



**2ND HIGH-LEVEL REGIONAL DIALOGUE ON WTO ACCESSIONS
FOR THE ARAB REGION**

ADAPTIVE APPROACHES TO WTO ACCESSION AMID COVID-19

Virtual, 7-9 February 2022

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1 OVERVIEW

1. The 2nd High-Level Regional Dialogue on WTO Accessions for the Arab Region (hereinafter: 2nd High-Level Dialogue), organized by the WTO Secretariat collaboration with the Arab Monetary Fund (AMF) and Islamic Development Bank (IsDB), took place virtually on Zoom from 7 to 9 February 2022. The event was attended by over 80 participants from seven Arab acceding governments¹ and Palestine², including from Geneva and the capitals.
2. Following the interest garnered by the first High-Level Dialogue on WTO Accessions for the Arab Region, organized in November 2020 (see WC/ACC/39), the 2nd High-Level Dialogue sought to maintain the engagement and momentum in the region regarding WTO accession by acting as a platform for open communication on the benefits of accession and how to address the challenges that come with it.
3. To this end, six sessions were organized across three days, with a thematic focus on "Adaptive Approaches to WTO Accession amid COVID-19". Sessions included: (1) a high-level opening, (2) a roundtable discussion on the challenges and opportunities generated by WTO accession, (3) the potential for trade in services in the region, (4) the role of the private sector in WTO accession, (5) trade facilitation amid and beyond COVID-19, and (6) Trade for Peace through WTO accession. The full programme can be found annexed to this document.
4. These sessions allowed for an open and interactive dialogue across the three days that reflected greater enthusiasm and participation relative to the first High-Level Dialogue. The ensuing open discussions with participants illustrated the interest they had in WTO accession, as evidenced by the large number of questions after each session and the discussions that they generated.

2 HIGH-LEVEL OPENING SESSION: ADAPTIVE APPROACHES TO WTO ACCESSION AMID COVID-19

5. The High-Level opening session, moderated by Ms. Maika Oshikawa, Director of the Accessions Division of the WTO, featured a pre-recorded keynote speech by H.E Mr. Azali Assoumani, President of the Union of the Comoros, as well as interventions from: Dr. Ngozi Okonjo-Iweala, Director-General of the WTO; H.E Dr. Abdulrahman A. Al Hamidy, Director General Chairman of the Board of the AMF; Mr. Amer Bukvic, Director-General of Global Practice and Partnerships at the IsDB; and, H.E. Mr. Saqer Abdullah Almoqbel, Ambassador of the Kingdom of Saudi Arabia to the WTO, and Coordinator of the Arab Group.
6. Opening the session with his pre-recorded statement, H.E Mr. Azali Assoumani highlighted the progress that had been made to date in the accession process of the Comoros to the WTO and thanked all actors who played a role in it, including *inter alia*: WTO Members, international organizations, development partners, the public and private sectors as well as Comorian civil society. WTO accession represented a lever for the rise of the Comoros and the modernisation of its economic and financial administration services. He underscored the effects of the COVID-19 pandemic on world trade and economies everywhere, but particularly on Arab economies. The pandemic aggravated existing conflict, inequality, unemployment, and poverty in the region while straining insufficiently developed social safety nets. Despite this, the Comoros demonstrated resilience, with a positive growth rate in 2021 and a growth rate of 3.6% envisaged for 2022. He discussed the development of the Emerging Comoros Plan (ECP) to diversify the Comorian economy by 2030 with a focus on services, particularly tourism and financial services. He commended the opportunity to discuss challenges and opportunities generated by WTO accessions with fellow Arab acceding governments, with discussions among countries being key in the recovery of the global economy from COVID-19. Finally, he called on the WTO to play an active role in facilitating the production of vaccines in developing countries and promote an equal distribution of vaccines by lifting export restrictions to achieve a transparent multilateral trading system.
7. In her opening remarks, WTO DG Ngozi Okonjo-Iweala recounted her experience working with the MENA region during her time as Vice President of the World Bank which offered a unique insight on the opportunities the region had to offer despite the challenges it faced. She discussed her meetings with Arab acceding governments since taking office in 2021, noting their efforts in

¹ Algeria, Comoros, Iraq, Lebanese Republic, Libya, Sudan and the Syrian Arab Republic.

² Palestine has been granted an ad hoc observer status at WTO ministerial conferences since 2005.

advancing or reactivating their respective accession processes. Discussions centred on difficulties in advancing the accession process despite facing complex issues at home, as well as the benefits of WTO accession and related reforms in transforming economies, raising living standards and expanding job opportunities. She recounted recent advancements in the accessions of the Comoros, Sudan, Iraq, Lebanon, and Libya and explained that the increased engagement of Arab acceding governments should be met by the WTO's joint efforts to support them. To this end, a study detailing the accession and post-accession experience of Arab WTO Article XII Members could serve as a guide for Arab acceding governments. Finally, she presented the Trade for Peace programme as particularly relevant to Arab acceding governments, given that eight out of the nine Arab states still outside the WTO were classified as fragile and conflict-affected situations (FCS). The Trade for Peace programme brought to light how the WTO accession process and related reforms could foster resilience, prosperity, peace and stability.

8. The Comoros, one of the most advanced accessions, were determined to finalize the accession process in 2022 and stressed the importance of technical assistance from partners, including post-accession support. After a four-year break, Sudan's accession process formally resumed. Iraq and Lebanon were in the process of reactivating their accession following years of stalled progress due to internal circumstances, while Libya expressed renewed interest in starting the accession process. DG Okonjo-Iweala reaffirmed the Secretariat's support for these accession efforts, which included close coordination with global institutions such as the IMF and the World Bank or regional institutions such as the AMF and the IsDB.

