

AGENDA

MENA-OECD COMPETITIVENESS PROGRAMME



**Investment and inclusive
growth in the midst of crisis:
lessons learned & ways
forward**

11 May 2016
Phoenicia Hotel
Beirut, Lebanon

Investment and inclusive growth in the midst of crisis: lessons learned & ways forward

I. Objective

The conference “Supporting Syria and the Region”, held in London in February 2016, reiterated the need for the international community to step up its efforts in terms of assistance and funding to respond to the protracted crisis in Syria and the neighbouring countries. The governments of Jordan, Lebanon and Turkey issued statements outlining their respective response plans with a strong focus on economic policies. Countries in North Africa, in particular Tunisia, are also strongly impacted by the continuing crisis in Libya and insecurity in the Sahel. Domestic and international efforts will be needed to provide humanitarian assistance as well as economic opportunities to refugees and host communities through job creation and economic development. Equally important would be to support reconstruction efforts once the situation stabilizes. As recognized in the Resilience Agenda – outcome of the conference organised by the UNDP in November 2015 in Amman, where the OECD led discussions on private sector development – , the private sector from host economies and abroad will be essential for economic recovery, reconstruction, and the stability of the region.

This one-day conference is organized under the patronage of His Excellency Mr. Ali Hassan Khalil, Minister of Finance of Lebanon, and co-hosted with the Institut des Finances Basil Fuleihan. It will address relevant areas for action in the economic field such as generating new investment, improving market access, structuring large reconstruction projects and promoting private sector development and entrepreneurship as a source of jobs, opportunities and a prosperous future. The conference will focus on how to ensure private sector involvement and investments at scale in what is perceived as risky and unstable regional environments. Participants will include policymakers and representatives from international partners, private sector and civil society.

The OECD will bring in concrete insights and expertise gained from the MENA-OECD Competitiveness Programme, which has been working on private sector development in the region for the past ten years. The programme offers in-depth expertise on SME and entrepreneurship promotion both from an analytical perspective – the [SME Policy Index for the MENA region](#) was published in 2014 – and technical assistance capacity, currently working with the government of Jordan on the implementation of the country’s national SME strategy. The Competitiveness Programme has worked extensively on investment policies, and has ongoing projects with the governments of Iraq, Jordan and Egypt. The conference will pay particular attention to the case of Iraq, as it will be organised back-to-back to a meeting of the Project Working Group of the OECD Iraq Project, active since 2007. The OECD will also contribute from its role in aid cooperation policymaking through the Development Assistance Committee (DAC), which promotes development co-operation and policies to contribute to sustainable development including in contexts of violence and conflict.

The discussion of the meeting will feed into the decisions to be adopted at the MENA-OECD Ministerial Meeting which will take place in October 2016.

II. Participants

The conference will gather policymakers and representatives from the private sector and civil society from the region (Egypt, Iraq, Jordan, Lebanon, Libya, Tunisia and Turkey), and representatives from international organizations and the donor community (EU, DFID, UN, WB, AfDB).

III. Discussion topics

The conference will be held as a one-day event. It will include two plenary sessions, two breakout sessions and a concluding session, with speakers from the region plus OECD and other international and regional experts. The sessions will focus on the following topics:

- *How can the private sector contribute to stabilising the MENA region.* It is widely acknowledged that investment and private sector development can build economic resilience in the MENA countries. Governments in the region can learn from each other and from international experiences about successful examples and lessons learned.
- *Investment promotion and access to markets.* Substantial investments will be needed to support the economies affected by violence, conflict and migration. But governments will need to undertake strong policy efforts to compensate for risks faced by investors. Regional economic integration and trade must also be at the forefront of the international response to instability in the region.
- *Financing and structuring projects for growth and reconstruction.* Large-scale and reconstruction projects will create jobs and provide the much needed public services. The implementation of large-scale projects will rely on different development finance sources, and the capacity of governments will be critical.
- *Promoting entrepreneurship and SMEs for inclusion.* The private sector can play a vital role in stabilization by providing jobs and generating revenues for governments. In the MENA region it is essential to provide opportunities for refugees, displaced people and host communities – particularly to women and youth – to earn their living and maintain their skills.

IV. Expected outcomes

- Identify key elements for implementation to include in the 2016-2020 work plan of the MENA-OECD Competitiveness Programme, which will be adopted at the Ministerial Meeting in October 2016.
- Provide solutions and options for policy makers implementing the objectives stated in the Lebanon and Jordan response plans to the London Conference building on peer learning and experience from OECD projects.
- Contribute to ongoing discussion on official aid for development in the context of the Development Assistance Committee (DAC).
- Foster focused regional dialogue between stakeholders from the MENA countries and key international and regional partners.

Conference “Investment and inclusive growth in the midst of crisis: lessons learned & ways forward”

8:30-9:00 Registration

9:00-09:30 Opening remarks

- **Mr. Carlos Conde**, Head of the Middle East and Africa Division, Global Relations Secretariat, OECD
- **Mr. Alain Bifani**, Director General of Finance, Ministry of Finance, Lebanon

9:30-11:00 Session 1 - How can the private sector better contribute to stabilising the Middle East & North Africa: issues & solutions

This session will discuss how can investment and private sector development contribute to build economic resilience in the countries of the Middle East and North Africa. It will build on lessons learned from other countries and analyse the challenges posed by large movements of people and reconstruction needs. It will particularly reflect on policy responses that support private sector activity towards inclusive and sustainable development.

