The Bank’s support for legal and judicial reform has grown significantly in the Middle East and North Africa (MNA) region since its inception in the early 1990s. In the early 1990s, MENA began to provide advice on privatization, competition, and other laws affecting private sector development, followed by grants for legal publication and judicial training. By the late 1990s, both investment and adjustment loans contained components aimed at overhauling regulatory frameworks, assisting with revision of corporate and securities laws, and otherwise fostering the development of the legal and institutional framework needed for the growth of a market economy. Grants have supported legal aid for women and children, and initiatives to support enforcement of environmental legislation.

Justice reform activities in the region total US$142.7 million for the period 2003 to 2008. The Bank has funded significant analytical and diagnostic work in nine countries within the region, and has approved 18 loans that address legal and judicial reform issues.

Algeria

Le Droit des Affaires et le Developpement du Secteur Privé en Algerie
Report No. 32945, April 27, 2005

A key objective of the Algeria Country Assistance Strategy (CAS) for 2004–2006 was to leverage Bank activities removing the constraints to private sector-led growth, particularly constraints affecting the business environment, small and medium enterprises, the financial sector, and infrastructure development. To that end, the Bank undertook a study of Algeria’s legal and business environment, beginning in 2005.

The study posited that Algeria’s main engine of growth and new opportunities, particularly for the disadvantaged, was private sector development and investment. The study further noted that over the past decade, Algeria—as well as other countries throughout the world—had undertaken important macroeconomic stabilization programs, including price liberalization, privatization, and trade liberalization.

This report is concerned primarily with three issues. First, it addresses the need to adapt Algeria’s current legal regime to the new circumstances presented by a market economy, notably, (a) regulation dealing with business creation and operation; (b) transparency and predictability in commercial transactions; (c) statutory laws that regulate private property and its protection; (d) regulation of the insurance industry and information about access to credit; and (e) regulation about enterprise dissolution and bankruptcy law. Second, this report examines whether the judicial system is adequate for the business world and, third, whether the legal framework for business responds to the modern needs of enterprises by providing an enabling environment.

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**Egypt**

**Poverty Alleviation and Legal Rights for Egyptian Women & Children**

Italian Trust Fund (TF No. 54185) for €501,000  
Approved: October 2005  
Closing Date: June 2009

The issue of children, adolescents, and young Egyptian women without identification documents has been identified and recognized in recent years as an obstacle to Egypt’s national development. Although the exact scope of the phenomenon is not yet known, preliminary evidence shows that a significant number of Egyptians are without a birth certificate and/or a valid ID card. Consequently, they are denied access to basic social services, such as primary education, hindered from participating in economic life, and excluded from political participation. Moreover, they encounter problems in claiming their personal rights, such as the pension of a deceased spouse or assets bestowed through inheritance. The grant’s overall objective is to empower and improve the status and opportunities of Egyptian children, adolescent girls, and young women who bear no official identification documents, through activities that would reduce the barriers they face in accessing services and enhanced opportunities and exercising their citizenship rights and duties.

Activities covered by the grant include (a) conducting a nation-wide awareness and advocacy campaign on the need for registration; (b) raising the awareness of policy and decision makers at the national and local levels on the need for procedural and legal reforms; (c) providing assistance to households in difficult circumstances, targeting girls aged 18 and under to obtain birth certificates and identification cards; and (d) training social and health workers, registry officials, and members of civil society organizations on current registration procedures and on how to inform families of the need to register their children.

**Iraq**

**Study Tour for the Iraqi Constitutional Review Committee**

External Training; August 2008

The Bank, in collaboration with the United States Institute for Peace (USIP) and the Swiss Government, facilitated a study tour for members of the Iraqi Constitutional Review Committee (CRC) to Switzerland in August of 2008. The CRC was established in late 2006 by the Parliament of Iraq with the mandate to propose a slate of amendments to the 2005 Constitution of Iraq. This special amendment process, envisioned in Article 142 of the 2005 Constitution, is intended to make critical changes to the Constitution that will increase support for the political and legal framework among all of Iraq’s national communities.

The objectives of the workshop were: (i) to engage the CRC members and justice sector officials in discussion and dialogue with international experts on the two topics; and (ii) expose them to the Swiss experience with judicial federalism and the second chamber of Swiss Parliament (the Federation Council). Comparative experiences were presented by leading experts from different regions and countries including Canada, Germany, North Ireland, and South Africa on the topic of the second chamber of Parliament; experts from Brazil, India, and Nigeria addressed the topic of judicial federalism.
Workshop on Investment Climate, Trade Facilitation and the Legal System
Reconstructing Iraq Working Paper No. 1

This note, which builds on the needs assessments presented at the Madrid donors’ conference in October 2003, synthesizes the findings of consultations between the World Bank and the Iraqi Investment Climate delegation at two sets of capacity-building workshops held in Amman, Jordan in February and May 2004 on the subject of “Building a Sustainable Investment Climate in Iraq,” with lessons from regional and international best practices in developing a competitive investment climate regime.