9. H.E Dr. Abdulrahman A. Al Hamidy underscored the strong partnership with the WTO and IsDB to assist Arab countries by accelerating their accession processes and allowing them to better integrate into the world economy. H.E Dr. Al Hamidy indicated that this dialogue, which now extends for more than three years, reflects the effective cooperation between the AMF, IsDB, and WTO with the aim of providing support to Arab acceding governments to overcome all the current challenges they face and to benefit from the gains associated with the liberalization of international trade in goods and services. His Excellency pointed out to the challenges facing Arab economies due to the spread of the COVID-19 pandemic on economic growth and international trade. Despite the previously mentioned unfavourable developments, the Arab region has recently witnessed many positive developments in terms of liberalizing and facilitating trade within the framework of the Greater Arab Trade Area (GAFTA), which would be addressed in more detail during the ensuing sessions and included the activation of the agreement to liberalize trade in services between Arab countries, the ongoing fulfilment of the requirements to establish the Arab Customs Union, the development of the legislative structure of the GAFTA and the adoption of the transparency mechanism within its framework. At the conclusion of his speech, His Excellency affirmed the keenness of the Arab Monetary Fund to strengthen its partnerships with the IsDB, and WTO, to support the efforts of Arab countries and their aspirations to activate their international trade relations with all countries of the world, which enhances the endeavours of these countries towards achieving inclusive and sustainable growth and achieving the SDGs goals.

10. Mr. Amer Bukvic detailed the destructive effects of the COVID-19 pandemic on the global development landscape, which exacerbated socio-economic disparities and pushed the global economy into recession. The 2nd High-Level Dialogue therefore came at a time when increased collaboration between relevant regional and international organizations was necessary. He explained the collaboration between the IsDB and AMF to assist Arab governments in joining the WTO, which came under the form of technical support, training, and workshops to build human and institutional capacity. Furthermore, given that over half of the 36 countries classified as FCS were IsDB member countries, he highlighted the importance of the Trade for Peace programme and the use of trade as a vehicle for peace and stability. He discussed various IsDB programmes that supported Arab acceding governments, which included *inter alia* the Technical Assistance Programme for Regional and Global Integration in Trade, a programme aimed at facilitating accession to the WTO, enhancing the awareness of IsDB member countries on WTO Agreements and providing a forum to exchange views on the multilateral trading system. Finally, he highlighted the IsDB's commitment to work with all partners in providing the necessary support to Arab acceding governments.

11. H.E. Mr. Saqer Abdullah Almoqbel, speaking in his capacity as coordinator of the Arab Group at the WTO, commended President Assoumani's video message as a clear indication of the strong political will of the Comoros to finalize the accession process. The COVID-19 pandemic and its long-lasting, cross-cutting impacts confirmed more than ever the need for WTO membership as a way for Arab acceding governments to strengthen their economies and contribute to global supply

chains. He explained that the most important challenge faced by Arab acceding governments was the need for domestic reform to harmonize internal laws with WTO conventions paired with a need for technical assistance and capacity building (TA/CB). Providing training and the financial support it required would go a long way in accelerating the accession processes of Arab governments. Finally, he stressed the importance of accelerating the pace of Arab accessions and granting Arab least developed countries (LDCs) preferential treatment to give them an opportunity to reform their legislation to be able to advance their economies and open up to the world.

3 SESSION 1: CHIEF NEGOTIATOR'S ROUNDTABLE – ACCESSION CHALLENGES AND OPPORTUNITIES IN THE ARAB REGION

12. With the aim of gaining a better understanding of the challenges specific to each accession, as well as the country-specific benefits of WTO accession, a Chief Negotiator's Roundtable session was organized, moderated by Ambassador Xiangchen Zhang, Deputy Director-General of the WTO. Representatives at different levels from acceding governments were invited to openly discuss political, economic and financial challenges faced by their countries that presented a roadblock to WTO accession, as well as the ways in which acceding to the WTO would help their respective countries. A representative from Jordan was invited to discuss the government's experience during the accession process and share best practices and retrospective advice with the acceding governments.

13. Before the roundtable discussion, a presentation on the state of play in Arab accessions was given by Ms. Mena Hassan, Legal and Economic Affairs Officer of the WTO Accessions Division. Accounting for more than one-third of acceding governments, eight of the 23 ongoing accessions were in the Arab region, of which three were LDCs³ and seven were classified as FCS⁴. The average length of ongoing Arab accessions was 18 years and 10 months, 9 months longer than the average length of the 23 ongoing accessions. Regarding the stage of the accession process, no accession documentation had been submitted by Libya and the Syrian Arab Republic. Iraq and Somalia had submitted their MFTR. Algeria, Comoros and the Lebanese Republic were at the draft stage of the Working Party Report. Regarding bilateral negotiations, Algeria, Comoros, the Lebanese Republic and Sudan were in the revised Goods and Services Offer stage. Regarding accession status, the Comoros were a strategic focus given their progress in the accession process, the strong political will behind accession, and their upcoming WP meeting, scheduled for May 2022. Sudan had made ongoing efforts to move the accession process forward since the 5th WP Meeting in July 2021. Iraq and the Lebanese Republic were in the process of reactivating their accession process after their last WP meeting, which took place in 2008 and 2009, respectively. Somalia was in the process of activating its accession process, with its first WP meeting tentatively scheduled for 2022. Algeria, Libya and the Syrian Arab Republic were classified as inactive accessions.

14. The Chief Negotiator's Roundtable started with an intervention from H.E Ambassador Mzé Abdou Mohamed Chanfiou, Chief Negotiator for the WTO Accession of the Comoros, in which he detailed challenges caused by the COVID-19 pandemic. These included, *inter alia*: containing the pandemic and ensuring optimal vaccine coverage, controlling inflation for general commodities, and reviving the economy. Supply shortages paired with price hikes for essential goods have pushed the government to take exceptional measures to support the economy. He reaffirmed the determination of the Comoros to finalize the accession process in 2022 and recounted progress made in bilateral negotiations with Members. WTO accession would act as a lever to help Comoros attain its 2030 goals set by the ECP, as well as modernise its financial and administrative management system by adopting internationally recognized best practices. In closing, he called on all partners to assist in the Comorian economic recovery plan and the post-accession technical assistance plan that had been presented during a January 2022 Roundtable.

