



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

“Trade-related technical assistance is vital to improve the Arab States’ abilities in realizing the private sector’s potential.”

Rafik Feki, Industrial Development Officer,
UNIDO

Supporting economic integration and employment in the Arab region through trade facilitation

Trade can be a powerful engine for economic growth and poverty reduction, but harnessing its power is difficult for many developing countries. This is particularly true for the Arab Region, where there is often a lack of capacity, in terms of information, policies, procedures, institutions, and the required infrastructure to integrate and compete effectively in regional and global markets. To address these capacity constraints, the Arab Group to the World Trade Organization (WTO) in Geneva requested the Islamic Development Bank (IsDB) Group to develop an Aid for Trade Initiative for the Arab States (AftIAS).

UNIDO’S APPROACH

Based on inputs from an extensive consultation process initiated by the International Islamic Trade Finance Corporation (ITFC) since 2010, the Aid for Trade Initiative for the Arab States (AftIAS) Programme was developed and launched since 2013 by ITFC, on behalf of the IsDB Group and in cooperation with five UN Agencies (ILO, ITC, UNCTAD, UNDP and UNIDO), the League of Arab States and partners in the Arab countries. The AftIAS aims to achieve inclusive economic growth with increased employment opportunities and greater competitiveness through trade policy reform in Arab countries as an integral part of the regional trade and economic integration agenda. Within this multi-agency regional Programme, UNIDO has implemented seven of AftIAS’ current projects at both the intra-regional and national levels. In line with its mandate to promote Inclusive and Sustainable Industrial Development (ISID), UNIDO has supported cooperation and transfer of

know-how among Arab countries in the area of Quality Infrastructure (QI), trade facilitation and export promotion.

IMPACT

As a result of capacity building activities and advisory services undertaken by UNIDO under the AftIAS Programme, many tangible results have been achieved. Among the many noteworthy outcomes, the QI in Sudan has been strengthened through the development of a national quality policy compliant with WTO requirements as well as capacity building in the field of accreditation of testing laboratories, thus supporting the country to overcome technical barriers to its trade (regionally and globally). At the regional level, the project enhanced the linkages between Gulf Cooperation Council (GCC) SMEs and QI services available both at regional & national levels, allowing GCC SMEs to have better access to QI services and hence increase their competitiveness in a globalized market. Moreover, as a

result of the AftIAS Programme, capacities of Palestine institutions were strengthened in the field of export performance and accreditation, Libya is now equipped with a national export strategy, a new approach for innovative industrial upgrading for Tunisian enterprises was adopted, and Genetically Modified Organisms (GMO) testing capacities in Iraq were upgraded.

WAY FORWARD

In response to increasing country requests for AftIAS support, a second phase of the Programme is currently being prepared with a focus on the priorities of the region, namely poverty reduction, migration, youth employment and women’s economic empowerment. Leveraging its extensive experience in the Arab region, UNIDO will remain highly engaged with ITFC, the IsDB and other development partners and donors for the launch of a new AftIAS phase.

AT A GLANCE

Project title	Aid for Trade Initiative for the Arab States (AftIAS)
Thematic area	Advancing economic competitiveness
Donor	Multi-donor
Beneficiaries	GCC countries, Libya, Palestine, the Republic of Iraq, Sudan, Tunisia
Budget	USD 997,670 (incl. 7% UNIDO support costs)
Duration	November 2015 - December 2019