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Economic and Social Commission for Western Asia (ESCWA)

Committee on Liberalization of Foreign Trade, Economic
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Item 9 of the provisional agenda

**Proposed programme of work for the biennium 2018-2019
in the field of financing for development****Summary**

The proposed programme of work of the Economic and Social Commission for Western Asia (ESCWA) for the biennium 2018-2019 in the field of financing for development entails a set of activities and outputs related to the implementation of expected accomplishment (b) pertaining to financing for development envisaged under subprogramme 3 on economic development and integration of the revised strategic framework for the biennium 2018-2019. While subprogramme 3 comprises the work of ESCWA in the fields of liberalization of foreign trade, economic globalization and financing for development, and is implemented by the Economic Development and Integration Division (EDID) at ESCWA, this document highlights the proposed activities in the field of financing for development, noting that the Section on Financing for Development that undertook the implementation of financing for development activities in the past bienniums has been abolished. Those activities will be implemented by a small unit in the office of the Director of EDID.

The Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development is invited to review the proposed activities and discuss the extent to which they meet the priorities of ESCWA member States and their relevance to the expected accomplishments under subprogramme 3. The Committee is also invited to discuss ways to concretely measure the indicators of achievement in order to accurately monitor progress achieved in member States in the implementation of the proposed outputs.

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Introduction

1. The activities comprised in the proposed programme of work of the Economic and Social Commission for Western Asia (ESCWA) for the biennium 2018-2019 in the field of financing for development were formulated based on subprogramme 3 on economic development and integration of the revised strategic framework for the biennium 2018-2019, as adopted by ESCWA member States during the twenty-ninth ministerial session (Doha, 13-15 December 2016).
2. The Economic Development and Integration Division (EDID) at ESCWA is responsible for the implementation of subprogramme 3 through its four sections: Economic Development and Poverty Section; Economic Governance and Planning Section; Modelling and Forecasting Section; and Regional Integration Section. It should be noted that following an internal reorganization undertaken prior to the Third International Conference on Financing for Development which adopted the Addis Ababa Action Agenda of (Action Agenda) in July 2015, the financing for development dossier no longer has a dedicated section within the overall structure of EDID; rather it is run by a unit in the office of the Director of EDID.
3. During the biennium 2018-2019, EDID will continue to place emphasis on promoting policies and programmes that contribute to strengthening regional integration and monitoring the implementation of the Action Agenda. In this context, research and policy analyses would be undertaken on the seven action areas of the Action Agenda, particularly domestic public resources; domestic and international private business and finance; international development cooperation; international trade as an engine for development; and debt and debt sustainability.
4. Subprogramme 3 comprises the work of ESCWA in the fields of liberalization of foreign trade, economic globalization and financing for development. However, this document which contains the strategy, expected accomplishments and indicators of achievement of the entire subprogramme, presents proposed activities related to financing for development, which would be implemented by the Unit on Financing for Development at EDID. This Unit undertakes the achievement of expected accomplishment (b) by increasing effectiveness in filling financing gaps within the broader context of implementation of the 2030 Agenda for Sustainable Development. All the expected accomplishments and indicators of achievement touch on various mandates of the Action Agenda and thereby offer several mutually supportive outcomes.

I. ACTION REQUIRED OF THE COMMITTEE ON LIBERALIZATION OF FOREIGN TRADE, ECONOMIC GLOBALIZATION AND FINANCING FOR DEVELOPMENT

5. The Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development is invited to take note of the proposed outputs and provide guidance to the secretariat on the basis of the following criteria: (a) the extent to which the proposed outputs respond to the needs of intended beneficiaries, namely ministries and national authorities in the Arab region in charge of financing for development; (b) the extent to which those proposed outputs contribute to the realization of the expected accomplishments of subprogramme 3; and most notably (c) the current structure and limited resources availed to the financing for development dossier at EDID while its overarching purview serves the implementation of the 2030 Agenda.