15. Mr. Adel Al-Masoodi, Director General, Economic Relations Department, Ministry of Trade of Iraq, detailed the challenges faced by Iraq in general, which have slowed the accession process over the years. The wars against ISIS in particular had badly affected the implementation of economic reforms as well as the timing of the implementation and submission of accession documents. Despite this, reforms were passed to align Iraq's legislation with international standard and updates to accession documentation such as the Memorandum on the Foreign Trade Regime (MFTR) and the Legislative Action Plan (LAP) were carried out. He explained that Iraq would benefit from

³ Comoros, Somalia, and Sudan.

⁴ Comoros, Lebanese Republic, Libya, Iraq, Somalia, Sudan, Syrian Arab Republic.

WTO accession thanks to the potential of its economy and its important strategic position in the region. Finally, he hoped for more cooperation between the international organizations and the Iraqi Government to overcome the challenges it faces to accede to the WTO.

16. Mr. Dawoud Daraldik, Ministry of National Economy, Palestine explained the efforts put forth by the government to accede to the WTO, which included *inter alia*: establishing a WTO information centre in cooperation with the Secretariat and UNCTAD as a contact point for all issues related to accession, organizing transparency and oversight committees, building institutional and human capacity, and ongoing legislative reforms to be in line with the multilateral trade system. The objection of Palestine's application for WTO Membership presented a roadblock in their accession, on top of the administrative costs of capacity building and the impacts of the COVID-19 Pandemic. Palestine viewed WTO accession as an important contributor to the economic development and necessary legislative and institutional reform of Palestine.

17. H.E. Mr. Zaher Al-Qatarneh, Secretary General, Ministry of Investment, The Hashemite Kingdom of Jordan, recounted his experiences from Jordan's accession to the WTO to share the challenges they faced, best practices to overcome them and the benefits of WTO Membership. He warned against delaying the negotiation process due to high costs in the form of Members changing their policies or their requests, as well as the loss of institutional memory and relations with negotiators that since retired; the pace of the accession process was key. To this end, a national committee for accession was created to ensure internal coordination. Developing good relations with WTO Members and fostering support for the accession went a long way in facilitating negotiations and accelerating the process. He explained that there would always be challenges with regards to TA/CB, which made the assistance of international organizations such as the WTO, AMF, and IsDB crucial. Market liberalization presented some costs to the economy, which were however outweighed by the benefits of accession to the WTO. These included, *inter alia*: access to global markets, a fair opportunity to discuss and deal with trading partners, access to a platform where your voice can be heard, and the facilitation of legislative and institutional reforms to be in line with the multilateral trading system.

18. H.E. Mr. Amin SALAM, Chief Negotiator for the WTO Accession of the Lebanese Republic, started his intervention by expressing his enthusiasm following negotiations in the Lebanese parliament to finalize a Competition Law that had been pending for 11 years. The Lebanese Republic had long been an advocate of a liberal and market-oriented economy and believed in the transformative power of enhanced economic integration with the global economy. To this end, the accession process of the Lebanese Republic had reached an advanced status at the 7th WP meeting. Since then, however, the Lebanese Republic faced additional, unexpected challenges that slowed progress in the accession process: the COVID-19 Pandemic and the explosion of the Beirut port. Their repercussions on the Lebanese economy were severe, with multidimensional poverty in Lebanon almost doubling from 42% to 82% and inflation exceeding 140%. This, paired with a lack of awareness on the benefits of joining the WTO, led to a lack of progress on the accession front. However, he explained that the Lebanese Republic remained convinced that WTO accession was an enabler of the reforms necessary for the Lebanese economy to prosper. For this purpose, operational steps were put in place to revive the process at all levels while putting forth strong political will to advance it.

19. Ms. Fatima Ibrahim, Acting Secretary General of the General Secretariat for WTO Affairs of Sudan, affirmed Sudan's strong commitment and political will to continue work in the accession process. This political will had faltered in the past 20 years due to internal conflict that fragilized Sudan's economy and slowed efforts to join the WTO. Since then, an unstable economy and a lack of legislative reforms paired with a need for TA/CB have made the accession process very difficult. Sudan was seeking assistance in bringing the private sector into the process to convince them of the benefits of compatibility with WTO requirements. She discussed the Trade for Peace programme and asked for greater emphasis on the Arab region and more work to be done in the regard.

20. Mr. Luai Turjiman, Minister Plenipotentiary, Deputy Permanent Representative, Permanent Mission of the State of Libya to the UNOG, stressed the importance of WTO accession for the development and stability of Libya. Libya's strategic geographical location between Africa and Europe and 1770km coastline would allow it to contribute to the development of the multilateral trading system. Institutional reforms would assist in combating corruption. Trade for Peace also represented a way to achieve stability and create jobs in Libya. However, he expressed dissatisfaction with the way the accession process had been handled, with accession procedures having come to a complete

standstill after Libya's second application for accession in 2004. Similarly, in 2020, Libya had been in contact with some international organizations to prepare the Memorandum on the Foreign Trade Regime (MFTR) but had not heard back regarding any support for the preparation of the document. He therefore called for the creation of a small committee or taskforce, chaired by the Accessions Division to support countries in accession and push the process forward. The taskforce could diagnose the reasons for the delay in the accession process of some countries and provide support through the dissemination of information and the preparation of studies on WTO accession. This would go a long way in advancing the accession process of some countries and clear the dust that had been accumulating in their accession dossiers.

21. Mr. Louai Soukar, Ministry of Economy and Foreign Trade, Syrian Arab Republic, spoke on the progress that had been made in the accession process prior to 2010, with a number of visits to Geneva and the organization of TA and workshops by the WTO and the Syrian Arab Republic. However, due to the war since 2011, the file had been frozen. He inquired on the possibility of preferential treatment in the face of the unilateral economic sanctions imposed on the Syrian Arab Republic should it reactivate its accession process. Additionally, he asked if the economic context following the war would be taken into consideration, given this very specific context and the priorities of the rebuilding effort. DDG Zhang stressed the limited functions of the WTO Secretariat, which is why working with other international organizations to deal with these issues was key.

