



# **AGENDA**



## MENA-OECD ECONOMIC RESILIENCE TASK FORCE

# Annual regional meeting

**December 4-5, 2018** 

Islamic Development Bank Jeddah, Saudi Arabia





### ANNUAL MEETING OF THE MENA-OECD ECONOMIC RESILIENCE TASK FORCE

### CONTEXT

The MENA-OECD Economic Resilience Task Force brings together governments, bilateral donors, international organisations and representatives from the private sector and civil society in a collective effort to address the economic challenges faced by MENA countries affected by conflict or fragility. The task force aims to support these governments to develop more competitive economies with a strong private sector that can contribute to long-term resilience through diversification and job creation.

The MENA-OECD Economic Resilience Task Force launched in 2017. The task force is co-chaired by Ministry of Economy and Trade of Lebanon, the German Federal Ministry for Economic Co-operation and Development (BMZ), and the Islamic Development Bank (IsDB). The creation of the Economic Resilience Task Force was endorsed at the OECD-MENA Ministerial Conference held in Tunis in 2016.

### The MENA-OECD Initiative

The MENA-OECD Initiative on Governance and Competitiveness for Development was launched in 2005.

Within the Initiative. the Competitiveness Programme supports governments undertaking reforms to spur private sector development as a driving force for growth and job creation. The main tools applied are policy dialogue, peer learning, and capacity building. Priority topics addressed are trade and investment, entrepreneurship, women's economic empowerment, business integrity, corporate governance, and economic resilience.

One of the objectives and value added of the Initiative is to bring together government, international organisations, and representatives from the private sector and civil society to promote social dialogue.

http://www.oecd.org/mena

At its first meeting in 2017, the task force identified a number of challenges for MENA countries affected by conflict or fragility. The public sector dominates and the formal private sector is critically under-developed. Foreign direct investment is heavily concentrated and mainly targets sectors that are not likely to contribute to long-term economic growth. The business environment is not favourable for SMEs, many of which also have limited access to finance. Putting women at the centre of the agenda is critical.

Addressing these challenges will require a shared vision among all stakeholders of what needs to be done. To support the development of such a vision, the task force will promote policy dialogue –building on the work in the various networks of the MENA-OECD Competitiveness Programme– undertake analytical work and provide technical assistance at the national level. The task force will also build on the OECD's work in fragility and resilience, particularly linking with the <u>International Network on Conflict and Fragility</u> (INCAF).

### **OBJECTIVES OF THE MEETING**

During the 2018 annual meeting of the MENA-OECD Economic Resilience Task Force, discussions will focus on:

 Possible ways to rebuild a social contract based on social dialogue to promote economic reforms and long-term resilience;



- The specific context and challenges in two countries Libya and Lebanon and what more needs to be done to promote economic resilience.
- How to address the specific needs of women in the context of fragility and conflict including refugees – and tailored measures to address these needs;
- Possible ways to develop financial strategies to achieve stability and optimise the impact of foreign direct investment and other sources of financial inflows; and
- Policies and measures that can help SMEs and entrepreneurs more generally to succeed in contexts of fragility or conflict and possible ways to implement them.

### **EXPECTED OUTCOMES**

The meeting will seek to develop greater clarity and build ownership among the various stakeholders present on the policies and measures that can be implemented to improve economic resilience in countries affected by conflict and fragility in the MENA region. Discussions will aim to apply the findings from broader, high-level work to specific country contexts.

More specifically, the meeting aims to achieve the following outcomes:

- Build a vision for promoting inclusive economic development in MENA countries in conflict and fragility: The task force will continue to draw on the work of the Working Groups in the MENA-OECD Competitiveness Programme in order to develop tailored and broadly owned economic policies that foster the development of the private sector in specific fragile contexts. In turn, the conclusions of the task force will be shared with the Working Groups on Investment and Trade, SME and Entrepreneurship Policy, the Women Economic Empowerment Forum and the Business Advisory Board to ensure a coherent approach.
- Produce country case studies: Produce a series of case studies on selected countries based on a tailored analytical framework to identify gaps and priorities that can be addressed through future technical assistance initiatives at the national level.
- **Connect to international initiatives**: Contribute to the discussions of the International Network on Conflict and Fragility (INCAF) an OECD network –, providing country-based inputs and tailored recommendations for the region. Feed into other existing initiatives, such as the World Bank programme on Building for Peace amongst others, in order to increase the coherence of international efforts.



### **PARTICIPANTS**

As a multistakeholder platform, the meeting will bring together a range of people including:

- Government representatives, particularly from contexts of conflict or fragility in the MENA region (Egypt, Iraq, Jordan, Lebanon, Libya, Palestinian Authority, and Yemen) as well as from OECD members.
- International organisations actively engaged in the region in efforts to support resilience-building initiatives.
- Private sector representatives.
- Civil society organisations.