II. SUBPROGRAMME 3: ECONOMIC DEVELOPMENT AND INTEGRATION

A. OBJECTIVE FOR THE BIENNIUM 2018-2019

6. To achieve a basic standard of living for all people in member States through sustained and more inclusive economic development within a more integrated region.

B. EXPECTED ACCOMPLISHMENTS AND INDICATORS OF ACHIEVEMENT

(Accomplishments and indicators related to financing for development are in bold)

Expected accomplishments	Indicators of achievement
(a) More effective responses by member States to reduce poverty by adopting and implementing multidimensional poverty approaches	(a) (i) Increased number of member States that agree on a regional action plan addressing multidimensional poverty (ii) Increased number of member States that adopt policies to promote new methods for monitoring indicators related to multidimensional poverty and inequality (iii) Increased number of member States that adopt and implement inclusive plans and policies to address multidimensional poverty and inequality
(b) Increased effectiveness of member States in filling the financing gap and raising funds from traditional and innovative sources to implement the 2030 Agenda	(b) (i) Increased number of member States that implement measures to mobilize financial resources for development according to the Addis Ababa Action Agenda (ii) Increased number of member States that adopt regulatory reforms and legislation to enhance the business environment
(c) Enhanced macroeconomic policy environment for regional integration, supported by policy assessment tools	(c) (i) Increased number of institutions that develop knowledge-based economic tools and strategies with the support of ESCWA (ii) Increased number of member States that develop and implement policies using ESCWA forecasting tools
(d) Increased application of principles of good economic governance to promote inclusive economic transformation and regional integration	(d) (i) Increased number of member States that use economic governance indicators to inform policymaking in the public and private sectors (ii) Increased number of member States that adopt policies for economic transformation and improved economic governance to facilitate development of viable regional value chains and connectivity to global value chains

Expected accomplishments	Indicators of achievement
(e) Improved regional coordination among member States for cross-border infrastructure, especially in transport and trade facilitation	<p>(e) (i) Increased number of member States that adopt and implement regional and bilateral cross-border trade and trade facilitation agreements, such as the Arab Customs Union, to enhance intraregional and interregional trade</p> <p>(ii) Increased number of member States that adopt and implement ESCWA recommendations to enhance the coordination of their macroeconomic and sectoral policies for trade promotion</p> <p>(iii) Increased number of instances where member States adopt the agreements of the Integrated Transport System between Arab States and/or create national committees for transport and trade facilitation</p>

C. STRATEGY*

19.29 The Economic Development and Integration Division is responsible for the implementation of subprogramme 3. During the biennium 2018-2019, ESCWA will assist member States in achieving the Sustainable Development Goals (SDGs) and greater social justice. Using the tools that it has designed during the biennium 2016-2017 to monitor poverty, inequality and fiscal policy effectiveness, ESCWA will extend better advocacy and policy support services to member States. It will produce further evidence-based analytical reports and technical studies to identify gaps and solutions in those areas, with a view to achieving the SDGs, taking into account national and regional priorities. ESCWA will work in close collaboration with the League of Arab States to that end.

19.30 ESCWA will support member States to implement the Addis Ababa Action Agenda of the Third International Conference on Financing for Development. It will focus on mobilizing financial resources and designing appropriate financing policies to address socioeconomic development gaps and implement the SDGs.

19.31 The lack of participation in policy dialogue, particularly on government budget and fiscal policy, remains one of the impediments to social justice in the region. Evidence-based policy assessments are needed in order to prepare constructive dialogue on these issues. ESCWA will support national policymaking institutions and other stakeholders in the development of policy assessment tools based on economic models, to create an enabling macroeconomic environment for regional integration and the implementation of the 2030 Agenda for Sustainable Development.