22. In the Q&A at the end of the session, DDG Zhang addressed questions to each speaker regarding their specific accession process:

- (a) To Mr. Al-Qatarneh, he asked how Jordan maintained internal support from politicians and businesspeople during the marathon process of accession negotiations. Mr. Al-Qatarneh explained the importance of maintaining open discussions with the private sector throughout the negotiation process, as they would be the ones affected by the reforms and new legislation; WTO accession was not a process for the government, but rather a process for the entire country. Regarding what he would have done differently in retrospect, he replied that timing was of the essence. Given the continually increasing number of commitments expected from acceding governments, he would have focused on applying and acceding to the WTO sooner.
- (b) To Mr. Daraldik, he inquired on the TA needs of Palestine. Mr. Daraldik explained that Palestine needed assistance with accession documentation, the development of the Palestinian WTO information centre and the updating of legislation.

23. Following a question from the participants regarding Sudan's TA needs, Ms. Ibrahim explained that institutional knowledge had been lost due to customs authorities retiring. Customs authorities therefore needed to be trained regarding WTO Agreements and the preparation and negotiation of the Goods offer and the Customs Valuation Action Plan, among other documentation. Ministry of Finance and Ministry of Justice officials needed to be trained to follow WTO commitments and ensure the necessary reforms to align domestic legislation with WTO rules.

4 SESSION 2: TRADE IN SERVICES: OPPORTUNITIES AND CHALLENGES TODAY

24. Does the services sector hold any promise for the economic development of Arab countries? This session stimulated an interesting discussion in that regard. Moderated by Dr Maha Gabbani, legal adviser of the Permanent Mission of the Kingdom of Saudi Arabia, the session highlighted the contribution of this sector to Arab economies and challenges requiring attention and ways of addressing them. For an enhanced contribution of the sector, international services agreements are crucial. The session further highlighted features of the Arab regional services agreement, synergies and complementarities with the GATS, offering a call for Arab countries to accede to these agreements. The Panellist comprised experts from the WTO, AMF, and the IsDB.

25. Mr Hamid Mamdouh, Senior Counsel, King & Spalding LLP and former Director of Trade in Services and Investment Division at the WTO, presented the importance of the GATS in liberalising trade in services for the Arab Region. He highlighted the importance of the services sector in the global economy, indicating, among other things, its significant proportion to GDP (dependent on the level of economic advancement) and the role in attracting foreign direct investment (FDI). Overall, the sector determines the competitiveness of an economy: the more robust the services sector, the

more competitive an economy. The GATS, he mentioned, offers an avenue for boosting services trade in the Arab region. Having recounted the GATS' benefits given the positive link between services liberalisation and economic development, he emphasised that given the complexities of e-commerce, cooperation among countries is crucial for services trade. He mentioned that the GATS addresses the challenges. WTO membership is thus essential for Arab countries to advance the sector for economic transformation.

26. To further reinforce the crucial role of the services sector, Dr Heba Abdel Monem, the chief of the Studies and Statistics Division at the AMF, presented the general outlook of the sector in the region. The service sector's contribution to the GDP of Arab countries as a group was estimated to be 37 percent on average during the period (2016-2020), while providing around 64 percent of employment within the region. She also highlighted that tourism and transportation contribute more to the sector. She mentioned, however, that the COVID-19 pandemic has impacted the sector extensively, driven by prudential measures by governments. The said impact differs from country to country: those with tourism and travel are most affected. She indicated that the effect would remain for a long time – travel and tourism, for instance, will be low – and full recovery is not expected in the next four (4) years. She underscored that liberalising the sector will help to contribute to a resilient recovery.

27. Dr Mohamed Ismail, an AMF Economist, further explained the approaches to supplying services trade, the strategic importance of liberalising services trade in the region – among other things, the similarity in culture, the region's tourism opportunities and in telecommunication and engineering, and its strategic location for aviation and maritime travel – and the relevance of international services agreement for advancing the sector in the region. He indicated that tourism and transport are considered the most important traded services as they account for 65.3 and 52.3 per cent of the total trade receipts and payments, respectively. He addressed the Arab Agreement for the Liberalization of Trade in Services in the Arab services agreement and further demystified services enhancing provisions in the GATS, and further demystified services enhancing provisions in the GATS, commitments of governments to which will significantly lead to more competitiveness, reducing services cost and improving welfare.

28. The session drew numerous comments and questions from participants, requiring clarifications on some issues presented and the future of the region's services sector. Lebanon asked whether Article V of GATS aligns with the Arab services agreement? Dr Hamid explains the compatibility of the two agreements, touching on the sectoral coverage, the non-discriminatory measures, preferential treatments, and the mode of services supply as contained in the GATS. Lebanon further asked about the indicators or formula for assessing the comparative advantages of the services sector in the Arab region as presented. Dr Heba first shed light on the formula. Dr Ismail emphasised the role of logistical services to enhance the region's competitive edge. Dr Heba acknowledged this role and sensitised Arab governments to shift focus from travel and tourism services to other services such as finance and logistics. For logistical services, Dr Imed Drine from IsDB saw the need for creating a database in the region to track such services. Dr Heba called for an overall assessment of the region's services sector to enable Arab countries to know how best to integrate to reap the sector's benefits.

29. Libya enquired about how vital the role of the private sector is for the services trade. Dr Heba emphasised that the private sector is paramount and cannot be dispensed with. Sudan asked if the Arab services agreement accords preferential treatment to LDCs. Dr Heba acknowledged that just as it's in the GATS, preferential treatment exists for LDCs in the GATS. An enquiry also related to whether the Arab region should have a database providing information on trade in services in the region. Mr Hamid welcomed such an initiative. Lebanon asked about how passing new legislation will burden acceding governments. Mr Hamid again indicates that although such a burden is inevitable, acceding governments should welcome and embrace them given the post-accession benefits.

5 SESSION 3: THE ROLE OF THE PRIVATE SECTOR IN WTO ACCESSION OF ARAB COUNTRIES

30. Just as the private sector is a pivotal contributor to economic development, its role in trade policy formulation and WTO accession cannot be overlooked. Moderated by Mr Rajesh Aggarwal, Chief of Business and Trade Policy at the International Trade Centre, the session brought experts from the public and private sectors to highlight these roles and discussed ways to harness joint efforts towards a successful accession of Arab countries to the WTO. The panel comprised

Damien Bruckard, Deputy Director of Trade and Investment at the International Chamber of Commerce, Mr Rabih Sabra, Director-General of the Chamber of Commerce at Industry and Agriculture of Beirut and Mount Lebanon, Mr Safaa Alshumary of Iraqi Chamber of Commerce.

