Arab ministers. The meeting was held on 30 November and 1 December 2005 at ESCWA headquarters in Beirut. ESCWA issued a report on the work of the two meetings (expert and ministerial) and the ministerial statement (appended).

#### 3. Sixth WTO Ministerial Conference

- 10. A delegation from ESCWA participated in the work of the sixth WTO Ministerial Conference. It distributed ESCWA publications to the Arab delegations taking part, held meetings with participating Arab officials and gave negotiations-related technical support to the Arab countries.
- 11. An expert group meeting on the follow-up to the sixth WTO Ministerial Conference was held at ESCWA headquarters in Beirut on 4 and 5 April 2006. The report of that meeting is contained in E/ESCWA/GRID/2006/WG.1/3.

# III. IMPLEMENTATION OF THE INTERREGIONAL PARTNERSHIP FOR PROMOTING TRADE AS AN ENGINE OF GROWTH THROUGH KNOWLEDGE MANAGEMENT AND TAKING ADVANTAGE OF INFORMATION AND COMMUNICATIONS TECHNOLOGY

- 12. This project constitutes part of United Nations efforts to build capacities in the field of trade facilitation and was funded by the United Nations Development Account. The project began in 2005 and is jointly implemented by the five United Nations regional commissions. It will continue until the end of 2007. The project is particularly concerned with a subject of the utmost importance, namely, trade facilitation, which is included in the WTO negotiations over the Doha Development Agenda. It is expected that those negotiations will result in a new agreement on global trade facilitation.
- 13. The project aims to assist member countries in formulating goals and trade facilitation strategies, and strengthening their international competitiveness and negotiating capacities. The expected accomplishments of the project are as follows: (a) the incorporation of trade facilitation, promotion and diversification concepts and practices into national and regional trade policies and development plans; (b) the implementation of strategies to integrate small and medium-sized enterprises into international supply chains; (c) the implementation of strategies for advancing national priorities in trade policy formulation and international trade negotiations; (d) the implementation of regional strategies to increase regional trade, in the context of open regionalism through the rationalization of cross-border procedures and the creation of regional chains of competitive suppliers. As part of that project, ESCWA has implemented the activities set forth below.

### A. THE ACTIVITIES IMPLEMENTED BY ESCWA AS PART OF THE PROJECT, ITS GOALS AND FOUR EXPECTED ACCOMPLISHMENTS

#### 14. ESCWA has implemented the following activities:

- (a) Support for the participation of representatives of the customs administrations of several ESCWA member countries in the Third International Forum on Trade Facilitation, Paperless Trade in International Supply Chains: Enhancing Efficiency and Security, which was held in Geneva, Switzerland, in June 2005;
- (b) Organization of a regional workshop on Trade Facilitation for National Negotiators in Arab Countries (Beirut, 19-20 June 2006). The report on the workshop is contained in E/ESCWA/GRID/2007/2;
- (c) Organization of a regional workshop on Trade Facilitation for Small and Medium-Sized Enterprises (Beirut, 6-7 November 2006). The report on the workshop is available in E/ESCWA/GRID/2007/1;
- (d) Participation in preparing and translating a compact disc on targeted electronic education: trade facilitation for international supply chains and distributing 1,000 copies to Governments and private sector support institutions in the Arab countries.

#### B. PROJECT ACTIVITIES TO BE IMPLEMENTED BY ESCWA IN 2007

- 15. It has been decided that in 2007, ESCWA will implement the following activities as part of the project:
- (a) Regional workshop on trade facilitation, to be held jointly with the United Nations Economic Commission for Europe (first quarter of 2007);
- (b) International forum on trade facilitation, to be held at ESCWA headquarters in Beirut in the summer of 2007;
  - (c) Translation into Arabic and publication of the project web site and related discussions.

### IV. TECHNICAL ASSISTANCE AND CAPACITY-BUILDING: CONSULTANCY MISSION TO THE SUDAN

On 8 December 2005, a request was submitted to ESCWA by the Government of the Sudan for assistance in organizing and restructuring the Ministry of Foreign Trade in order to bring it into line with WTO requirements, technical aid in developing negotiating capacities and access to global markets, and raising awareness of WTO agreements and issues. In response to that request, the Trade and WTO Issues Team of the Globalization and Regional Integration Division undertook a mission to the Ministry of Foreign Trade in Khartoum from 28 May to 2 June 2006. The team studied the current state of Ministry administration and work and examined the current and future needs of the Ministry and the negotiating team in the light of the expected accession by the Sudan to WTO. The mission also held several seminars on WTO agreements, particularly in the fields of agriculture, services, intellectual property rights, trade facilitation and the WTO dispute settlement system. Developments in the multilateral trading system between the first GATT agreement in 1947 and the establishment of WTO, and the WTO Ministerial Conferences up to the Hong Kong Conference in 2005 were also reviewed. ESCWA provided the Government of the Sudan with the final report on requirements for restructuring the Ministry of Foreign Trade within the usual period following completion of the mission. The report contained an analysis of the situation, operational recommendations and a proposed new organizational structure for the Ministry and its administration in line with WTO accession requirements.