GOOD GOVERNANCE
FOR DEVELOPMENT
IN ARAB COUNTRIES
INITIATIVE



Achievements and Directions

Third Steering Group Meeting

at Ministerial Level

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I. Overview

Launched at the Dead Sea 2005

The Good Governance for Development (GfD) in Arab Countries Initiative, jointly supported by the Organisation for Economic Co-operation and Development (OECD) and the United Nations Development Programme – Programme on Governance in the Arab Region (UNDP-POGAR), was formally launched by Prime Ministers and Ministers from 18 Arab countries at a Ministerial conference at the Dead Sea (Jordan) in February 2005.

Programme structure GfD I (2005-07)

The GfD Initiative was designed to create a forum for results-oriented policy dialogue between policy makers and practitioners from Arab countries and OECD member countries. The first phase of the GfD (GfD I), which lasted three years (2005-07) has been structured around six priority reform areas, which have been identified by Arab countries. Each priority reform area has been assigned to a thematic working group, chaired by an Arab country and co-chaired by one or more OECD member countries.

A steering group composed of Arab Chairs and OECD Co-Chairs has guided and supervised the activities of the regional working groups to ensure a co-ordinated and whole-of-government approach.

Extended support for GfD II (2008-10)

At the last Steering Group Meeting at Ministerial Level in Sharm El Sheikh (Egypt) on 19-20 May 2006, Arab countries expressed their wish to continue working towards the modernisation of the public sector and the judicial system within the framework of the GfD Initiative.

On 10 May 2007, the OECD Council agreed to extend OECD support to the OECD-MENA Initiative on Governance and Investment for Development, which includes the GfD Initiative until the end of 2010 (GfD II).

The G8 Justice and Interior Ministers also expressed their support to the GfD process and endorsed the efforts of UNDP-POGAR and the OECD during the meeting held in Munich (Germany) on 23-25 May 2007.

II. Achievements 2005-07 (GfD I)

Unique regional network for policy dialogue, and knowledge & capacity building

The GfD Initiative has succeeded in building an extensive network of committed policy makers from 18 Arab countries and most OECD countries. This represents a unique combination of ownership by Arab countries' with a regional dialogue on governance focused on two institutional spheres: the public sector and the judicial system. Through this mechanism, policy makers from Arab countries identified common governance challenges for their nations and have been engaged since 2005 in a wide array of regional capacity building seminars and activities, regional projects, and peer learning, targeted at making progress in the implementation of governance reforms.

Commitment & ownership of Arab countries

Arab countries are actively engaged in the regional policy dialogue and have reaffirmed their commitment to the GfD Initiative. Increasingly, Arab policy makers are involving their national administrations in the GfD policy dialogue in order to build a critical mass of committed reform actors at the national level.

National co-ordination committees

Ten Arab countries (Bahrain, Egypt, Jordan, Lebanon, Morocco, Oman, Syria, Tunisia, United Arab Emirates and Yemen) established national co-ordination teams, composed of key policy makers from ministries and agencies, to formulate and implement governance reforms. This network oversees reform progress at the national level and facilitates co-operation with the joint OECD/UNDP Secretariat, OECD member countries and international donors.

Country action plans

Through the GfD mechanism, policy makers from Arab countries identified common governance challenges for their countries and defined their countries' action plans for the modernisation of the public sector and the judicial system. These country action plans identify fields of reform to be implemented by different authorities in each country. Seven Arab countries (Bahrain, Egypt, Jordan, Lebanon, Morocco, Tunisia and United Arab Emirates) endorsed and began to implement national country action plans, based on a prior stocktaking. Work is underway in other countries (e.g. Yemen) to finalise action plans.

Peer advice & co-operation at the national level

In response to the increasing demand by Arab policy makers, peer advice and co-operation at the national level have become an important element of the GfD Initiative:

- *Tunisia engaged in an in-depth peer learning exchange with Switzerland on multilingual law drafting to improve regulatory quality.*
- *Belgium has provided advice to Jordan and Lebanon for the review of job classification systems in the public service.*
- *Canadian budget practitioners have reviewed Bahrain's budgeting system.*

Regional pilot projects

Arab policy makers have jointly developed regional pilot projects on governance reform in the public sector and the judicial system (i.e. regulatory quality, judicial independence and integrity, UNCAC implementation, capacity of prosecutors, judicial training on economic laws, and enforcement of judgments). Civil society organisations and policy makers have also been engaged in the policy dialogue and have developed a number of recommendations to enhance the role of citizens and civil society organisations in governance reform.

Some of these projects have already been carried out (i.e. the Joint Learning Study on Integrity in Public Procurement in Morocco in October 2007), while others are either being prepared to be launched or pending additional donor support.