31. Mr Damien Bruckard presented how the private sector influences trade policies. He recounted the works of the ICC, including its support for WTO accessions. He emphasised that despite the benefits of WTO accession and membership – inter alia, improving an economy's business environment, broader market access – the private sector does not seem instrumental in the WTO accessions process. He underscored that economic reform with private sector involvement could lead to significant economic outcomes, and such participation can speed up the accession process. As a way of demonstrating, he, among other things, mentioned that the private-public engagement that characterises the implementation of the Trade Facilitation Agreement is yielding the best outcome. He implores acceding governments to engage the private sector actively.

32. Mr Rabih Sabra recounted the Role of the Lebanese Private Sector for WTO Accession. He told how the COVID-19 pandemic had impacted Lebanon's economy and the response from the Lebanon government and highlighted the role of the Beirut Chamber of Commerce at the Micro and Macro level and how Lebanon's challenges – economic and financial crises, political instabilities, the port blast, and the COVID-19 – affected its accession process from the GATT era and the discontinuation in the Uruguay Round. The challenges notwithstanding, he mentioned that Lebanon's public and the private sector are working in tandem to advance Lebanon's accession. Also, that Legislations are continuing to be enacted, showing the commitment of Lebanon in the Accession process. He concluded by mentioning that Lebanon needs support from the WTO and development partners to advance the process given the crises.

33. Mr Safaa Alshumary presented on the private sector role in Iraq vis-a-vis WTO Accession. He mentioned that the private sector in Iraq is very active, and it's integral in Iraq's 2030 Strategy and the country's economic visions. Through various proposals, the sector actively liaises with the Iraqi Authority in Iraq's Accession process. For consistent Iraqi laws with the WTO Agreements, he indicated that the private sector is also active in the ongoing enactments and amendment of statutes – given Iraq's transition from a socialist economy to a liberal one – crucial for facilitating the accession process. He calls for international support from development partners and Article XII Arab countries to expedite the accession.

34. Mr Rajesh Aggarwal, the moderator, asked Mr Rabih Sabra what factors led the Lebanese government to adopt the liberal and active engagement of the private sector. He responded that such attitude has been inherent in the Lebanese culture and governance spirit since 1920: a laissez-faire system that gives due attention to the views and engagement of the private sector with minimal government intervention. The moderator also asked Mr Alshumary what challenges Iraq faces – from a socialist to a liberal economy – make integration into the global economy difficult. He responded that the key challenges are the difficulties in enacting and amending laws consistent with the WTO Agreement and the lack of political stability that affects the attractiveness of the business environment. He mentioned that public sector colleagues are still inclined with laws from the socialist era. Given the challenges, technical support and experience-sharing, he stressed, is needed from the WTO and other Arab countries to facilitate the accession process.

35. An attendee (Mohanad Hameed – Iraq) enquired whether having a unified stand or alliance on WTO accession that harmonise the private sector stakeholders with one voice is possible? Mr Alshumary responded that a similar move in Iraq comprises stakeholders from all private sector spheres. Mr Rabin Sabra also indicated that such a move is in Lebanon. The said Lebanese group meets regularly, and no policy can be formulated without first consulting it. Sudan asked about the possibility of constituting a programme in the WTO that builds the capacity of the private sector towards liberalising specific sectors of Sudan and other Arab countries. The moderator indicated colleagues in the WTO and the ITC would explore this further.

6 SESSION 4: TRADE FACILITATION AMID AND BEYOND COVID-19

36. The COVID-19 pandemic has affected the economic and institutional bases of the world's economies, slowing the cross-border movement of goods, reducing export and increasing trade costs. The impact on FCAs and LDCs, including those in the Arab region, is more significant. The role of trade facilitation - removal of trade impediments - is thus crucial in this period and going forward.

Dr Jaleddine Ben Regeb, Director of the Economics Department of the AMF, moderated this high-level session to examine and discuss utilising trade facilitation for resilient post-covid economic recovery in the Arab region. The focus was on regional trade facilitation initiatives, taking, for instance, the Greater Arab Free Trade Agreement (GAFTA) and the WTO Trade Facilitation Agreement (TFA).

37. Ms. Dolores Halloran, Economic Affairs Officer at the WTO, presented the foundations of the TFA and its relevance in the post-covid era and in reducing trade costs. She explained that the Agreement sets out multilateral rules to simplify, modernise, and harmonise export and import processes. She also highlighted the TFA's two primary goals: Improving the movement, release, and clearance of goods; and enhancing custom cooperation. She demystified vital provisions in the TFA, reinforcing the goals and relevance: provisions on transparency, governance, modernised border procedures, trade in transit, custom coordination. For post-covid resilient recovery, the benefits of the TFA, she emphasised, include, among other things, sustaining value chains, facilitating access to essential goods, and supporting building back better.

38. Dr Heba Abdel, Chief of the Studies and Statistics Division of the AMF, and Dr Mohamed Ismail, Economist at the AMF, presented Arab Countries and Trade Facilitation. They highlighted the pre-covid statistics of intra- and extra-Arab trade and how the pandemic has impacted it, indicating a reduction thereof and on the region's competitiveness. They underscored that trade facilitation toward post-covid economic recovery remains the prudent approach. They recounted trade facilitation initiatives already implemented (e.g., annexed agreement to GAFTA and an agreement on custom entities) and those in-progress and their similarities with the TFA. Given the region's international trade challenges, among other things, regulatory barriers, the TFA, they stressed, will further boost intra and extra-Arab trade significantly. They highlighted that for post-covid recovery, studies have shown that the TFA increases exports, enhancing the growth of the global economy and benefitting FCAs and LDCs, including those from the Arab region. They implored Arab governments to join the region's trade facilitation initiative and the TFA for an enhanced outcome.

