



# Compendium of Middle East and North Africa Regional Studies



The World Bank  
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Since 2003, the Middle East and North Africa region has decided to scale up significantly its regional and cross-country activities and conducted a multitude of studies and regional conferences to address critical issues, challenges, and conditions relevant to the region. This volume of work was in addition to the regular country specific economic and sector work. The objective of regional analytical activities was to provide comparative data and analysis on various topics across MENA countries and to provide a comparison between MENA and other regions. The regional conferences and workshops served as a means to disseminate the findings and recommendations, and generate debate and consensus for action (see list in back of the report).

During this period, the World Bank has worked on more than 80 reports. The publication channels include flagship report, development report, paper by the chief economist, orientation in development series, policy research working paper, working paper, articles, World Bank discussion paper, economic developments and prospects, and simply economic and sector work. Also, The MENA region collaborated with some internal departments such as the World Bank Institute and the Energy Sector Management Assistance Program (ESMAP) to produce some reports. The regional reports can be organized in 8 groups depicting the general theme the report is addressing.

**International trade:** In total 12 reports were published under this theme. Issues addressed are trade liberalization policy, exchange rates, and regional integration. Trade and private investment are thought of as being the best way to create higher and more sustainable economic growth in order to create enough jobs for the region's rapidly growing labor force (1). This is evidenced by how countries that successfully integrated into global markets have increased employment through export-led growth (2). A report in 2004 argued that MENA's accession to WTO was vital with regard to agriculture and services,

the two central issues on ongoing world trade agenda (3). One report encourages the region to initiate reforms for foreign exchange liberalization, investment climate in order to attract FDI and achieve better development performance (4). On the subject of integration, one report analyzes the key internal and external barriers to regional integration and concludes that Maghreb countries could benefit significantly from enhanced integration with regional partners (5). Another report suggests that Maghreb will benefit more from a wider integration with the EU rather than a simple regional integration (6). This gain was tested using the Global Trade Analysis Project (GTAP) model and database to find that the welfare gains from integrating with the European Union are at least twice as much as intra-regional integration (7). In 2008, a paper evaluated export diversification in Egypt, Jordan, Lebanon, Morocco, and Tunisia (8).

**Health:** The region published 7 reports related to the health theme. The major topics include HIV/AIDS, public health, disabilities issues, and environmental health. Early in 2003, two reports tried to evaluate the prevalence of HIV/AIDS in the region and to stimulate discussion among policy and decision makers. While the first report provided an analysis of the vulnerability factors in MENA along with an economic analysis of the impact (9), the second provided data-driven epidemiological synthesis of HIV/AIDS trends and dynamics in MENA (10). In 2005, a report treated the subject of increasing investments to improve HIV/AIDS advocacy, develop an information base, and implement prevention strategies among high-risk groups (11). A report in 2009 aims at characterizing HIV/AIDS in MENA (12). With regard to public health, a report in 2004 documented the main highlights and findings from the Middle East and North Africa regional symposium held in Beirut in June 2002 (13). The subject of disabilities in MENA was addressed by a report in 2005 (14). Its purpose was to take stock of the current knowledge of disability issues in the region, and to open the door to new ideas and initiatives that can help mainstream disability as a





theme across sectors. Finally, environmental health was addressed in a review conducted in 2005 to assess whether Environmental Health is an issue of concern in the region and how the region is coping with it (15).

**Natural resources and environment:** Natural resources constitute a subject of great importance for MENA region. Eleven reports were published to address issues related to water management, rural water supply, forestry, food security, energy efficiency, and GEF. First, a water sector assessment was conducted for the GCC to present key findings and recommendations at the GCC water conference in Bahrain in September 2005 (16). The subsequent reports discussed the main challenges facing the RWSS sector in the region (17), the link between water, food security and agricultural policy (18), the notion of accountability for better water management (19). Arab countries import at least 50 percent of food calories they consume. To help offset their vulnerability to commodities price shocks and assure food security, a paper suggests three critical strategies: provide people with better access to family planning services and promote education; enhance the food supply provided by domestic agriculture and improve rural livelihoods; and reduce exposure to market volatility by improving supply chain efficiency and using financial instruments to hedge risk (20). Forestry development requires an integrated approach where solutions must go beyond any single sector, and be cross-sectoral (21). On energy efficiency, a paper in 2009 remarks that there are inefficiencies in the region's use of energy and that energy efficiency has vast potential benefits for both net oil importers and exporters (22). A strategic framework and action plan was designed in 2004 to mainstream the Global Environmental Agenda in MENA (23). Finally, a report in collaboration with ESMAP addressed in 2008 the opportunities for mitigating the environment impact of energy use (24).