# **PROGRAMME SUMMARY**

# MENA-OECD Economic Resilience Task Force December 4-5, 2018

DAY ONE			DAY TWO	
8.30-9.00	Registration			
9.00-9.30	Welcome remarks		Session 4: Promoting economic empowerment of women in fragile and conflict-affected situations	
9.30-11.00	Session 1: Rebuilding a social contract based on social dialogue	9.00-10.30		
	ulalogue	10.30-10.45	Coffee break	
11.00-11.15	Coffee break  Session 2: Conflict and fragility in the MENA region	10.45-12.15	Session 5.1: Working session on Libya Session 5.2: Working session on Lebanon	
		12.15-13.45	Lunch	
12.45-14.15	Lunch		Session 6: Leveraging external	
14.15-15.45	Session 3: SME development and entrepreneurship for livelihoods	13.45-15.15	sources of revenue	
	- Intermoods	15.15-15.30	Coffee break	
15.45-16.00	Coffee break	15.30-16.00	Closing and way forward	



MENA-OECD Economic Resilience Task Force Day 1: 4 December 2018				
8.30 - 9.00	Registration of participants			
9.00 – 9.30	Welcome remarks			
	Dr. Bandar M. H. HAJJAR, President, Islamic Development Bank			
	Dr. Christiane BÖGEMANN-HAGEDORN, Deputy Director General for Middle East, North Africa, South-Eastern and Eastern Europe and Latin America, Federal Ministry for Economic Cooperation and Development (BMZ), Germany			
	Mr. Imad YOUSSEF, Economic Expert, Ministry of Economy and Trade, Lebanon			
	• Mr. Carlos CONDE, Head of the Middle East and Africa Division, Global Relations Secretariat, OECD			
9.30 – 11.00	Session 1: Rebuilding a social contract based on social dialogue			
Chair	Dr. Christiane BÖGEMANN-HAGEDORN, Deputy Director General for Middle East, North Africa, South-Eastern and Eastern Europe and Latin America, Federal Ministry for Economic Cooperation and Development (BMZ), Germany			
Speakers	<ul> <li>Dr. Mark FURNESS, Senior Researcher, German Development Institute (DIE)</li> <li>Dr. Walid ABDELWAHAB, Director General of Country Relations, Islamic Development Bank</li> <li>Ms. Amira TLILI, Policy Analyst, Public Governance Directorate, OECD</li> <li>Dr. Anna STAHL, Head of Social Dialogue Project, Friedrich-Ebert-Stiftung Tunisia</li> <li>Mr. Sami SILINI, Central Director of Social Affairs, Tunisian Union of Industry, Commerce and handicrafts (UTICA), Tunisia</li> <li>Broken social contracts are the root cause of conflict and fragility, which resilience measures aim to counter. Rebuilding the social contract necessarily implies a process of dialogue and consultation with all layers of society. At the same time, economic policies in contexts of conflict and fragility should strive to bring short-term stability while laying the foundations for long-term inclusive growth. The necessary transformational reforms should be grounded on a new economic vision for the country built on social consensus. Participatory rule-making, consultative institutions, public-private dialogue and open government are all necessary</li> </ul>			
	ingredients for success.			
	Open discussion			
11.00 – 11.15	Coffee break			
11.15 – 12.45	Session 2: Conflict and fragility in the MENA region			
Chair	Mr. Imad YOUSSEF, Economic Expert, Ministry of Economy and Trade, Lebanon			
Speakers	<ul> <li>Mr. Cyprien FABRE, Policy Analyst, Development Cooperation Directorate, OECD</li> <li>Dr. Roland LOMME, Senior Governance Specialist, MENA Regional Unit, Governance Global Practice, World Bank Group</li> <li>Mr. Kawa HASSAN, Director of Middle East and North Africa Program, EastWest Institute</li> <li>Dr. Kenan BAGCI, Acting Director, Economic and Social Research Department, Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC), Turkey</li> </ul>			
	The OECD has launched its latest States of Fragility report, which analyses trends in fragility from different perspectives, including economic fragility. This session will present the findings of the report, focusing on MENA economies. Participants will also be briefed on the new flagship program the World Bank is developing on "Building for Peace: Reconstruction in the MENA region" which aims to set the basis for better prevention mechanisms that reduce violent conflicts. With these inputs, participants will be invited to share views on the most			



	significant changes impacting MENA countries affected by conflict and fragility and the appropriate policy responses.  Open discussion	
12.45 – 14.15	Lunch break	
14.15 – 15.45	Session 3: SME development and entrepreneurship for livelihoods	
Chair	Ms. Kalthoum HAMZAOUI, Director General, Ministry of Development, Investment and International Cooperation, Tunisia	
Speakers	<ul> <li>Dr. Carl AARON, International Expert</li> <li>Dr. Samuel RIZK, Sub-Regional Response Facility Manager, UNDP Arab States</li> <li>Mr. Bakkar ALI MAASHER, Industry and Business Environment Support Programme Manager, ICD - Islamic Development Bank Group</li> <li>Mr. Alexandre CHATILLON-MOUNIER, PSD Programme Lead - Libya, Experti France</li> </ul>	
	It is imperative to provide opportunities for people living in contexts of fragility or conflict — including refugees, displaced people and host communities— to earn their living and maintain and develop their skills. SMEs are particularly important for inclusion, as they employ women and youth, who represent the majority of refugees and who are particularly vulnerable in situations of conflict and fragility. Job creation can also help to demobilise and reintegrate former combatants. But how can entrepreneurs surmount the even bigger challenges posed by a context of conflict? How can governments help in a meaningful way? What initiatives are having the greatest impact that could be considered for replication?  Open discussion	
15.45 - 16.00	Coffee break	