39. Dr Imed Drine, a Lead Economist at the IsDB's Regional Cooperation and Integration Department, further explored the TFA and post-covid recovery. He mentioned how the free movement of goods had been affected by the unorganised and non-coordinated nature of border restrictions and other measures amid the pandemic. The TFA, he indicated, is key to surmounting all the challenges. He recounted the rationale for ratifying the TFA, especially to developing countries and LDCs' post-covid recovery. He reiterated some of the TFA's provisions reinforcing the relevance: among other things, those regarding digital services, simplified documentation, transparency, coordination, reduction of administrative cost, and timesaving. He emphasised that facilitating trade through digitisation, as is gaining ground in some countries, is a commendable initiative and remains the way forward. The question remains whether governments have the same capability to this end and in implementing the TFA generally. The answer, he indicated, remains to be assessed.

40. Lebanon asked if it's beneficial to have a digital platform to follow up on TFA. Ms Halloran responded that the WTO already has a TFA database, although no follow-up platform exists. Lebanon further asked whether blockchain, climate change, and gender vis-à-vis trade facilitation have been explored within the WTO. Ms Dolores again indicated that gender and climate change are already in the WTO discourses. For blockchain, she undertook to enquire and get back later. Sudan enquired about how Arab trade facilitation agreements are to be implemented and if they differ from the WTO's Agreement. Dr Heba responded that the agreements are consistent. Comoros asked about how it can implement the GAFTA and if it can benefit from the capacity building. Dr Heba again responded that the GAFTA and its trade facilitation annexe, as previously mentioned, also contains preferential provisions for LDCs and developing countries, including Comoros. As regards the mode of implementation, digitisation and robust legal and regulatory frameworks remain essential, he stressed. On bridging the North-South digital gap vis-à-vis trade facilitation as prompted by Sudan, Ms Dolores indicated that the TFA acknowledges this gap and recognises the need for technical assistance and capacity building for Members in such conditions.

7 SESSION 5: TRADE FOR PEACE THROUGH WTO ACCESSION

41. Given the preponderance of FCAs from the Arab region, it was imperative to discuss the trade and WTO accession as instruments for peace in the Arab Region. The session presented the WTO Trade for Peace programme, with discussions reinforcing the trade-peace nexus. Mr Nagib Hamim, Counsellor of WTO Affairs at the Permanent Mission of the Republic of Yemen to

the WTO, moderated the session. Ms Maika Oshikawa, Director of the WTO Accessions Division, presented the Trade for Peace programme. Ambassador Omar Hilale, Permanent Representative of Morocco to the United Nations in New York and Chairman of the Working Party of Iraq, remarked the relevance and the intertwined link between the programme and the United Nations Charter and programmes, advancing six (6) strategic directions for Arab accessions and the Trade for Peace programme. Dr Linda Kassem, the National Coordinator of Lebanon's Accession to the WTO, recalled the trade-peace nexus and the programme's relevance to Lebanon's accession. Mr Serge Stroobants, Director for the Europe and Mena Region at the Institute for Economics and Peace (IEP), explored the contribution of positive peace to speedy WTO accession.

42. Ms Maika Oshikawa gave the general overview of the Trade for Peace Programme – an initiative geared towards better understanding the trade-peace nexus and bringing together trade, peace/humanitarian, and development communities. She mentioned that the programme was initiated by the G7+WTO Accession Group and launched at the Eleventh WTO Ministerial Conference in Buenos Aires, Argentina. The goal was to use WTO accession and membership to counter fragility and harness sustainable peace and security. She explained past and ongoing activities under each of the four pillars of the programme: political engagement and partnership, public dialogue and outreach, research, training and capacity building. As regards the programme's outlook for 2022, she, among other things, mentioned some upcoming activities: the World Bank Fragility Forum, the 2nd Trade for Peace Research and Knowledge Hub meeting, 2nd Trade for Peace Network Meeting, Publication of the first Trade for Peace book, the first Trade for Peace Conference, and the first Executive Education Programme on Trade for Peace.

43. Ambassador Omar Hilale's remark essentially explored the role of the United Nations in promoting peace and the relevance of the Trade for Peace programme in the Arab region. He explained the interrelationship of the pillars of the UN Charter, including that on Peace and Security with the WTO and the Trade for Peace Programme, affirming that the Trade for Peace programme is in the right trajectory and welcomes it. He indicated that the threats of climate change and the COVID-19 pandemic make critical the active engagement of Arab countries in the multilateral trading system, admonishing that the pandemic should not distort accession but rather induce it. He reaffirmed his commitment to steering Iraq's accession process and, thanking the ITC and other partners, called for more capacity building and technical support. He appealed for a more strengthened partnership between the WTO and the United Nations Peacebuilding Commission – an effort he's personally committed – towards an enhanced benefit for FCAs, including those in the Arab Region. He concluded by recommending the following:

- (a) The need for fostering the trade-peace nexus at the national levels when countries are acceding to the WTO
- (b) Strengthening the evidence of the trade-peace nexus through actions and initiatives that help FCAs put trade at the forefront of their priorities
- (c) Integrating climate change-related security risks in future trade-nexus discussion and target solutions.
- (d) Arab acceding governments must prioritise benefiting from capacity building and technical support
- (e) An urgent need to convene an in-person meeting for the Working Party chairpersons of Arab acceding economies, offering a peer-learning platform and experience sharing to advance Arab Accessions
- (f) An urgent joint meeting among the WTO Secretariate, Arab acceding governments, and heads of the International Monetary Fund (IMF) and the World Bank to have frank exchanges on enhancing national policies and, in terms of assistance provided, on what is and what is not working.

44. Dr Linda Kassem recounted the role of trade for peace and prosperity. She presented Lebanon being an FCA - the covid-19 pandemic worsening the phenomenon - underscoring that peace remains essential for Lebanon's economic transformation. Lebanon's WTO accession and membership will induce peace, creating the right environment for trade and foreign direct investment. She further

emphasised the relevance of peace for Lebanon, mentioning that Lebanon can become a developed country if Lebanon can have peace for ten years.

