

**Building private sector coalitions for competitiveness policies****Strategic vision and programme of work of the MENA-OECD Business Advisory Board (BAB)**

This document provides a brief description of the MENA-OECD Business Advisory Board (BAB), including its mission, activities, and thematic areas of focus. The topics identified should guide activities and actions undertaken under the umbrella of the BAB in the next years. The content of the document builds on a series of consultations undertaken during 2017 and 2018 with different stakeholders including private sector associations from the MENA region and from OECD countries, as well as with the Business Industry Advisory Council (BIAC).

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## Why is the private sector important in the development of public policies?

Reform initiatives, in the Middle East and North Africa (MENA) and beyond, often fail because of a lack of an adequate mobilisation of stakeholders including institutionalised inter-ministerial coordination and engagement of civil society and private sector. To address this “implementation challenge”, Public-Private Dialogue is increasingly used as a means to rebuild trust between economic actors, and a catalyst for successful economic reforms.

This is particularly true in the Middle East and North Africa region, where the effects of political and economic volatility have threatened the very foundations of social consensus. The organisation level of business associations and trade unions vary significantly in the MENA region – as do the level and quality of Public-Private Dialogue. While some countries enjoy strong, well-structured platforms for private sector representation and participation in policymaking, such participatory mechanisms are lacking, weak or poorly designed in others. The private sector in many MENA countries remains greatly fragmented and dispersed – with the large informal sector under-represented.

Collaborating with the private sector in a structured, systematic and transparent way is essential to support reform efforts aimed at improving the business environment and fostering job creation through private sector-led growth and development. Yet creating effective “reform coalitions” requires building the right institutional frameworks in which the private sector and civil society effectively have a voice in policy-making, leading to mutual understanding, better ground-level insights and policy outcomes.

The United Nations Sustainable Development Goals (SDGs) also acknowledge the importance of building vibrant and systematic partnerships with the private sector and civil society, based on common principles, values and objectives, in order to mobilise critical resources to deliver on the SDG objectives and ensure the successful implementation of the post-2015 development agenda.

## A call for action: the MENA-OECD Business Advisory Board (BAB)

### *Consultation process and validation of mandate*

In order to achieve broad-based consensus on national economic development strategies, the MENA-OECD Competitiveness Programme had to bring Public-Private Dialogue to the core of its work. During the October 2016 Ministerial Conference, governments proposed to establish the MENA-OECD Business Advisory Board (BAB) to help the private sector act as credible partner for policy-making and reforms. Following this new mandate, a series of consultation rounds took place to design the new platform.

An Informal Preparatory Meeting was held on 29 September 2017, at the OECD headquarters in Paris, to discuss the creation of the BAB. The meeting gathered various representatives of private sector organisations and think tanks from the region and OECD countries.<sup>1</sup> In November 2017, the OECD organised a high-level panel focusing on building Public-Private Dialogue within the annual conference of the

### **The MENA-OECD Competitiveness Programme**

The MENA-OECD Competitiveness Programme was launched in 2005.

The Competitiveness Programme supports governments undertaking reforms to spur private sector development as a driving force for growth and job creation in the region.

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.

More info @ [www.oecd.org/mena](http://www.oecd.org/mena)

<sup>1</sup> Participants included CGEM (Morocco), IACE (Tunisia), the Federation of Palestinian Industries (Palestinian Authority), as well as the Business and Industry Advisory Committee (BIAC) and Business Med and CEOE (Spain).

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Arab Administrative Development Organization (ARADO).<sup>2</sup> Building on the discussions in these fora, the OECD commissioned an Action Plan to distil the main messages and shape the platform.

Since then, the main employers' organisations in Spain and Tunisia have taken up the co-chairmanship of the BAB. Their commitment will be vital to instil dynamism in the activities of the BAB. The Steering Group Meeting of the MENA-OECD Initiative, which took place on 19 March 2018 at the OECD headquarters in Paris, endorsed the new co-chairmanship and the mandate of the BAB, stating that it will put "a renewed emphasis on partnerships between governments, the private sector and civil society to rebuild trust and to further reforms".

#### *How can the BAB support Public-Private Dialogue in the MENA region?*

The added value of the BAB lies on the unique position of the MENA-OECD Competitiveness Programme as a regional platform for policy dialogue, which is well placed to help raise the density, quality and visibility of Public-Private Dialogue across the region. Building on more than ten years of experience supporting private sector growth, the Programme has built solid networks of policy makers, which meet regularly to discuss different policy issues that are fundamental to private sector development in the MENA region. In order to have a meaningful impact it should avoid duplication with other existing entities and build synergies with them.

The BAB will also benefit from the [Business and Industry Advisory Committee](#) to the OECD (BIAC). BIAC, an advisory body to the OECD representing the views of the private sector, brings together 42 business and employers organizations from OECD countries, as well as 37 supranational sectoral organizations and a variety of policy groups. Those members are in a unique position to support MENA business associations with effective structural organization, advocacy approaches and membership strategies. BIAC members can share their experiences through engagement with the BAB itself, regional workshops and case studies. BIAC members will actively participate in BAB meetings and activities.