MENA-OECD Economic Resilience Task Force Day 2: 5 December 2018			
9.00 – 10.30	Session 4: Promoting economic empowerment of women in fragile and conflict-affected situations		
Chair	Amb. Marie-Claire SWÄRD CAPRA, Ambassador of Sweden to Algeria and Co- chair of the MENA-OECD Women Economic Empowerment Forum		
Speakers	<ul> <li>Mr. Nasser ALKAHTANI, Executive Director, Arab Gulf Program for Development (AGFUND)</li> <li>Dr. May BABIKER, Acting Director, Resilience and Social Development Department, Islamic Development Bank</li> <li>Ms. Frida KHAN, Senior Gender Specialist, International Labour Organization (ILO)</li> <li>Mr. Nayef Z. STETIEH, President and CEO, Business Development Centre (BDC), Jordan</li> <li>Gender inequality, conflict and fragility are key challenges to sustainable development and they are inextricably linked: women's active participation in conflict resolution contributes to</li> </ul>		
	peace and resilience, while unequal gender relations can drive conflict and violence. What are the specific challenges faced by women affected by conflict and fragility in the MENA region? What policies and tools can be used to address their specific needs and promote their empowerment?  Open discussion		
10.30 – 10.45	Coffee break		



Working Sessions – Country Case Studies				
10.45 – 12.15	Session 5.1: Country case study – Building economic resilience in Libya	Session 5.2: Country case study – Building economic resilience in Lebanon		
Facilitators	Ms. Pilar SANCHEZ-BELLA, Policy Analyst, Global Relations Secretariat, OECD	Mr. Carlos CONDE, Head of the Middle East and Africa Division, Global Relations Secretariat, OECD		
	Ms. Fleur JUST AUZIMOUR, Chief Executive Officer, Peaceful Change Initiative	Dr. Rouba MHAISSEN, Founder and Director, SAWA for Development and Aid		
	• Dr. Abdelnasr ABOUZKEIH, General Director, Libya Enterprise	Dr. Nasser YASSIN, Professor,     American University of Beirut		
	This working session will be dedicated to identifying the main building blocks needed to promote economic resilience in Libya. The exercise will start by identifying what are the drivers of fragility in countries affected by conflict and fragility in the MENA region. Then, the discussion will focus on which policies and interventions are needed to promote long-term economic resilience.	This working session will be dedicated to identifying the main building blocks needed to promote economic resilience in Lebanon. The exercise will start by identifying what are the drivers of fragility in countries affected by conflict and fragility in the MENA region. Then, the discussion will focus on which policies and interventions are needed to promote long-term economic resilience.		
	Roundtable	Roundtable		
12.15 – 13.45	Lunch			
13.45 – 15.15	Session 6: Leveraging external sources of r	Session 6: Leveraging external sources of revenue		
Chair	Ms. Reem BADRAN, Investment Consultant; Chairwoman of the board, Al Hurra			
Speakers	<ul> <li>Mr. Cyprien FABRE, Policy Analyst, Development Cooperation Directorate (DCD), OECD</li> <li>Mr. Mohamed AL HADI, Lead Fragility and Resilience Specialist, Islamic Development Bank</li> <li>Mr. Raghib BULBUL, Chairman, Iraqi Businessmen Union</li> <li>Dr. Nasser QATAMI, Advisor to the Palestinian Prime Minister for Arab and Islamic Funds Affairs</li> <li>The right financing, in the right place, at the right time is essential to strengthen resilience and to deliver our commitments to "leave no one behind" and to "reach the furthest behind first". Post-conflict settings tend to see an increase of external funds, both through foreign direct investment (FDI), Official Development Assistance (ODA), and remittances. Reconstruction projects have large financing requirements. This session will discuss how governments can better leverage different sources of revenue, thinking both on reconstruction needs in the short-term and in policies that can attract FDI in the longer term.</li> </ul>			
	Open discussion			
15.15 – 15.30	Coffee break			
15.30 – 16.00	Closing session			
	• Mr. Carlos CONDE, Head of the Middle East and Africa Division, Global Relations Secretariat, OECD			
	Dr. Mansur MUHTAR, Vice President for Country Programmes, Islamic Development Bank			