45. Mr Serge Strobants talked about the Peace and the Arab region. He outlined the two main elements of peace: negative peace (the absence of violence or fear of violence) and positive peace (the attitudes, institutions and structures that create and sustain peaceful societies). He highlighted Arab countries' performances in the IEPs Positive Peace Index. He explained the indicators of positive peace: low levels of corruption, sound business environment, well-functioning government, equitable distribution of resources, good relations with neighbours, among other things. He emphasised that positive peace creates the optimum environment for human potential to flourish and result in higher per capita income, economic resilience, better environmental outcome, higher measures of wellbeing, and better performance on SDGs. And as such, countries that improve positive peace stand to have the proper infrastructure for expedited WTO accession. Given the worsening positions of Arab countries in the ranking, he called for improvement in positive peace.

46. Sudan called for the need for assessing the role of trade in conflict. Ms Maika responded that such investigation is part of the research pillar and the book project to be published later in 2022. Libya underscored the relevance of the Trade for Peace programme for the proper functioning of the multilateral trading system and looked forward to how best the programme could help revive Libya's accession. Another question further enquired how FCAs can benefit from the Trade for Peace pillars. Ambassador Omar emphasised that given the unique needs of FCAs, some level of flexibility is needed for their accession and called on the WTO to work on this flexible arrangement. Dr Linda Kassem also agreed, given Lebanon's situation. Ms Maika responded that the Arab region must put a special request before the WTO. She pinpointed that Kazakhstan is also leading a similar accession reform proposal incorporating the needs of LDCs and FCAs also that the g7+ WTO accession group is spearheading a work programme on WTO accession.

8 CLOSING SESSION

47. A closing session marked the end of the three-day dialogue. Ms Mena Hassan, Economic Affairs Officer at the WTO, moderated this session, with remarks from representatives of the AMF, the IsDB and the WTO expressing appreciation for the success of the events and optimism for future collaborations.

48. Dr Jaleddine Ben Regeb, Director of the Economics Department of the Arab Monetary Fund, thanked the participants and organisers of the dialogues and expressed happiness for its success. He emphasised the continued support of the AMF and the IsDB in providing technical assistance and capacity building, and consultations for acceding countries. He mentioned that the two institutions (AMF and IsDB) are working to renew the work programme for 2022-2023 to help identify the needs of Arab acceding countries for an expedited accession and fruitful integration into the multilateral trading system.

49. Dr Imed Drine, a Lead Economist at the IsDB's Regional Cooperation and Integration Department, remarked on behalf of the IsDB. The bank expressed appreciation for the event's success and indicated that the support and cooperation would continue. He mentioned that the bank had taken notice of the concerns of Arab acceding countries for help during the dialogues: Iraq (technical assistance), Sudan (technical assistance and infrastructure), Libya (regarding digitisation), and others. Also, the bank has duly noticed the recommendations of Amb. Omar regarding, among other things, convening meetings of Working Party chairpersons of acceding governments and among the AMF, the IsDB and the WTO Secretariat. He indicated that the bank would revamp such arrangements as it used to organise similar in-person meetings for acceding governments pre-pandemic and other technical assistance and capacity building, regarding, *inter alia*, the Aid for Trade initiative and other collaborations with the ITC, UNDP, and ITTC. He expressed support for the Trade for Peace Programme.

50. Ms Maika Oshikawa, Director of the Accession Division of the WTO, expressed gratitude to the speakers, moderators, and participants for the active engagements throughout the sessions. She assured that the Division is ever ready to support Arab accessions and implored Arab acceding governments to communicate a specific concern to enable priority in attending to their needs. She appealed to the participants to comment on the event's outcome report, which the secretariat

will issue. She highlighted the action plans the WTO considers pursuing as a follow-up to the dialogues:

1. An accession impact study on Arab Article XII members as advanced by WTO Director-General in her opening remark. The study – collaborating with the AMF and the IsDB – will form the basis for the next in-person dialogue.
2. A 'diagnostic' assessment of each Arab accession process to identify challenges and ways to address them.
3. A 'regional TA plan for Arab accessions' (partnering with AMF and IsDB), exploring the 'impact study', the 'diagnostics', other accession-specific topics and others plurilateral discussions on, inter alia, e-commerce, MSMEs, investment facilitation, and gender.
4. A Trade for the Peace programme for the Arab region if there is interest.
5. Further exploring Amb. Omar's six (6) recommendations as previously stated.

51. Dr Mohamed Adawi remarked last. He thanked the WTO, AMF, and the IsDB for the successful collaboration and expressed support for the continued cooperation. He reiterated the AMF's support for Arab accessions and looks forward to next year's event.

ANNEX

PROGRAMME OF THE 2ND HIGH-LEVEL REGIONAL DIALOGUE

MONDAY, 7 FEBRUARY 2022	
SESSION 1 - HIGH-LEVEL SESSION AND ROUNDTABLE DISCUSSION 11:00 - 13:30 CET / 14:00-16:30 (GST)	
<p>The high-level opening session will address "Adaptive Approaches to WTO Accession amid COVID-19 for the Arab Region" to keep the momentum going among Arab acceding governments and help them advance closer to WTO Membership. This will be followed by a roundtable discussion among Chief Negotiators from Arab Acceding Governments focusing on the biggest challenges but also opportunities for WTO accession.</p>	
High-Level Opening Session	
<p>11:00-11:45 (CET)</p> <p>14:00-14:45 (GST)</p>	<p>Moderator: Ms. Maika Oshikawa, Director, Accessions Division, WTO</p> <p>Keynote Speech:</p> <ul style="list-style-type: none"> • H.E. Mr. Azali Assoumani, President, The Union of the Comoros (Video recording) <p>Welcome remarks:</p> <ul style="list-style-type: none"> • Dr. Ngozi Okonjo-Iweala, Director-General, WTO • H.E. Dr Abdulrahman A. Al Hamidy, Director General Chairman of the Board, Arab Monetary Fund (AMF) • Mr. Amer Bukvic, Director-General, Global Practice and Partnerships, Islamic Development Bank • H.E. Mr. Saqer Abdullah ALMOQBEL, Ambassador, Permanent Mission of the Kingdom of Saudi Arabia to the WTO, Coordinator of Arab Group
Chief Negotiators' Roundtable: Accession Challenges and Opportunities in the Arab Region	
<p>11:45-13:30 (CET)</p> <p>14:45-16:30 (GST)</p>	<p>Moderator: Ambassador Zhang Xiangchen, Deputy Director-General, WTO</p> <p>Speakers:</p> <p>State of Play of Accessions in the Arab Region</p> <ul style="list-style-type: none"> • Ms. Mena Hassan, Economic Affairs Officer, Accessions Division, WTO <p>Roundtable Discussion: "What are the specific challenges and opportunities in accession?"</p> <ul style="list-style-type: none"> • Comoros (Union of) - H.E. Mr. Mzé Abdou Mohamed CHANFIOU, Chief Negotiator for WTO Accession • Lebanese Republic - H.E. Mr. Amin SALAM, Chief Negotiator for WTO Accession • Iraq - Mr. Adel Al-Masoodi, Director General of Economics Relations Department, Ministry of Trade • Libya – Mr. Luai TURJIMAN, Counsellor, Deputy Permanent Representative • Palestine – Mr. Dawoud Daraldik, Ministry of National Economy • Sudan - Ms. Fatima Ibrahim, Acting Secretary General of the General Secretariat for WTO Affairs • Syrian Arab Republic – Mr Louai Arfan SOUKAR, Ministry of Economy and Foreign Trade <p>Commentator: H.E. Mr. Zaher Al- Qatarneh, Secretary General, Ministry of Investment, The Hashemite Kingdom of Jordan</p> <p>Open Discussion</p>