**Financial Sector and Business Environment:** In 2003, a policy research paper was written about the

changing financial landscape (25). The framework presented by this paper viewed financial development as a two-way, continuous, and dynamic interaction between, on the one hand, three driving forces shaping the industry (financial liberalization, technological changes, and market innovations) and, on the other hand, four stylized dimensions of financial services (disintermediation, institutionalization, modernization, and globalization). In 2004, a paper analyzed microfinance in MENA and offered recommendation on how to further develop the industry (26). The region also publishes on an annual basis a report on business environment in the region. These reports investigate the regulations that enhance business activity and those that constrain it. In addition to these reports, a corporate governance survey (27) and a risk analysis for Islamic banks were conducted in 2008 (28).

**Governance and Decentralization:** The question of governance is more and more relevant to developing countries. In the Middle East and North Africa as well as in other regions, better governance can help countries achieve jobs creation, economic growth, and development (29). Empirical results in one of the reports show that governance plays a significant positive role in private investment decisions (30). A book published in 2007 shows that better governance and deeper reforms in MENA break the barriers to higher economic growth (31). Furthermore, decentralization is considered as a way to create governance at the local level (32). However, external conflicts constitute a major roadblock to decentralization in the region (33).

**Gender, Education, and Social issues:** To begin with, the regional flagship report in 2004 sought to advance the gender equality discussion in the region by framing the issues in terms of economic necessity (34). In 2007, characteristics, contributions, and challenges of women entrepreneurs in MENA were addressed in a working paper (35). The same year, a gender overview report examined progress during 2000-2005





in the following areas: economic participation, access to education, access to health care, women's legal rights, and public participation and representation (36). Building on the results of these reports, a study in 2008 evaluated how women entrepreneurs can contribute more to the quality and direction of economic and social development in MENA (37). In addition to gender specific reports, there have been reports addressing Education, employment, migrations, social development, child protection, and youth. In fact, a major report "The Road Not Traveled" was published in 2008 to trace the successes but also the challenges facing the development of education to identify promising education reform options (38). Another education related report applied PISA in the development of strategies for improving learning outcomes, in the design of specific programs and projects, and in monitoring differences in education quality across subpopulations within countries (39). Employment was addressed in a flagship report in 2004 and a couple of reports. The flagship report provides recommendation on how to unlock employment potential in MENA (40). One of the employment reports suggests that to foster broad-based growth and job creation in the region, labor market reforms must be included in a comprehensive program of structural reforms (41). Reports on migration work on the following subjects: the importance of migration as a solution to employment problems; the demographic benefits of international migration (migrants are agents of diffusion of demographic modernity); the beneficiaries of migration; return migration and small enterprises development; the effects of MENA-to-EU migration flows on both sending and receiving regions; A book entitled *Shaping the Future* develops a framework for both labor-sending and labor-receiving countries and advocates a collaborative approach to address the challenges ahead (42). In 2004, a regional social development strategy was designed to address three challenges: enhance social inclusion, strengthen social cohesion, and enhance the capabilities of the citizens

and civil groups to hold accountable the institutions that serve them (43). Also, a case study was conducted in 2006 to discuss the Child Protection Initiative which was created in 2003 to encourage municipal authorities to take more action on the increase in vulnerable and disadvantaged children in urban areas in MENA (44). Furthermore, in 2007, a report tried to assess the case for making investments in youth a systematic development priority for the region (45).

#### **Investment, Economic growth and Poverty**

**Reduction:** This is one of the most studied themes in the region. Subjects include economic reforms, investments, the political economy, poverty reduction, pensions, and private-led growth. Since 2005, MENA has published a series called Economic Developments and prospects. It sheds light on the recent key economic developments in the region and the forces underlying the region's diverse economic outcomes. It analyzes the region's short-term growth prospects given global forecasts and current structural features of the economies, as well as the region's prospects for longer-term growth based upon progress in implementing comprehensive structural reforms. The different reports under this series 2005-2009 address respectively oil booms and revenue management (46), financial markets in a new age of oil (47), job creation in an era of high growth (48), regional integration for global competitiveness (49), and navigating through the global recession (50). Addressing the question of reform, a report in 2004 empirically analyzed the linkage among economic reforms, human capital, physical infrastructure, and growth (51). With respect to investment, the impact of public infrastructure on private capital formation in three MENA countries (Egypt, Jordan, Tunisia) was evaluated in 2005 to find that reducing unproductive public capital expenditure and improving quality must be accompanied by reforms aimed at limiting the investments to infrastructure capital that crowds in the private sector (52). Consequences of the political economy on industrial policy in MENA were studied and a





