

Distr.  
GENERAL  
E/ESCWA/EDGD/2009/1  
14 April 2009  
ORIGINAL: ENGLISH

**ECONOMIC AND SOCIAL COMMISSION FOR WESTERN ASIA (ESCWA)**

944 284 582 ✓

**ASSESSMENT OF TRADE POLICY TRENDS AND IMPLICATIONS FOR  
THE ECONOMIC PERFORMANCE OF THE ESCWA REGION**



United Nations  
New York, 2009

## CONTENTS

	<i>Page</i>
Abbreviations and explanatory notes.....	vii
Executive summary.....	ix
Introduction.....	1
 <i>Chapter</i>	
<b>I. TRADE AND GROWTH IN THE ESCWA REGION.....</b>	<b>5</b>
A. Trade and trade integration in the ESCWA region .....	5
B. Economic growth and structure of GDP .....	6
C. Trade, growth and contribution to GDP .....	6
D. Main indicators of trade .....	12
E. Major trading partners and products for ESCWA member countries .....	14
<b>II. TRADE POLICIES AND PRACTICES IN THE ESCWA REGION .....</b>	<b>18</b>
A. Trade policy objectives .....	18
B. Major changes in trade policy trends in 1980-2008 .....	18
C. Trade policy tools applied by ESCWA member countries .....	19
D. Regional and international preferential trade agreements .....	20
<b>III. EFFECTS OF TRADE POLICIES ON PROMOTING REGIONAL TRADE AND GROWTH .....</b>	<b>25</b>
A. Improvement in market access for ESCWA member countries.....	25
B. Development of service sectors and trade liberalization.....	29
C. Investment and trade liberalization .....	29
D. Employment and job opportunities .....	35
E. Indigenizing advanced production technologies and the structure of exports.....	36
<b>IV. CONCLUSIONS AND POLICY IMPLICATIONS .....</b>	<b>40</b>
Bibliography .....	44

### LIST OF TABLES

1. Sectoral contribution to GDP, 2007 .....	6
2. Trade indices as a percentage of GDP, 2005-2007 .....	12
3. The five trade indicators.....	12
4. The five trade indicators in the ESCWA region .....	13
5. First three main exports as a percentage of total exports, 2006 .....	14
6. First three main imports as a percentage of total imports, 2006 .....	15
7. Leading markets for exports from the ESCWA region as a percentage of total exports .....	16
8. Leading markets for exports from the ESCWA region as a percentage of total imports.....	16
9. Main trading partners of Lebanon, Oman, the Syrian Arab Republic and Yemen .....	17
10. Status of the WTO in the ESCWA region.....	20
11. Direction of foreign trade of the ESCWA region, 2002-2006 .....	25
12. Composition of foreign trade of the ESCWA region, 2002-2006.....	26
13. Total and intraregional trade, 1997-2006 .....	26

## CONTENTS (continued)

	<i>Page</i>
14. Total and intraregional exports, 1997-2006 .....	27
15. Trade between Jordan and the European Union, 2003-2007 .....	27
16. Trade between Jordan and the United States, 1999-2007 .....	28
17. Gross capital formation for ESCWA member countries .....	32
18. FDI inflows to the ESCWA region .....	33
19. Selected indicators for regional integration in the ESCWA region, 2001-2005 .....	34
20. Unemployment rates in ESCWA member countries, 1990-2006 .....	36
21. Evolution of the technological composition of ESCWA exports, 1997-2006 .....	37
22. Major concentration of exports in GCC countries, 1997-2006 .....	39
23. Major concentration of exports in non-GCC ESCWA member countries, 1997-2006 .....	39

### LIST OF FIGURES

I. Real GDP growth rates in the ESCWA region, 1980-2007 .....	8
II. Exports in the ESCWA region, 1980-2006 .....	9
III. Growth rates of GDP, exports and imports in the ESCWA region, 2002-2006 .....	11
IV. Trade between Egypt and the European Union, 2003-2007 .....	28
V. Internal investment in ESCWA member countries, 1980-2006 .....	30