TUESDAY, 8 FEBRUARY 2022

SESSION 2 – TRADE IN SERVICES: OPPORTUNITIES AND CHALLENGES TODAY

11:00-12:15 CET / 14:00-15:15 GST

In this session, experts will examine the importance of trade in services for the Arab acceding economies. It will demonstrate how trade in services can be improved through adherence to WTO Agreements and international best practices and highlight the synergies and complementarities of the WTO Services Agreement (GATS) and services under the GAFTA. This will be followed by an open discussion among participants.

11:00-12:15
(CET)

Moderator: Dr. Maha Gabbani, Legal Advisor, Permanent Mission of the Kingdom of Saudi Arabia to the WTO

14:00-15:15
(GST)**Speakers:**

- Mr. Hamid Mamdouh, Senior Counsel, King & Spalding LLP and Former Director of Trade in Services and Investment Division, WTO
- Dr. Heba Abdel Monem, Chief, Studies & Statistics Division, AMF
- Dr. Mohamed Ismail, Economist, AMF

Open Discussion**Short break**

12:15-13:00 CET / 15:15-16:00 GST

SESSION 3 – THE ROLE OF THE PRIVATE SECTOR IN WTO ACCESSION OF ARAB COUNTRIES

13:00-14:30 CET / 16:00-17:30 GST

In this session, experts will highlight the important role the private sector plays as a key stakeholder in trade policy formulation and WTO accession. The session will encourage dialogue between the public and private sectors and mobilise joint efforts towards successful WTO accession. This will be followed by an open discussion among participants.

13:00-14:30
(CET)

Moderator: Mr. Rajesh Aggarwal, Chief, Business and Trade Policy, International Trade Center, ITC

16:00-17:30
(GST)**Speakers:**

- Mr. Damien Bruckard, Deputy Director of ICC Trade and Investment
- Mr. Rabih Sabra, Director-General, Chamber of Commerce, Industry and Agriculture of Beirut & Mount Lebanon
- Mr. Safaa Alshumary, Iraqi Federation and Chamber of Commerce

Open Discussion

WEDNESDAY, 9 FEBRUARY 2022	
SESSION 4 – TRADE FACILITATION AMID AND BEYOND COVID-19	
11:00-12:15 CET / 14:00-15:15 GST	
<p>In this session, experts will examine the importance of the WTO Trade Facilitation Agreement and discuss how trade facilitation measures can be utilised to reduce trade costs, increase exports, and support post-COVID-19 economic recovery in the region. This will be followed by an open discussion among participants.</p>	
<p>11:00-12:15 (CET)</p> <p>14:00-15:15 (GST)</p>	<p>Moderator: Dr. Jaleddine Ben Regeb, Director, Economic Department, AMF</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Ms. Dolores Halloran, Economic Affairs Officer, WTO • Dr. Heba Abdel Monem, Chief, Studies & Statistics Division, AMF • Dr. Mohamed Ismail, Economist, AMF • Dr. Imed Drine, Lead Economist, Regional Cooperation and Integration Department, IsDB <p>Open Discussion</p>
Short break	
12:15-13:00 CET / 15:15-16:00 GST	
SESSION 5 – TRADE FOR PEACE THROUGH WTO ACCESSION	
13:00-14:30 CET / 16:00-17:30 GST	
<p>Since many of the countries in the region are Fragile and Conflict-Affected (FCA), this session will highlight the relevance and applicability of harnessing trade as a vehicle for peace through WTO accession in the Arab region. An overview of the WTO "Trade for Peace Programme" will be presented. This will be followed by an open discussion among participants.</p>	
<p>13:00-14:30 (CET)</p> <p>16:00-17:30 (GST)</p>	<p>Moderator: Mr. Nagib Hamim, Counsellor, WTO Affairs, Permanent Mission of the Republic of Yemen to WTO</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Ms. Maika Oshikawa, Director, Accessions Division, WTO • Ambassador Omar Hilale, Permanent Representative of Morocco to the United Nations in New York and Chairman of the Working Party of Iraq • Dr. Linda Kassem, National Coordinator, Lebanon's Accession to the WTO, Ministry of Economy and Trade, Lebanese Republic • Mr. Serge Stroobants, Director, Europe & MENA region, Institute for Economics and Peace <p>Open Discussion</p>
CLOSING SESSION	
14:30-15:00 CET / 17:30-18:00 GST	
<p>14:30-15:00 (CET)</p> <p>17:30-18:00 (GST)</p>	<p>Moderator: Ms. Mena Hassan, Legal/Economic Affairs Officer, Accessions Division, WTO</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Dr. Jaleddine Ben Regeb, Director, Economic Department, AMF • Dr. Imed Drine, Lead Economist, Regional Cooperation and Integration Department, IsDB • Ms. Maika Oshikawa, Director, Accessions Division, WTO