Moderator:

- **Ms. Anne Le More**, DAC Chair Special Advisor, OECD

Speakers:

- **H.E. Abdulbaset Turki Saeed**, Head of the Reconstruction Fund for Areas Affected by Terroristic Operations, Iraq
- **Mr. Majdi Hassen**, Executive Director, Institut Arabe des Chefs d'Entreprises (IACE), Tunisia
- **Ms. Nathalie Milbach-Bouche**, Inclusive Growth and Sustainable Development team leader for the Arab region, UNDP
- **Mr. Alexis Loeber**, Head of Cooperation Section, Delegation of the European Union in Lebanon

Round table.

11:00-11:30 Coffee Break

11:30-13:00 Session 2 - Investment promotion & access to markets: new opportunities?

Substantial investments will be needed to support the economies affected by violence, conflict and migration. But how is it possible to build investors' confidence in a region under stress from conflict and instability? To compensate for risks faced by investors, governments in the region should strengthen investment policy frameworks, and improve the ability to attract and retain private investment. Regional economic integration and trade must also be at the forefront of the international response to instability in the region. Providing data is also particularly important and it can help private sector engage in fragile contexts. This session will discuss the role of investment policy and promotion, including tools that can be relevant in volatile situations like special economic zones. It will also cover the need for stronger regional integration through better market access and higher participation in global value chains.

Moderator:

- **Ms. Tania Moussallem**, Head of Strategic Development and Financial Management Group, BLC Bank, Lebanon

Speakers:

- **Mr. Al Wir**, Head of Jordan Investment Commission, Jordan
- **Leila Sawaya**, Economic Advisor, IDAL
- **Ms. Marie Estelle Rey**, Senior Policy Analyst, OECD
- **Ms. Amany Essawi**, Advisor for International Relations, General Authority for Suez Canal Economic Zone, Egypt
- **Ms. El Iza Mohamedou**, Deputy Head of Division, PARIS 21

Round table.

13:00-14:30 Lunch Break

14:30- 16:00	Session 3 - Financing and structuring projects for growth & reconstruction	Session 4 - Promoting entrepreneurship and SMEs for inclusion
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Large-scale projects, including in infrastructure, and reconstruction projects will create jobs and opportunities for countries, including targeting refugees, vulnerable groups and host communities, and will provide the necessary public services. The implementation of large-scale projects will rely on different development finance sources: private investment flows, effective domestic resources mobilization, international assistance, remittances, and philanthropy. The capacity of governments to structure and implement projects will also be important. This session will look at opportunities and challenges of large-scale and reconstruction projects.

Moderator:

- **Ms. Reem Badran**, CEO Al-Hurra, Jordan

Speakers :

- **Mr. Peter Mousley**, Program Leader of Mashreq Region, World Bank Group

Round table.

Poor economic performance is a source of fragility. A vibrant private sector can create jobs and contribute to economic growth and stability. Economic opportunities bring people out of poverty, increasing the cost of rebellion and giving them a stake in peace. Tax generation strengthens institutions increasing the governments' capacity to provide services and gain citizens' trust in doing so. In the MENA region – which already had high levels of unemployment – it is essential to provide opportunities for refugees, displaced people and host communities to earn their living and maintain their skills. SMEs are particularly important for inclusion, as they employ women and youth who are particularly vulnerable in situations of conflict and fragility.

Moderator:

- **Mr. Nassib Ghobril**, Head of Economic Research & Analysis at Byblos Bank, Lebanon

Speakers:

- **Mr. Diaa Abouhadra**, Libya Enterprise, Libya
- **Ms. Jumana Musharbash**, Sector Development Manager, JEDCO, Jordan
- **Ms. Müge Akpinar Demirtemel**, SME expert, KOSGEB, Turkey
- **Pilar Sanchez-Bella**, Policy Analyst, OECD

Round table.

16:00-16:30 Coffee Break

16:30-17:00 **Closing session**

- **Ms. Lamia Moubayad Bissat**, Director of the Institut des Finances Basil Fuleihan, Lebanon
- **Mr. Carlos Conde**, Head of the Middle East and Africa Division, Global Relations Secretariat, OECD

About the OECD

The **OECD** is a unique forum where 34 member governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and help governments address emerging policy issues such as finding new sources of growth, building skills, and restoring public trust in government and business. The OECD provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies. It increasingly engages with a number of non-members who have become important actors in today's global economy.

The **MENA-OECD Competitiveness Programme** convenes representatives of 18 MENA governments and OECD member countries to exchange good practices in a wide range of policy areas, leveraging the OECD model of policy dialogue and peer learning. It provides a platform for dialogue with civil society, the business community and academia to collectively identify priority business climate reforms and support their implementation.

The **Development Assistance Committee (DAC)** became part of the OECD in 1961, being one of the oldest committees. Formed by 29 countries, DAC is a unique international forum which gathers the world's main aid donors, defines and monitors global standards in key areas of development.

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