These workshops, together with prior and subsequent formal and informal discussions between both sides, have resulted in the emergence of an Iraqi-owned strategy as well as a set of detailed priority actions. The workshops and discussions were interactive and included study tours, general debates, case studies, and specific relevant best-practices presentations from experts familiar with the region.

Jordan
First Public Sector Reform Project (PSRL-I)
Loan No. 4618-JO; TF No. 26127 for US$120.0 million
Approved: June 2001
Closed: December 2001

Second Public Sector Reform Project (PSRL-II)
Loan No. 4670-JO; TF No. 26828 for US$120.0 million
Approved: July 2002
Closed: July 2002

Jordan’s economic performance is heavily dependent upon the economic and political events of the region. The Public Sector Reform Projects were designed as a series of fast-disbursing loans to maintain a strong financial position within Jordan to weather economic and political shocks, as well as to continue implementing the ongoing public sector reform program, which includes reforming the judicial sector, strengthening public expenditure management and accountability, and improving the delivery of public services.

The Legal and Judicial reform aspect of the PSRLs sought to bring the justice system up to par with international standards and place Jordan at an equal footing with business partners in the EU and the US—which have concluded free trade agreements with Jordan. Judges received training, and improvements were made in the decision-making process through the computerization of court systems.

Jordan
Legal Aid for Poor Women
JSDF Grant (TF No. 26801) for US$191,000
Approved: July 31, 2001

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2 Papers included in the Reconstructing Iraq series represent works in progress and are not formal publications of the World Bank or other agencies involved in their preparation. These papers represent preliminary and often unpolished results of country analysis and research. http://siteresources.worldbank.org/INTIRAQ/Data%20and%20Reference/20270768/Building%20Investment%20Climate.pdf
The purpose of the grant was to support local NGOs in Jordan in the provision of legal services to poor women. This grant replicated the legal aid services program initially tested and implemented under the Ecuador Judicial Reform Project.

The grant supported five main activities: (a) promoting legal aid services with a multidisciplinary approach to assist women with legal, psychological, and medical issues; (b) undertaking public education on laws affecting women, including developing and distributing information in courts, police stations, and public hospitals; (c) training judges and court personnel on gender sensitivity in handling cases and on the existing national laws and international treaties dealing with the rights of women; (d) developing a proposal to make legal aid services sustainable through partnerships with the private sector and new self-funding mechanisms; and (e) developing monitoring indicators with baseline standards for service delivery to low-income citizens.

**Lebanon**

**Supporting the Judiciary System in the Enforcement of Environmental Legislation**

IDF Grant (TF No. 56820) for US$327,000  
Approved: July 2006  
Closing Date: July 2009

The objective of this grant is to strengthen the capacity of the Ministry of Justice to enforce environmental legislation. The grant will cover four main tasks: (a) review of existing cases of environmental jurisprudence per sector in Lebanon, comparing them to international case studies and developing a reference guide for judges; (b) establishment of an environmental experts testimony database; (c) introduction of an environmental course at the Institute of Judicial Training at the Ministry of Justice; and (d) awareness raising and wide dissemination of information.
Morocco
Judicial and Legal Reform Project
Loan No. 4563-MO for US$5.3 million (equivalent)
Approved: June 2000
Closed: June 2004

The 1997 Free Trade Agreement with the European Union spurred a renewal of focus on the Moroccan legal and regulatory framework for business-related activities. In 1998, the Bank carried out a Private Sector Assessment update for the Government of Morocco with significant stakeholder participation. The assessment identified a number of priority areas in need of reform, including the legal and judicial sector. Sector reform was then incorporated as an essential component of Morocco’s five-year economic development plan.

The objective of the Judicial and Legal Reform Project was to enhance the justice system’s role in economic reform by improving the operations and performance of the commercial courts and commercial registries, updating the training program for judges, and strengthening the capacity of the Ministry of Justice.

The project was composed of six components: (a) improving the legislative and regulatory framework for commercial transactions and the resolution of commercial disputes by supporting efforts to draft a modern Arbitration Code and to revise existing legislation and regulations; (b) strengthening the judicial system’s capacity to adjudicate business-related cases efficiently, transparently, and reliably by introducing modern case management techniques and automated tools in all commercial courts; (c) strengthening the capacity of local registries to register and record essential information and provide ready access to the public by introducing appropriate automated systems; (d) improving training of judges and court administrative staff by upgrading the teaching methods, curriculum, and resources of the Institut National d’Études Judiciaires; (e) strengthening the capacity of the Ministry of Justice to collect, manage, and disseminate legal, judicial, and regulatory information and to promote wide-ranging communication and public awareness programs, and (f) ensuring adequate, sustainable capacity within the Ministry of Justice in order for the project to be implemented effectively.
Tunisia

Economic Competitiveness Loan I
Loan No. 4069-TUN for US$75.0 million (equivalent);
Approved: July 1996
Closed: June 1998.

