

**Trade Policy Advice Program: LEBANON's WTO accession Phase II 2004-2006**

Financed by the Swiss State Secretariat for Economic Affairs (SECO)

<b>Duration</b>	Phase I of the Program covered the period 2001-2003 Phase II since 2004
<b>Project Partners</b>	Ministry of Economy and Trade (MOET), Beirut, Republic of Lebanon State Secretariat for Economic Affairs (SECO), Berne, Switzerland
<b>Implementing Agency</b>	IDEAS Centre, Geneva

### **1. Background**

Shortly after independence in 1943, Lebanon acceded to the GATT as a founding member in 1947 and became a model for social and economic development in the Middle East. The country was unable to participate to the Uruguay Round negotiations due to the civil war, which ravaged the country and destroyed physical infrastructure and housing, displaced large portions of the population and weakened institutions. Lebanon thus formulated a request to negotiate its Accession to the WTO in 1999 under Article XII of the Marrakesh Agreement Establishing the WTO.

Accession to the WTO is seen by the Lebanese Government, together with the conclusion of economic and trade agreements with its main partners, as a means to allow Lebanon to re-integrate the world economy and to increase trade and investment with regional and global players. It is further seen by the Government as a vehicle to modernize economic and trade regimes aimed at ensuring more competitive and transparent behaviour by economic actors.

### **2. Overall Goal and Content**

The overarching goal of the Program is to facilitate Lebanon's re-integration into the Multilateral Trading System, as a means to foster trade and investment with its regional and global partners. To this end, the Program provides advice at the Government's request on the adequate measures in economic- and trade-related fields with a view to facilitating Lebanon's successful accession to the WTO.

The advice provided strives to ensure that the inputs for the negotiations and policy options modernise economic and commercial frameworks aimed at a broad-based and inclusive economic and social development.

More specifically, the Program provides advice to the Government on approaches to the negotiations on market access for goods and services, as well as on the implementation of its obligations stemming from the various WTO agreements.

### **3. Objectives**

The Program aims at:

- Fostering close coordination among concerned ministries and the private sector in the context of preparatory work for the Accession, as well as in the design of policy measures required for the implementation of the WTO Agreements;
- Fostering awareness among stakeholders – public and private – about the implications of a WTO Accession, overall and on a sector specific basis;
- Advising the MOET on market access negotiations in goods and services, strategies for responding to requests from WTO Members, ensuring consistency between WTO Agreements and the preferential arrangements in

place or to be negotiated;

▸ Advising the MOET in preparation for meeting of the Working Party struck to consider the terms of Lebanon's accession to the WTO (inter alia with regard to the commitments to be undertaken on the multilateral rules);

▸ Providing targeted technical assistance for negotiations in a specific sector and/or with regard to the implementation of internal measures linked to the WTO Accession process (e.g. services negotiations, agriculture export promotion, trade remedies).

#### **4. Activities**

The Program consists of two main components with related activities:

A Trade Policy Advice component, consisting of advice and analytical inputs ("backstopping") to the Government with regard to various aspects of WTO disciplines (e.g. market access for goods and services, agriculture, state trading, licensing, non tariff measures). Under this component, IDEAS provides the requested assistance to the Ministry of Economy and Trade during the negotiation process.

Specific Technical Assistance components in sectors of key economic importance linked to the WTO Accession process. The exact scope of these components will be defined with the MOET in order to respond flexibly and rapidly to its specific needs during the Accession process. For example, assistance has been provided in the services negotiations.

#### **5. Status Report**

In 2005, Lebanon faced a series of serious political crises which slowed work on its accession negotiations and hence work under this project. Nonetheless, one strategy mission was held early in the year and IDEAS Centre provided Lebanese officials with a document analyzing aspects of its export regime in agricultural products. IDEAS also provided assistance to Lebanon in the preparation of the Fourth meeting of its Accession Working Party held on 3 March 2006. Subsequent missions and work on the preparation of documentation to the WTO have occurred in preparation for meetings of Lebanon's Working Party in July 2007 and February 2009. As the negotiations are substantially finished and limit themselves now to bilateral negotiations, there is little recourse to our services at this point and if there are requests they concern very specific issues in the services sector and/or discussions with the private sector to inform them about potential changes in their competitive environment. Implementation issues might be considered in the coming period..

#### **6. Contacts**

Republic of Lebanon, Ministry of Economy and Trade, Directorate for International Relations,  
[ministeroffice@economy.gov.lb](mailto:ministeroffice@economy.gov.lb)

Republic of Lebanon, Ministry of Economy and Trade, Directorate for International Relations,  
[ministeroffice@economy.gov.lb](mailto:ministeroffice@economy.gov.lb)

State Secretariat for Economic Affairs, SECO, WEHU,  
<http://www.seco.admin.ch/>

#### **IDEAS Centre, Geneva**

Mr. Nicolas Imboden, Project Director, [nicolas.imboden@ideascentre.ch](mailto:nicolas.imboden@ideascentre.ch)

Mr. Josip Pervan, Program Manager, [josip.pervan@ideascentre.ch](mailto:josip.pervan@ideascentre.ch)