The BAB can contribute to Public-Private Dialogue through capacity-building activities that strengthen business associations' policy advocacy role and improve mechanisms for public-private collaboration. Private sector organisations need to be well organised, structured and equipped to deliver on their policy advocacy role effectively and make their voices heard in the policy-making process. This entails robust knowledge of the technical dimensions of the issues at hand, collaborative processes at all phases of the policy cycle, as well as general exposure to global economic debates.

#### *Objectives*

The BAB aims to strengthen dialogue between governments and the private sector, and to improve the capacities of business organisations. Such dialogue is an essential ingredient of social dialogue, to be complemented with the engagement of trade unions and civil society. In this spirit, the BAB will promote the involvement of these other stakeholders and links with other initiatives promoting inclusive social dialogue.

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<sup>2</sup> <https://www.arado.org/>

Based on the above-mentioned consultations, the objectives of the BAB are to:



Strengthen the capacity of business organisations



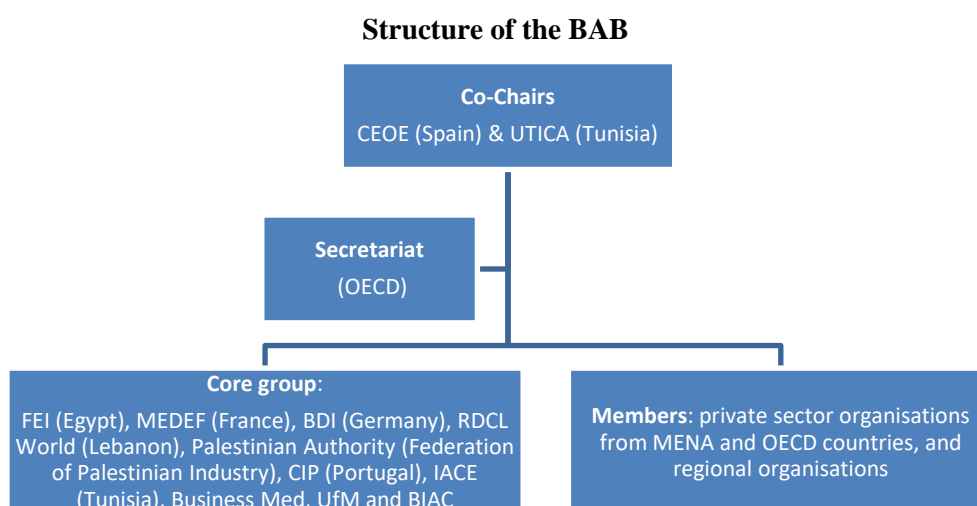
Promote new forms of public-private dialogue



Inform the work of the MENA-OECD Competitiveness Programme with the needs of the private sector

### Structure

The composition of the BAB will be critical to ensure ownership and dynamism throughout the activities of the platform. The BAB aims to include key private sector associations, such as employers' organizations and chambers of commerce, from the MENA region and from OECD countries. With this objective, the BAB has a multi-layered structure: two co-chairs, a strategic core group, and a Secretariat.



The duties and expectations of each member are as follows:

- **Co-chairs:** The co-chairs of the BAB are the [Spanish Confederation of Employers' Organisation \(CEOE\)](#) and the [Tunisian Confederation of Industry, Trade and Handicrafts \(UTICA\)](#).

The co-chairs will provide leadership and overall guidance to the Business Advisory Board. They will represent the BAB at the higher-level meetings of the MENA-OECD Competitiveness Programme such as the Steering Group and the Advisory Board, which meet on a yearly basis.

- **Core group:** The core group will ensure buy-in and guide its programme of work. The core group includes the Federation of Egyptian Industries (Egypt), MEDEF International (France), Bundesverband Deutscher Industrie (Germany), Association of Lebanese Business People in the World (Lebanon), Confederation of Portuguese Businesses (Portugal), Institut Arabe des Chefs

d'Entreprises (Tunisia), BusinessMed, Union for the Mediterranean (UfM) and the Business and Industry Advisory Committee to the OECD (BIAC).

The core group members, including the co-chairs, will:

- a) Provide strategic advice and overview the operations of the BAB;
  - b) Attend meetings of the BAB and, when possible, attend the regional Working Group meetings of the MENA-OECD Competitiveness Programme; and
  - c) Provide comments to the analytical work prepared by the Secretariat.
- **Secretariat:** The OECD's Middle East and Africa Division of the Global Relations Secretariat (GRS) will serve as Secretariat and is responsible for the daily functioning of the task force and the implementation of its work programme. The Secretariat will communicate regularly with the co-chairs to ensure transparency and maximise the impact of the work.

