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Good Governance for Development (GfD) in the Arab Countries

Ministerial:

An Arab Regional Initiative in Partnership with OECD and

UNDP

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I am honored to be here today in the presence of so many distinguished ministers and senior officials from the MENA region and OECD countries. On behalf of the United States, I would like to thank the Government of Egypt for hosting this Ministerial and for its leadership in advancing the Good Governance for Development (GfD) in the Arab Countries Initiative.

I would like to thank H.E. Mr. Ahmed Darwish, Minister of State for Administrative Development, Egypt and H.E. Ms. Gun-Britt

Andersson, Ambassador, Ministry of Foreign Affairs, Sweden for co-chairing this initiative. The United States also applauds the United Nations Development Programme (UNDP) and the Organization for Economic Cooperation and Development (OECD) for partnering and working together on this very important initiative and equally applaud our partners from the MENA and OECD countries.

We meet during a critical time in the region when Arab governments, in partnership with the international community, are coming together to work through many of the challenges confronting the Middle East. Governance is an indispensable part of the comprehensive reform efforts being advanced throughout the MENA region to help create the enabling environment to finance development, sustain modernization policies and nurture sustainable growth and prosperity.

Since the launching of the GfD initiative in the Dead Sea, Jordan in 2005 by His Excellency King Abdullah II Hussein of Jordan and Prime Ministers and ministers from 18 MENA countries, committed Arab governments continue to make strides in working towards

implementation of these important objectives as outlined also in the GfD actions.

From Rabat to Tunis, from Sanaa to Dubai, there is a growing recognition that corruption not only threatens the development and prosperity of nations, but that it robs economies of their competitiveness and communities of a brighter future.

By taking visible leadership to promote stronger reforms, Arab governments through the GfD Initiative and other regional efforts are engaging in a meaningful dialogue on ways to address common governance challenges by sharing experiences via an vibrant network that helps them to further implement national reform strategies and related development roadmaps.

Last year in Jordan, the international community came together to discuss ways on combating global corruption during the first Conference of State Parties (COSP) to the United Nations Convention Against Corruption (UNCAC).

Today, we applaud H.E. Mr. Ayman Odeh, Minister of Justice, Jordan, our co-chair, along with France in the Working Group on Law Enforcement and the Judiciary for his leadership to further concretize our GfD commitments to fight corruption consistent with the UN Convention Against Corruption.

We should build on our momentum this week in Cairo with specific ideas that the region can take to Indonesia to the Second COSP in January 2008 to promote effective implementation of UNCAC, including in the three working groups created by the Conference of State Parties: asset recovery, review of implementation and technical assistance.

The Arab Anticorruption Network (*ACTNET*) that is being considered by the GfD Initiative is well positioned to take a leading role at the COSP and internationally in sharing best practices and experiences in fighting corruption and promoting good governance. The *ACTNET* will help to establish a peer network to deepen policy

dialogue, knowledge, and capacity building at the regional level.

The OECD MENA Governance Program for Phase II of the GfD initiative (2008-2010) reinforces the *ACTNET* by strengthening cooperation, fostering the sharing of good practices, and underscoring enhanced-capacity.

The United States, through our involvement in the GfD Initiative and other multilateral fora, is committed to working with dedicated partners to strengthen the political will and resolve to establish transparent and accountable governance, empower citizens to demand efficient use of state resources and the fair use of regulatory and judicial powers, prosecute high-level public corruption, deny safe haven to corrupt officials, and encourage the establishment of an independent judiciary, a free media and a vibrant civil society.

Corruption and governance challenges need to be confronted head-on and with a force that fulfills the people's aspiration that "enough is enough."

The Government of Egypt has recognized corruption is a challenge to development. In 2002, President Mubarak stated very clearly, “the rule of the law is a basic necessity for combating corruption” in order to promote the development of the private sector and advance economic reforms.

Since then, the government of Egypt has taken very clear steps to fight corruption. We have witnessed significant changes in this country: simplification of the tax and custom's regimes, e-government initiatives, slashing minimum start-up capital requirements, reducing property registration fees, and innovations like new one-stop shops all contributed to reducing the opportunity for corruption, and making it easier to do business, thereby promoting economic growth and development.

The United States is not the only one who thinks so.

Recently Egypt was recognized as a leading economic reformer by the World Bank in its "Doing Business" survey.

Egypt is making real progress, but there is still much to be done.

Synergizing through the various GfD Working Groups, the United States has been proud to be a partner with the Egyptian government and civil society in the fight against corruption and in promoting transparency.

For example, a successful transparency GfD project that we can all be proud of includes the work of Finance Minister Dr. Youssef Boutros Ghali to transform Egypt's annual budget into a transparent document that will allow Egyptians inside and outside of the government to follow budget allocations through to the expenditure – this can be a model for all of us to learn from.

Another area where the GfD Initiative is doing excellent work is our regional efforts with civil society to ensure that that is informed and empowered to identify and combat corruption. We remain committed to partner with Arab civil society groups to train them on the rights

and responsibilities of citizens to recognize corruption and promote transparency.

The United States is also proud to support the Afro-Egyptian Human Rights Association, and other Arab NGOs, throughout the region which are acting as a catalyst and a resource to create awareness of the importance of engaging citizens in the fight against corruption.

Through our development assistance programs such as the President's Millennium Challenge Account (MCA), the Middle East Partnership Initiative (MEPI) and other programs through the U.S. Department of State and USAID, the United States is equally partnering with other Arab governments and civil society groups throughout the MENA region.

In closing, the United States looks forward to our growing partnership with the Arab region, OECD partners, and the international community on translating the joint resolve enshrined in the Dead Sea GfD commitments into demonstrable actions that result in enduring

benefits that fulfill the hopes of all interested communities for greater peace and security, transparency and integrity, and shared prosperity.

Fighting corruption is an ongoing and deliberate process. Together, by leveraging our joint will, expertise and cooperation through the GfD Initiative, and as articulated by H.E. Minister Darwish this morning, we can create a better future by continuing our united efforts against corruption and building societies where all individuals can be governed with the highest level of integrity.

Thank you.