recommendation was made for adjustments in MENA region's old style of industrial policy to adapt to the globalized economy (53). On the subject of poverty reduction, a report showed in 2006 that the substantial progress in reducing poverty in earlier decades came to a halt in the late 1980s (54). Therefore, the report calls for sustained gains in poverty reduction and human development. Two reports treated the subject of pensions in the Middle East and North Africa. The first one, in 2005, took stock of mandatory pension systems in the region, assessed the magnitude of the main problems, and outlined the common components of an integrated reform strategy (55). The second report, published in 2006, dealt with the contingent liability of a mandatory pension system by estimating its two components (the implicit pension debt and the pay-as-you-go asset) for 12 pension schemes across six MENA countries (56). The results show that implicit pension debts are large (50 to 100% of GDP), often higher than the explicit public debt. Finally, a report in 2009, calls for public governance to foster private investment and create private-led growth (57).

**Information and Communication Technology and Knowledge Economy:** Three reports treated the subject of ICT and knowledge economy. ICT is the distinguishing factor in any capability to participate in global supply chains, whether they are manufacturing, financial, information or services-oriented. In 2003, a

report looked at the function and uses of Copper and Silicon in ICT, the production and supply chain process, ICT in financial services, the import-export, trade and transport process, and provided case studies in a number of industries (58). The same year, a more MENA focused paper investigated the potential impact of opening up telecommunications to competition in MENA on this sector performance and on the participation of the region in the world economy (59). The subject of knowledge economies was treated in a WBI learning resources series (60). This book analyzes the development of knowledge-based economies in the Middle East and North Africa. Its principal messages are: (a) because of the so-called "knowledge revolution" resulting from the rapid growth in information and communication technologies (ICT), the acceleration of technical change and the intensification of globalization, a new form of economic development is taking shape worldwide; (b) the knowledge revolution presents MENA with challenges and opportunities; and (c) MENA countries risk falling further behind in the world economy. Urgent action is needed to advance structural reform and to intensify and adapt knowledge-related investments.





**FLAGSHIP - [Trade, Investment and Development in the Middle East and North Africa: Engaging with the World](#)**

This book seeks to highlight areas for reform in Trade and changes that the region must make. For the countries of the Middle East and North Africa (MENA), trade and private investment are needed to provide new engines of growth and dynamism. With more trade and investment, countries in the region will be able to achieve faster growth, reduce poverty, create more jobs, and improve the knowledge, skills, and productivity of their work force. The book describes why expanding trade and investment is vital for the Middle East and North Africa region. The greatest economic challenge is to create enough jobs for its rapidly growing labor force, which is increasingly young and educated, to ward off threats to social and political stability, inherent in high unemployment rates. This effort requires higher, and more sustainable, economic growth than has been achieved in the past. Expanding trade and private investment offers the best hope. The potential is enormous, given the region's human resources, skills, location, and opportunities. The book also analyzes why the region has yet to tap fully into the rich stream of global commerce, and investment - and the measures needed to do so, including improvements in the domestic investment climate, and reforms in the policies of the region's trading partners.

**FLAGSHIP - [Jobs, growth, and governance in the Middle East and North Africa: Unlocking the potential for prosperity](#)**

This report identifies the following as the fundamental challenges and changes that the Middle East and North Africa must meet and make in order to improve living standards over the next two decades: Between eighty and one hundred million new jobs to be created by 2020; Economic growth to be lifted from a sluggish 3.4 percent over the late 1990s to at least 6-7

percent a year; Governance to move from traditional autocracies to more inclusive governments, accountable to the people; Women to be more equitably included in economic activity and to harness the significant potential economic benefits from an increasingly educated and healthy female population; Public sectors to open the door to more private initiative; Economies dependent on oil and workers' remittances to diversify into manufacturing and services; Closed trading regimes to integrate with new trading partners in the region and the world. The political imperatives for such change and the stability of the old order are two opposing forces. The balance is shifting toward the need for reform as joblessness and slow growth make the old order increasingly costly and unsustainable.

