

REPUBLIC OF YEMEN

National Workshop Report

Yemen Diagnostic Trade Integration Study

**Trade Integration in Development Plans and
Poverty Reduction Strategy**

23 June 2003

Introduction

The Integrated Framework Program has been established during the High Level Meeting from 27-28 October 1997, for technical assistance relating to trade after the announcement of the First Ministerial Conference of WTO in Singapore in 1996 with the aim of enhancing the capacity of the Less Developing Countries to integrate in the global economy. The Integrated Framework also aims to increase the benefit rate for the Less Developing Countries through the technical assistance relating to trade, which is offered through the six international organizations (ITC, IMF, UNCTAD, UNDP, WB, WTO), and also the technical assistance offered by multilateral, regional, and different bilateral sources.

The Republic of Yemen has joined the list of the Less Developing Countries that benefit from the Integrated Framework Program at the end of the year 2001, in the second group of the pilot scheme. A steering committee has been found for the Integrated Framework Program headed by His Excellency the Minister of Industry and Trade. Therefore, a team of international and local experts has prepared a diagnostic study for integration of trade in the middle of the year 2002, under the Supervision of WB. The study defines the procedures that could increase the competitive ability for number of important economic sectors, which are agriculture, fisheries, tourism, transportation, telecommunications and labor. In addition, the study specifies the difficulties facing the development of trade policy, trade's facilitation and investment climate, and also reviews the macroeconomics policies and poverty reduction.

During the preparation of the national workshop, a coordination and cooperation was performed with the WB office in Sana'a, and also with Mr. Sandar H. H. Janssen, Donors' IF coordinator (Second Secretary for Commercial and Economic Affairs in the Royal Netherlands Embassy in Sana'a).

National Workshop Sessions (21-23 June 2003)

H.E. Mr. Ahmed Mohammed Sofan, the Deputy Prime Minister, Minister of Planning and International Cooperation has inaugurated the activities of the National Workshop on Saturday morning 21 June 2003. He assured on the importance of the Integrated Framework to the coordination of the technical assistance for trade, and stressed on making appropriate recommendations and needed work plan for the implementation of this program. He also sent his appreciation to the international and local experts' team, which prepared the diagnostic study that will be the focus of discussions during the National Workshop.

First: General Review for the Study (Opening Plenary Session, First day, 21 June 2003):

The appropriate background about the Integrated Framework of technical assistance for trade has been presented through interpositions Mr. Lendert Solofled , The Chancellor of Foreign Trade in WB, Miss. Ant Blank, The Chancellor in Development Division and Secretary of integrated Framework in WTO, and Dr. SANDY CUTHBERSTON, The Head of international and local team, who prepared the diagnostic Trade study.

Second: National workshop Sessions (First day 21-June 2003):

The Important recommendations have been Abridgment during workshop Sessions with full membership in:

- 1- reiterate review version diagnostic study and present it to steering committee of Integrated Framework program.
- 2- Add Industrial sector to diagnostic study and also the Impact of Treasury bill on Investment and investors .
- 3- Working for development private sector and tackle obstacles that meeting either from administration side or related to improve it's contribution for development .
- 4- Working for overcome constrains of supply and enhancement competitiveness capacity for Increase Exports and access to International Markets.
- 5- Enhancement of Institutional building for foreign Trade.
- 6- Giving priorities to local and foreign Direct Investments and reform the conducive environment to attract them such as Judiciary and the ownership of land, Financial Transaction, customs, and taxation.
- 7- Administrative reform In Civil Service, particularly, regarding redistribution of labor force on local units with providing incentives to achieve this objective.

Third: The working Sessions for break out Groups: (the second day 22-June 2003)

Completed results of sectoral Sessions works for agriculture, Fisheries, tourism, transportation, telecommunications, and lobar. In the frame of proposed action plan, Annex no (1)

Fourth : Implementation plan (proposed steps)

To be complete review the Implementation in the next 6 months Annex no (2).