

**CHAIRS' STATEMENT BY JORDAN AND THE UNITED STATES
ON THE APRIL 11 – 12, 2012 MEETING OF
THE DEAUVILLE PARTNERSHIP WITH ARAB COUNTRIES IN TRANSITION:
INTEGRATION PILLAR**

The Governments of Canada, Egypt, France, Germany, Italy, Japan, Jordan, Kuwait, Libya, Morocco, Qatar, Russia, Saudi Arabia, Tunisia, Turkey, the United Arab Emirates, the United Kingdom and the United States, along with the European Union, met at the Dead Sea on April 11 – 12, 2012, to launch the trade, investment and integration pillar of the Deauville Partnership with Arab Countries in Transition (PACT). Representatives of the African Development Bank, the European Bank for Reconstruction and Development, the Islamic Development Bank, the International Finance Corporation, the International Monetary Fund, the Organisation for Economic Cooperation and Development, and the World Bank also participated.

We agreed that the Partnership should focus on the integration of partner countries within the region as well as with the G-8 as an engine of growth and job creation. We discussed the importance of ongoing support for reforms that improve the environment for trade, foster small and medium-sized enterprises and attract investment.

We agreed on the importance of reducing barriers to trade within the region and with G-8 countries, and the need to better utilize and maximize the benefits of existing arrangements between countries in the region and the G-8 including through trade facilitation, upgrading trade infrastructure, adopting good regulatory practices and enhancing competitiveness of manufacturing and services of Partnership countries. In this context, we welcomed the World Bank's report on regional investment barriers and identified a need for country-specific assessments of the obstacles that Partnership countries face in trading with the G-8 and with each other.

We also discussed the importance of transparency and open government for creating an enabling environment for investment and trade. In this context, we welcomed Jordan joining the Open Government Partnership.

Partnership countries identified a robust and efficient small and medium enterprise (SME) sector as essential to their mutual economic success and presented their plans for SME promotion.

We highlighted the importance of financing to support trade, investment, and cross-border infrastructure. We endorsed the launch of the Arab Financing Facility for Infrastructure with targeted investments in Egypt, Jordan, Libya, Morocco and Tunisia and look forward to participating in the upcoming AFFI meeting in Morocco.

In this context, the Partner countries highlighted the importance of social stability to support countries' economic reform efforts and expressed the need for financial support for the following priorities:

- to support trade and investment initiatives and related economic trade reforms, including support for Small and Medium Enterprises;

- to support countries' efforts in addressing poverty and social needs to contribute to trade development, stability and peace in the region;
- to support the development of human resources and capacity building with the aim of creating new jobs and generate well skilled and qualified labor to work in the investment projects; and
- to support structural reforms in transparency and good governance.

We agreed on the need to better coordinate G-8 and international financial institution efforts to support increased trade and investment in the Partner Countries. As part of this process, we will track our efforts and contributions, identify gaps, and discuss and refine priorities with Partner Countries.

We discussed the investment and trade opportunities in the region and G-8 countries described plans to each sponsor investor conferences focused on the most promising growth sectors. We will also continue to organize commercial and trade missions to underscore the investment opportunities. We welcomed partner countries' adherence to OECD investment principles and their plans for investment policy reforms. We agreed on a "Statement by the Deauville Partnership with Arab Countries in Transition on Open International Investment" issued at the conclusion of the meeting.

We supported the various approaches underway to increase trade by pursuing plans that reduce obstacles to greater trade and investment integration. The EU provided an update on negotiations towards Deep and Comprehensive Free Trade Agreements. The United States provided an update on the Middle East - North Africa Trade and Investment Partnership (MENA TIP), which includes a broad set of initiatives designed to increase job creation, trade and investment between the United States and Partner Countries.

We expressed our deep appreciation to Jordan for hosting this first meeting of the integration pillar of the Deauville Partnership with Arab Countries in Transition. We look forward to continuing the critical work of this pillar as a sign of the enduring partnership between our countries and our support for the transitions in the region and agreed to meet again in the coming months.

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