**REPORT - [Knowledge Economies in the Middle East and North Africa: Toward New Development](#)**

The purpose of this book, which is largely based on information gathered at the conference in Marseilles, is to set out relevant issues and provide general policy orientations. Thus, the analysis remains at a certain level of generality. It constitutes a basis for undertaking more documented, in-depth and empirical work. This book analyzes the development of knowledge-based economies in the Middle East and North Africa. Its principal messages are: (1) because of the so-called "knowledge revolution" resulting from the rapid growth in information and communication technologies (ICT), the acceleration of technical change and the intensification of globalization, a new form of economic development is taking shape worldwide; (2) the knowledge revolution presents MENA with challenges and opportunities. They need to take advantage of this new source of growth and employment. To date, related investments in education, information infrastructure, research and development, and innovation have been insufficient or inappropriate in most MENA countries. Moreover,





inadequate economic and institutional frameworks prevent these investments from yielding desired results; and (3) MENA countries risk falling further behind in the world economy. Urgent action is needed to advance structural reform and to intensify and adapt knowledge-related investments.

**POLICY NOTE - [Integrated Forestry Development in the Middle East and North Africa](#)**

This Policy Note discusses the status of Forestry in the Middle East and North Africa Region (MNA). The Policy Note is a product of the FAO Investment Center in Rome, the International Food Policy Research Institute (IFPRI) and the Bank. Experience in natural resource management shows that to adequately address sustainable development, solutions must go beyond any single sector, and be cross-sectoral. They must also go beyond technical solutions to include legal and policy frameworks. In the MNA Region, a large percentage of the population lives in rural areas on primarily small pieces of land and in the absence of other sources of revenue to supplement their income. Also because many do not own their land, they are without the means to improve their small land areas to increase output and revenues, thus creating a dependence on the natural resources.

**REPORT - [HIV/AIDS in the Middle East and North Africa: The Costs of Inaction](#)**

Recent evidence suggests that the prevalence of HIV/AIDS is increasing in the Middle East, North Africa, and Eastern Mediterranean region, and that the total number of AIDS-related deaths has risen almost six fold since the early 1990s. Although this figure is low compared with those for Africa, South Asia, and the Caribbean, low prevalence does not equal low risk. The situation can change rapidly, and even conservative estimates indicate that AIDS poses a real threat to the region's long-term growth. This book reviews current knowledge of the prevalence of HIV/AIDS in the region with the goal of stimulating

discussion among policy- and decision makers.

**[REPORT - The Role of ICT in Production Networks and Supply Chains](#)**

Global business is increasingly dependent upon electronic communications. ICT is the distinguishing factor in any capability to participate in global supply chains, whether they are manufacturing, financial, information or services-oriented. The electronic communications or telecommunications component of ICT has become the ubiquitous data highway for business at both the domestic and international level. Technology, business processes and telecommunications deregulation have moved in recent years. Telecommunications deregulation, and privatization, created the environment for competition. Competition accelerated the adoption of new communications technologies. And new technologies fostered new business practices, resulting in electronic supply chain management (ESCM) and just in time inventory control (JIT) for the manufacturing industries; quick response (QR) for textile, apparel and footwear supply chains; efficient consumer response (ECR) for the supermarket supply chain and electronic trade facilitation for international trade and transport, among many other industry-specific initiatives. This report looks at the function and uses of Copper and Silicon in ICT, the production and supply chain process, ICT in Financial Services, the Import-Export, trade and transport process, and provides case studies in a number of industries.

**WORKING PAPER - [The changing financial landscape: opportunities and challenges for the Middle East and North Africa](#)**

Economists have come to acknowledge that finance matters for development more, and in more ways than had been recognized for a long time. Changes in the financial services industry are providing immense possibilities for economic development. The authors present a framework to help understand the changes occurring in the financial landscape. They also attempt





to lay out the opportunities and the challenges the Middle East and North Africa region faces in light of these changes. The framework views financial development as a two-way, continuous, and dynamic interaction between, on the one hand, three driving forces shaping the industry and, on the other hand, four stylized dimensions of financial services. These driving forces jointly modify the financial landscape and are at the same time influenced by the effects of these changes. The three driving forces are financial liberalization, technological changes, and market innovation in response to demands for financial services. The four dimensions of financial services that are altered by the forces at play are disintermediation, institutionalization, modernization, and globalization. The authors provide a strategic perspective on the opportunities and challenges the profound changes in the financial industry bring to the Middle East and North Africa region, its policymakers, and market participants.