### Programme of work

The MENA-OECD Business Advisory Board aims to be a dynamic platform that responds to the priorities and needs of its members and wider constituency. The Secretariat of the BAB will engage the core group members to align activities with their priorities. The co-chairs and members of the core group will provide oversight and strategic guidance for the BAB. An annual coordination meeting of the co-chairs and the core-group will take place to discuss the programme of work, topics of focus, and salient issues. The meeting could be physical or virtual.

#### Activities

In order to achieve its objectives, the OECD will deploy its long-standing experience in policy dialogue, peer learning, and capacity building. The BAB will build on the expertise of its members, encouraging them to take an active role in the events, seminars and analytical work undertaken in the context of this platform. In particular, the programme of work for the next years will include the following activities:

- **Policy dialogue** → *Providing spaces for multi-stakeholder dialogue and encouraging transparent and participatory policy-making processes, through high-profile meetings between business and governments.*
  - ✓ An annual event will be organised for the MENA-OECD Business Advisory Board to bring together business associations and focus on Public-Private Dialogue, the needs of private sector associations and salient topics relevant to the audience.
  - ✓ Additionally, the BAB will be invited to participate in all the high-level events organised by the Competitiveness Programme. A calendar of events will be presented on a regular basis for the core group to have an overview (Annex I).
- **Analytical outputs** → *Formulating high-level advice from leading business and industry on reform priorities in the region such as investment and trade liberalisation, innovation, entrepreneurship, women's economic empowerment, or responsible business conduct.*

The BAB aims to make the voice of the private sector heard by governments in the region. One of the instruments to do so is through sound evidence-based analytical work. Several mechanisms to channel this type of contribution will be considered including:

- Position papers: short papers on current topics chosen by the BAB core-group through which the views of the private sector are presented. Topics could include any of the list mentioned below and would be chosen by the core group.

- Comments to publications: the members of the core-group could be invited to comment on publications prepared by other Working Groups of the MENA-OECD Competitiveness Programme before their final publication.
- BAB-specific reports: a regional report focusing on private sector representation mechanisms and Public-Private Dialogue could be developed to provide a comparison between countries and identify good practices.
- **Capacity building** → *Strengthening the policy advocacy role of business associations through capacity building, transfer of knowledge and sharing of best practices.*

The BAB will provide capacity building and training to improve the sophistication of private sector organisations and help them address existing gaps. The trainings will build on good practices from the MENA region and from the OECD, and will facilitate networking and links between the organisations of different countries.

#### *Timeline*

2017	2018	2019
<ul style="list-style-type: none"> <li>• Informal preparatory meeting</li> <li>• ARADO conference</li> </ul>	<ul style="list-style-type: none"> <li>• Scoping note</li> <li>• Launch event</li> <li>• Capacity-building</li> </ul>	<ul style="list-style-type: none"> <li>• Annual conference</li> <li>• Capacity building</li> <li>• Analytical work</li> </ul>

#### *Topics*

The MENA-OECD Business Advisory Board will develop analytical work focusing on topics that are relevant for its overall objectives of strengthening Public-Private Dialogue and making the voice of the private sector heard at the high-level meetings organised by the MENA-OECD Competitiveness Programme.

On one hand, the BAB will address issues related to the organisation of the private sector through associations and similar structures to advocate for their interests. It will also focus on Public-Private Dialogue mechanisms, successful experiences, examples from the region and beyond. On the other hand, the BAB will channel the views of the private sector on economic policies linked to the other Working Groups of the MENA-OECD Competitiveness Programme including investment and trade, SME and entrepreneurship policies, women economic empowerment, economic resilience and business integrity among others.

Below is a proposed list of themes to address throughout the different activities of the BAB. The Secretariat welcomes other suggestions that can be included.

#### **Potential topics of focus for the BAB**

<i>Public-Private Dialogue and business advocacy</i>	<i>Economic policies for competitiveness</i>
The role of the private sector on economic policy making <ul style="list-style-type: none"> <li>- How can the private sector develop a</li> </ul>	Investment and trade <ul style="list-style-type: none"> <li>- How can private sector associations support foreign direct investments, both</li> </ul>

unified voice to address the government?

- What tools can help strengthen the private sectors position in PPD?

Diversity and representation in Public-Private Dialogue:

- How can SMEs, regions and women associations have their interests heard in PPD?

outbound and inbound?

- How can private sector associations connect large multinationals with local SMEs?

SMEs and entrepreneurship

- What services, including training and capacity building, can private sector associations provide to increase the productivity of SMEs?

Women economic empowerment

- How can private sector associations support women having more managerial positions?

Economic resilience

- What role can the private sector play in contexts of fragility and conflict in which public institutions can be acutely weak?

Business integrity

- How can private sector associations promote a responsible business conduct?

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Annex I – MENA-OECD Competitiveness Programme Calendar of events (September 2018)

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
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Regional Working Groups / Networks