19.32 ESCWA will carry out various types of activities aimed at promoting economic transformation and building the capacities of member States in that regard. It will work towards increased efficiency in the infrastructure and economic policy to facilitate the expansion of exports. This will help the private sector to enhance its competitiveness, produce higher-value goods and services, develop regional value chains and improve connectivity to global ones in areas where the region has comparative advantages, benefiting from its

* The paragraphs under Strategy are numbered from 19.29 to 19.33, where 19 refers to programme 19 on economic and social development in Western Asia of the United Nations strategic framework for the biennium 2018-2019, and paragraphs 29 to 33 are the consecutive numbers in that document which contains all the United Nations programmes. This numbering is maintained in ESCWA programme of work documents as well as in the programme of work for each of the seven subprogrammes.

available natural, capital and human resources. In that context, ESCWA will assist member States in achieving higher complementarity by facilitating the exchange of production factors and coordination of economic policies.

19.33 In order to provide an evidence-based advocacy for regional economic integration and identify focus areas for the Arab region, ESCWA will undertake rigorous quantitative analyses of the legal and institutional arrangements that are necessary for creating an environment that fosters regional economic integration and the achievement of regional development objectives, including high and labour-intensive economic growth rates.

D. EXTERNAL FACTORS

Subprogramme 3 will achieve its objective and expected accomplishments provided that: (a) member States remain committed to increasing subregional and regional cooperation and integration; (b) there are no significant shortfalls in budgetary funding; (c) the political and security situation in member States and the region allows the implementation of the work plan; ; (d) up-to-date and reliable statistics are made available; and (e) Governments enjoy enough stability to pay due attention to such issues.

E. OUTPUTS

(In the field of financing for development)

During the biennium 2018-2019, the following outputs are expected to be delivered in the field of financing for development:

(a) *Substantive servicing of intergovernmental and expert bodies*

(i) *Economic and Social Commission for Western Asia (thirtieth session)*

Parliamentary documentation:

Report of the Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development on its eleventh session (focus on financing for development);

(ii) *Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development*

a. Substantive servicing of the thirteenth session of the Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development-focus on financing for development);

b. Parliamentary documentation:

Progress made in financing for development (FfD);

(iii) *Ad hoc expert group meetings*

a. Expert group meeting on FfD thematic priorities;

b. Expert group meeting on FfD and developmental regionalism – the Arab Citizens Common Economic Security Space (ACCESS) – 2019;

c. Expert group meeting on the progress made by Arab countries in the implementation of the Addis Ababa Action Agenda.

(b) *Other substantive activities (regular budget)*

Technical material

- (i) Compendium on the Arab Financing for Development Scorecard 2018-2019;
- (ii) Technical paper on the sustainable development and FfD dimensions of the ESCWA vision 2030 – (2019);
- (iii) Study on the impact of illicit financial outflows on Arab economies.

Annex

LEGISLATIVE MANDATES

Subprogramme 3. Economic development and integration

General Assembly resolutions

- 68/200 Unilateral economic measures as a means of political and economic coercion against developing countries
- 68/201 International financial system and development
- 68/202 External debt sustainability and development
- 68/204 Follow-up to the International Conference on Financing for Development
- 68/222 Development cooperation with middle-income countries
- 68/269 Improving global road safety
- 68/279 Modalities for the third International Conference on Financing for Development
- 69/205 International trade and development
- 69/207 External debt sustainability and development
- 69/208 Follow-up to the International Conference on Financing for Development
- 69/213 Role of transport and transit corridors in ensuring international cooperation for sustainable development
- 69/227 Towards a new International Economic Order
- 69/235 Industrial development cooperation
- 69/313 Addis Ababa Action Agenda of the Third International Conference on Financing for Development (Addis Ababa Action Agenda)

Economic and Social Council resolutions

- 2014/5 Promoting empowerment of people in achieving poverty eradication, social integration and full employment and decent work for all
- 2014/11 Follow-up to the International Conference on Financing for Development

ESCWA resolutions

- 269 (XXVI) Enhancing public sector institutions and resources to attain national development goals
- 303 (XXVII) Towards enhancing the macroeconomic policy in ESCWA member countries
- 313 (XXVII) Frequency of sessions of the Technical Committee on Liberalization of Foreign Trade, Economic Globalization and Financing for Development in the Countries of the ESCWA Region