**WORKING PAPER - [Exchange Rate Management within the Middle East and North Africa Region: The Cost to Manufacturing Competitiveness](#)**

This paper discusses the empirical relationship between the extent of exchange rate misalignment and the choice of exchange rate regime. The results show that the probability for fixed exchange rates to become overvalued is substantially higher than for floating regimes, and the probability for exchange rates under fixed regimes to become seriously overvalued (in excess of 25%) is almost twice as high as for flexible arrangements. Then, the paper discusses the reasons behind MENA's continued reliance on fixed exchange rate regimes. While the exchange rate choices in the region are poorly explained by most traditional models of exchange rate choice, they in part reflect the interests of the public sector as both producer of oil and holder of debt, both of which make the government likely to favor fixed exchange rates over floating ones.

**WORKING PAPER - [Long term economic development challenges and prospects for the Arab countries](#)**

It is a challenge to talk about an Arab economy and to explore its prospects. The countries composing the Arab world are a diverse set in terms of size, geography, level of income, natural resource endowments, economic structure, human capital and skills, social structures, economic policies and institutions and so on. Yet, the economic similarities among the countries in the Arab world abound. With these strong similarities in terms of economic policy, natural resources, and the shared production base for economic growth and development, it is not surprising then that many of the development challenges facing the Arab countries today are also similar: almost all have confronted stagnant growth since the decline in oil prices, and despite some measured economic reforms in most of the economies, growth has remained weak throughout the region. All have been affected by regional conflicts and instability, either directly or through association, deterring investment. And almost all of the Arab States are facing one of the most pressing development problems to date: a burgeoning problem of unemployment, the result of both shrinking prospects for the main modes of employment creation in the past – labor migration and public sector employment -- and a rapidly expanding labor force. The Arab region faces a growing realization that development paths of the past are no longer capable of achieving national objectives. The problem of insufficient job creation in the Arab region is mounting, and without fundamental transitions in the Arab economies which ensure greater and sustainable job creation, the employment challenge will worsen rapidly and dramatically.

**REPORT - [Characterizing the HIV/AIDS epidemic in the Middle East and North Africa: Evidence on levels, distribution and trends](#)**

This report addresses the dearth of strategic information on HIV spread in MENA populations through a joint effort of the World Bank, the MENA Regional Support Team (RST) of United Nations Programme on HIV/AIDS (UNAIDS), and the Eastern Mediterranean Regional Office (EMRO) the World Health Organization (WHO). It builds on a series of





publications by the World Bank that focus on different aspects of HIV/AIDS epidemic and response. In 2003, the World Bank in collaboration with UNAIDS and WHO/EMRO issued the “HIV/AIDS in the Middle East and North Africa: The Cost of Inaction” report which provided an analysis of the vulnerability factors in MENA along with an economic analysis of the impact based on the limited HIV data known at the time. The current report provides data-driven epidemiological synthesis of HIV/AIDS trends and dynamics in MENA. It is based on a literature review and analysis of thousands of widely unrecognized publications, reports, and data sources extracted from the scientific literature or collected from sources at the local, national and regional levels.

**WORKING PAPER - [Opening up Telecommunications to Competition and MENA Integration in the World](#)**

This paper investigates the potential impact of opening up telecommunications to competition in MENA on this sector performance and on the participation of the region in the World economy. The later is assessed with respect to manufactured exports, participation in production network and attractiveness of FDI. The paper first introduces a model which assesses the benefits of telecommunications liberalization on sector performance. The assessment is based on three key factors: (i) degree of effective competition in fixed and mobile networks; (ii) openness to foreign investment; and (iii) pro-competitive regulation. The results confirm that liberalization and open markets are conducive to higher efficiency in the telecommunications sector. Regarding the integration of the region in the World economy, the analysis confirms that, after controlling for the influence of other structural factors, better performance of telecommunications strengthens export performance in manufacturing including exports of intermediate products. Moreover, by facilitating linkages with

transnational production networks and reducing the cost of doing business, better telecommunications sector performance is found to be a determinant of foreign direct investment inflows in developing countries.