Economic Competitiveness Loan II
Loan No. 4461-TUN approved April 20, 1999 for US$159.0 million (equivalent);
Approved: April 1999

Economic Competitiveness Loan III
Loan No. 7094-TUN approved December 20, 2001 for US$252.5 million
Approved: December 2001
Closed: December 2003

The Economic Competitiveness Adjustment Loans (ECAL) I and II supported a reform program aimed at achieving a sustainable increase in the rate of economic growth in Tunisia while improving the international competitiveness of the economy. ECAL I was the first of a series of operations to upgrade the private sector and to prepare it for the establishment of free trade under the implementation of the Free Trade Agreement with the European Union. The main objective of ECAL II was to increase the soundness, efficiency, and competitiveness of the financial system.

Activities conducted under ECAL I included the preparation of a draft law introducing new port regulations and a draft law introducing a Company Code. ECAL II supported a program of reforms in the financial sector. The Legal Reform Component of the project included three subcomponents: (a) initiate bank privatization, consolidate the banking sector, and reform the governance regime for public sector banks; (b) modernize the banking laws and upgrade bank prudential regulation; and (c) enhance the regulatory framework of non-bank financial intermediation, performed by mutual funds, securities firms, and insurance companies.

The objective of ECAL III was to continue support for the reforms commenced under ECALs I and II. The project aimed to improve governance and transparency through a more streamlined business environment and enhance regulation, competition, and efficiency in the insurance sector.

West Bank And Gaza

Legal Development Project
World Bank Trust Fund No. 26063-GZ for US$5.5 million
Approved: June 9, 2004
Closed: December 2002

The Palestinian Ministry of Economy and Trade (MET) set out a clear legal reform agenda for the Palestinian Authority. The Legal Development Project represented one of the first steps in the Palestinian Authority’s quest to establish the rule of law in the parts of the West Bank and Gaza under its control.

The objective of the Legal Development Project was to implement an adequate legal framework to support a modern market economy and private sector growth, and to increase the efficiency, predictability, and transparency of the judicial process. The project had five
components: (a) unify and develop the existing legal framework; (b) improve the judiciary’s administrative and case management procedures; (c) introduce selected training programs for judges; (d) expand the use of alternative dispute resolution (ADR) mechanisms within the judiciary; and (e) disseminate legislation and court precedents to the legal, judicial, academic, and business communities, and the public at large.

Republic Of Yemen
Legal and Judicial Reform Project
Credit No. 3274-RY for US$2.4 million (equivalent)
 Approved: June 28, 1999
Closed: June 2003

Until unification in 1990, the People’s Democratic Republic of Yemen (South) and the Arab Republic of Yemen (North) had different legal regimes. While North Yemen’s legal system drew heavily on legal traditions of the Ottoman system, South Yemen’s system had a distinctly common law influence resulting from decades of British reign. The Reunification Constitution of the Republic of Yemen (approved by referendum in 1991) espouses the principles of the separation of powers and the independence of the judiciary. However, the transitional system faced serious problems in terms of efficiency, quality, and the enforceability of laws.

The objective of the Legal and Judicial Reform Project was to assess the potential of a judicial training pilot program to enhance the effectiveness of the judiciary and strengthen the ability of the Ministry of Legal and Parliamentary Affairs (MOLPA) to prepare and advise on business and economic legislation.

The project had three main components: (a) support judicial reform through training for the judiciary and arbitrators, undertaking an assessment of court administration and judgment execution regulations and practices, and rehabilitating court infrastructure; (b) support legal reform by strengthening the institutional capacity of the MOLPA, assessing the legal frameworks governing business, economic, and financial activities, and developing a legal framework for land tenure, transfer, titling, and registration; and (c) undertake a public awareness campaign.

Republic Of Yemen
Legal Reform
IDF Grant (TF No. 28869) for US$196,000
Approved: January 1995
Closed: January 1998

The objective of this grant was to create and operate a Law Reform Unit responsible for the reform of the legal system.

The grant had two main components: (a) the creation and operation of a Law Reform Unit, responsible for the reform of the legal system; and (b) the provision of legal expertise to assist the Law reform Unit in carrying out its functions. Activities carried out under the grant included a review of laws, decrees and regulations in force to identify deficiencies in the legal framework; development of a plan for legislative development with clear priorities and sequencing, and subsequently and in cooperation with the Ministry of Justice, drafting and
amending legislation identified as priorities in the legislative development plan; and preparation of reports on the draft laws and amendments for Governmental and Parliamentary review.

Republic Of Yemen  
Technical Assistance to the General Department of Legal Affairs of the Ministry of Planning and Development  
IDF Grant (TF No. 28579) for US$50,000  
Approved: October 1995  
Closed: September 1998

At the grant’s inception, the General Department of Legal Affairs in the Ministry of Planning and Development (MOPD) played a pivotal role in obtaining Cabinet authorizations for negotiation and subsequent Parliamentary approval of Yemen’s official development aid. The objective of this Grant was to develop the legal and administrative abilities of the Legal Affairs staff through in-service training and foreign study tour. The grant’s three components consisted of: (a) the provision of training and seminars in Sana’a on a variety of legal and implementation related topics, including negotiation skills and strategies, drafting of contracts and agreements, international arbitration and dispute resolution provisions for foreign companies, and improved administrative skills; (b) selected study tours abroad; and (c) provision of support equipment.