



ESCWA

United Nations Economic and Social Commission for Western Asia

Monitoring and Evaluating Arab Economic Integration

Executive Committee
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Nathalie GRAND, Economic Affairs Officer, ESCWA



ESCWA monitoring and evaluating system

What for?

Assess potential for economic integration, track changing patterns and new opportunities for further economic integration in a changing global environment

Support and improves policy design

Improve governance and implementation

Facilitate political debate and negotiation

**Assess potential,
track changing patterns and
new opportunities
in a changing global and regional environment**

3 Composite Indexes and rankings

Global

GLOBALIZATION Index

Uses exports/imports, FDI inflows and outflows, workers' remittances

How conducive is the global environment to further Arab countries economic integration?

What are emerging challenges/opportunities and main channels?

Are Arab countries falling behind the top best performers?

Regional

DEPENDENCY Index

Uses exports, FDI inflows, workers' remittances inflows

What linkages between regional and global integration?

What is countries' level of vulnerability to foreign shocks?

How integration can help as an engine of economic growth?

Bilateral

Bilateral DEPENDENCY Index

Uses bilateral exports, FDI inflows, workers' remittances inflows

What are the nature, channels, potential for further intra-regional integration?

What is each country comparative advantage?

...

And whatever the level of investigation

What are the best performers?

What are the successful policies/ lessons learnt?

**Support and inform evidence-based
policy design to
guide the integration project
in the intended direction**

ESCWA monitoring and evaluating system

monitor advancements in the regional economic integration process

and **structural features** that condition countries' specialization

exogeneous/endogenous **shocks** and their disruptive/enhancing effects

role of **flanking policies**

additional activities and actions that may strengthen linkages

developmental aspects

3 SCOREBOARDS

Enablers

Structure of the economy

Mining VA as % of GDP
Fossil fuel energy conso (% total)
Gross national savings
Lending rates

Labor Force quality

Life expectancy at birth
Urban to rural pop
Literacy rate
School enrolment primary, sc, ter
Mean years of schooling
Ratio of female to male labor force
participation rates
Apparent productivity of labor
(thousands USD/person)

Infrastructure quality

Internet bandwidth
Electricity production

Conflicts

Policies

Trade

R&D expenditure (% GDP)
Trade tariffs, NTMs prevalence,
restrictiveness indexes

Investment environment

Taxes on goods and services
Corporate taxes
Chinn-Ito Openness index (0-1)

Labor force

Gov exp in education (% total exp)
Gov exp in education (% GDP)
Health exp Gov (% total exp)
Health exp Gov (% GDP)

Infrastructure

General Gov final conso
expenditures (% GDP)
Rail lines (total route km)
Air transport freight (million ton)
Length of total road
Length of paved road

Outcomes

Trade

Merchandise and services exports
and imports (% GDP)

Investment

FDI stocks & flows, in /outflows
Portfolio stocks & flows, in/outflows

People

Emigrants and Immigrants, tourists,
students

Logistics

Container port throughput (TEU)
Liner shipping connectivity index
Air transport, passengers carried

Macro convergence

Net ODA
Foreign Reserves
Inflation
GDP per capita

Governance and Implementation

ESCWA monitoring and evaluating system

Improve governance

Help collect information about **enablers, policies and outcomes** of economic integration processes collected to **facilitate policy design**

Institutionalized information-sharing system facilitates the organization and synchronization of implementation agendas

Encourages **regular communication and resolution of disagreements** among partners

ESCWA monitoring and evaluating system Implementation

Monitoring helps develop a communication strategy and consultation process for **an effective involvement of the private sector**

monitoring and assessment bring key information to citizens

successes and setbacks and provide the reasons for both

intended and unintended consequences of economic integration policies

instill transparency in the regional economic integration process

help to understand Governments' integration efforts

build consensus within society

Negotiation

ESCWA monitoring and evaluating system Implementation

Monitoring system complements other tools

Comprehensiveness system and expanding enhances analyses' richness

Help develop and strengthen capacities to design scenarios and carry impact assessment studies

Encourage interactions among partners help further cooperation

Way forward

- Updating the system of indexes using the latest data (2018). Results will be published in the third edition of AAEIR
- Collaborate with UNECA and UNESCAP to harmonize the systems for measuring and evaluating regional integration
- Integrate the system of indexes in the ESCWA's platform for monitoring and evaluating Arab regional and global economic Integration
- Initiate two pilot case studies (Jordan and Morocco) and develop a new index using the latest data, and disseminate the results.
- Provide comprehensive policy recommendations on mainstreaming trade policies in the SDGs.

Regional integration index



Thank you for your time!