Regional Networks and Training & Expertise Centres

The GfD Initiative supported Arab countries in setting up regional networks and regional training and expertise centres to build capacity and advance common priorities in their reform agendas:

- *GfD has supported Egypt in its effort to set up a Regional Tax and Financial*

Management Centre in Cairo.

- *GfD supports Morocco in its effort to establish a Regional Centre for Public Policy Evaluation in Rabat.*
- *GfD supported Tunisia in creating a course on legal drafting at the Tunis Al Manar University and is contributing to its efforts to establish a Regional Centre for Expertise on Regulatory Quality.*
- *Arab countries have also expressed interest in reinforcing mechanisms for co-operation and networking to support anti-corruption efforts, particularly the implementation of the United Nations Convention against Corruption (UNCAC), as well as for other fields including budget management, judicial integrity, judicial training.*

Close co-operation with regional & international actors

The GfD Initiative is implemented in close co-operation with the League of Arab States (LAS), the Arab Administrative Development Organisation (ARADO), the Arab Monetary Fund (AMF), the Organisation of the Islamic Conference (OIC), the Arab Lawyers' Union (ALU), the European Commission (EC), the World Bank (WB), the International Monetary Fund (IMF), and the United Nations Office on Drugs and Crime (UNODC) as well as with bilateral donors and technical assistance agencies.

III. Strategic directions for 2008-10 (GfD II)

Initiative continuity

The GfD Initiative continues to be jointly supported by the OECD and UNDP-POGAR through two programmes (i) the OECD-MENA Governance Programme and (ii) the UNDP GfD Programme on Anti-Corruption and the Rule of Law. OECD and UNDP-POGAR intend to continue organising joint seminars and missions, while also coordinating their work and the implementation of regional projects and country action plans. In addition, GfD will be implemented in close co-operation with the MENA-OECD Investment Programme and other international actors, particularly with UNODC on UNCAC related implementation efforts.

Four strategic directions for GfD II

Building on the results and lessons-learned of GfD I, four strategic directions have been identified by GfD stakeholders together with the OECD/UNDP Secretariat for 2008-10 (GfD II):

1. *Deepening policy dialogue, knowledge and capacity building at the regional level;*
2. *Fostering peer advice and partnerships for reform at the national level;*
3. *Monitoring and measuring progress both in the public sector and the judiciary system;*
4. *Anchoring the GfD Initiative in a regional framework of institutions and networks for reform;*

1. Deepening of policy dialogue, knowledge &

Arab countries have shown increasing demand for regional policy dialogue, knowledge, and capacity building. Continuous and close consultation with Arab stakeholders and the survey on countries' thematic priorities for regional policy

capacity building at the regional level

dialogue in 2008-10 have helped identify best practices in Arab countries and clear target areas for knowledge and capacity building.

Regional policy dialogue would be fostered through regional capacity building seminars and activities, regional pilot projects, regional networks, and activities at the regional centres.

2. Fostering peer advice & partnerships for reform at the national level

Past experience has shown that country-specific peer advice and partnerships are crucial for linking the regional exchange to reform implementation at the national level. GfD could meet Arab countries' demand for country-specific support in two ways:

- *Peer learning: in response to requests from Arab Governments, the OECD and UNDP-POGAR intend to undertake country specific peer learning activities.*
- *Partnership building: the GfD Initiative aims to bring together officials from Arab and OECD countries' public sector, as well as from the judiciary system with bilateral technical assistance agencies in order to address policy implementation. The GfD Initiative could facilitate partnerships between Arab countries and technical assistance agencies.*

3. Monitoring & measuring progress in the public sector and the judiciary system

In the framework of the GfD Initiative, Arab countries have shown interest in working towards better benchmarking of reform progress. The OECD and UNDP-POGAR aim to support Arab countries in this effort by establishing a framework for collecting and presenting data on the public sector and judicial system. The project aims at providing a suite of objective and separate datasets and key indicators across Arab countries, which could help governments to better plan, monitor, and measure their public policies and governance reform agendas. It could enable countries to:

- *better understand and evaluate their own practices and public policies;*
- *learn from the experience of other countries facing similar challenges;*
- *share datasets, develop common datasets and formulate public policies on the basis of past experiences and the experience of other Arab and OECD countries;*
- *benchmark their achievements through international comparisons and with common units of analysis.*

4. Anchoring the GfD Initiative in a regional framework of institutions & networks for reform

Continued emphasis is being placed on partnering and anchoring the GfD Initiative with international, regional and bilateral institutions, networks and processes in order to ensure maximum synergies and complementarities with existing programmes and projects.

Regional training and expertise centres as well as regional networks on specific issues (e.g. anti-corruption, judicial integrity, budget management, judicial training) could increasingly spread the GfD approach in the region. The joint OECD/UNDP Secretariat mainly provides know-how and policy experience with regard to the set-up of these institutions and networks, which should be owned and managed by Arab countries in partnership with OECD countries.

Resource mobilisation & donor coherence

*Resource mobilisation for GfD II builds on the notion that the contribution of all partners is fundamental for the achievement of the Initiative's objectives. The OECD/UNDP Secretariat intends to promote a permanent dialogue and co-operation between international donors and Arab stakeholders in the framework of the GfD Initiative in order to: (*i*) systematise the exchange of information between participating Arab countries and donors, (*ii*) identify capacity-building, technical assistance and funding needs of participating Arab countries, (*iii*) increase synergies between donors active in the GfD Initiative and reform projects of Arab stakeholders. This can help ensure the complementarities of the GfD Initiative with existing bilateral and multilateral initiatives and co-operation programmes in the Arab region.*

Focus of the OECD-MENA Governance Programme

The OECD-MENA Governance Programme has been developed based on the results of GfD I and the lessons learned, including the results of the policy dialogue and stocktaking activities undertaken within the Working Group structure. It particularly benefited from the Working Groups on Civil Service Reform and Integrity, on E-government and Administrative Simplification, on the Governance of Public Finance and on Regulatory Reform, Public Service Delivery and Public Private Partnerships.

The proposed OECD-MENA Governance Programme for GfD II will continue to benefit from the results achieved under the Working Group structure. It will focus on public sector management and modernisation: (i) the Working Group on Civil Service Reform and Integrity covers the focus themes of Integrity in the Public Sector (in close cooperation with UNDP-POGAR) and Human Resource Management; (ii) the Working Group on E-government and Administrative Simplification covers these two focus themes; (iii) the Working Group on the Governance of Public Finance covers the focus theme of public expenditure management; (iv) the Working Group on Regulatory Reform, Public Service Delivery and Public Private Partnerships covers the focus themes: (1) Regulatory Reform and (2) Public Service Delivery and Public Private Partnerships.

The proposed OECD-MENA Governance Programme for 2008-10 is presented in a separate document.

Focus of the UNDP GfD Programme on Anti-Corruption & the Rule of Law

The UNDP GfD Programme on Anti-Corruption and the Rule of Law has been developed based on the results of GfD I and the lessons learned, including the results of the policy dialogue and stocktaking activities conducted within the Working Group structure. It particularly benefited from the Working Groups on the Judiciary and the Enforcement of Judgments and on Civil Society and Media..

The proposed UNDP GfD Programme on Anti-Corruption and the Rule of Law for GfD II will continue to benefit from the results achieved under the Working Group structure. It will focus on (i) supporting the implementation of the United Nations Convention Against Corruption; (ii) building the capacity of judicial systems to deal more effectively with economic disputes; (iii) encouraging a fair and effective mechanism for the enforcement of judgments; and (iv) enhancing the independence and integrity of the judicial system.

The Programme of Work for the proposed UNDP GfD Programme on Anti-Corruption and the Rule of Law for 2008-10 is presented in a separate document.

Cross-cutting themes

In addition to addressing specific areas of the modernisation of the public sector and the judicial system, both the OECD and UNDP supported programmes intend to address cross-cutting themes such as civil society participation, environment, gender and the territorial dimension of governance.

- *Multilevel governance: GfD II aims to promote policy coherence throughout levels of government in the different focus areas of public sector modernisation. The Initiative supports capacity building for decentralisation policies implemented by partner countries.*

- *Civil society participation: the increasing involvement of citizens and civil society in policy making is a common goal for Arab countries and OECD member countries. GfD II aims to promote the transparency, openness, accountability and inclusiveness in the management of public sector institutions and judicial bodies.*

- *Environment: Strengthened public institutions and increased regional policy dialogue and co-operation are necessary for the effective management of natural resources. Reforms to improve governance could have particular leverage on environmental policies, as well as on the development of related judicial capacity and the enforcement of environmental legislation.*

- *Gender: Certain reforms in the management of the public sector and the judicial system could have critical leverage on gender-sensitive policies in Arab countries. The development of related awareness and capacity in the judicial systems is also a key to mainstream gender issues into legal and institutional frameworks and enforcement mechanisms. This can greatly benefit from the GfD approach.*

This approach is in line with the Initiative's commitment to the principles of sustainable development, public participation and the respect of human rights as declared by Arab Prime Ministers and Ministers in the Dead Sea Declaration.