**WORKING PAPER - [Making Trade Work for Jobs: International Evidence and Lessons for MENA](#)**

Can trade expansion help MENA countries step up the pace of job creation? Despite the short-run costs of adjustment to trade liberalization, in a number of countries that successfully integrated into global markets, export-led growth has eventually brought large employment dividends. The paper examines the medium-term relationship between international trade and employment in manufacturing in developing countries. Evidence from 59 developing countries, from the early 1960s to the late 1990s, reveals a positive medium-term association between employment in manufacturing and openness to trade, after controlling for other structural determinants of employment. By contrast, an opposite relationship is found in high-income countries. But countries in MENA find it difficult to make trade a driver of employment creation and growth. This is so partly because MENA exports are concentrated in low value added, slowly-growing products, and partly because MENA trade is poorly linked to global production networks and FDI flows. Evidence suggests that while the impact of trade expansion on employment in manufacturing is highly significant in developing countries that are large FDI recipients, trade adds only little to job creation in countries that receive only small amounts of FDI. To meet the employment challenge, along with continuing trade liberalization, companion policies would need to strengthen the investment climate and upgrade the quality of trade-related services, so as to improve the attractiveness of MENA as a place to invest.





**FLAGSHIP - [Unlocking the Employment Potential in the Middle East and North Africa: Toward a New Social Contract](#)**

This book is about the future prosperity of the Middle East and North Africa. Together with the other companion volumes—on trade and investment, governance, and gender—prepared on the occasion of the Annual Meetings of the World Bank and the International Monetary Fund in Dubai 2003, the book is a contribution by the World Bank to ongoing debates and dialogues about development in the region. These books address the core development challenges facing MENA in the early 21<sup>st</sup> century that would allow it to unlock its rich potential for prosperity. Like the companion volumes, this book synthesizes existing as well as new knowledge and research. It establishes priorities and directions for a comprehensive and structured policy reform agenda that are cognizant of the specific economic and social circumstances of the governments and peoples of MENA. This book describes the origins of MENA's poor labor market trends in the 1990s as the outcome of the long-term processes through which the region's political economies became organized around a redistributive—interventionist social contract.

**FLAGSHIP - [Better Governance for Development in the Middle East and North Africa: Enhancing Inclusiveness and Accountability](#)**

Improving public sector performance and governance is a key pillar in the World Bank's engagement strategy for the Middle East and North Africa (MENA). To guide and support this strategic priority over the coming years, the World Bank has worked with a network of leading scholars and opinion leaders who are from the region and work in the field of governance. Their ideas, their papers, and their consultations have been instrumental in shaping the effort to translate this strategic orientation into vision and action. The ambition of this regional book is not to offer answers

to the complex challenge of improving governance. Those matters are for people in the region to decide. More modestly, the book seeks to enhance the dialogue in MENA on governance. To accomplish this goal, the book proposes an analytical framework for discussing and measuring governance. It also marshals evidence showing that good governance matters for development—globally and in MENA. The authors' hope is to work more closely with those in government and in civil society—and they are many—who are passionate about improving governance.

**FLAGSHIP - [Gender and Development in the Middle East and North Africa: Women in the Public Sphere](#)**

This book seeks to advance the gender equality discussion in the region by framing the issues in terms of economic necessity. It analyzes the potential for women's greater economic contribution to the region's new development model, which is further discussed in three parallel books on trade, employment, and governance. It identifies key economic and sociopolitical impediments to women's increased labor force participation and empowerment, and it suggests a way forward in developing an agenda for change.

**REPORT - A Strategic Framework and Action Plan to Mainstream the Global Environmental Agenda (GEF) in the Middle East and North Africa**

The purpose of this Strategic Framework and Action Plan is to increase the awareness on the importance of the global environment in the MNA Region at the Bank and Country levels; to identify means of mainstreaming the global environmental agenda in the national development programs supported by the Bank; and to define specific mainstreaming opportunities for Bank lending and non-lending operations. The Framework indicates how GEF resources may be better used to address global environmental issues by complementing and





reinforcing strategic priorities in policy dialogue, analytical activities and sector studies. It is also intended to identify opportunities for utilizing GEF resources as leverage and incentive for financing global environment and sustainable development in the region. The Framework utilizes the experience of the recent MNA Strategy (2002), the GEF Business Plan (2003-2006), the MNA Environment Strategy, sector strategies (energy, transport, water, etc.), country assistance strategies and relevant international, regional and national initiatives to provide a realistic context in which to develop the Framework. A review of the Bank-GEF portfolio evaluated performance to date and drew lessons to help identify and sustain future global environmental operations in the MNA Region. These analyses emphasized the importance of: (a) linkages between local, national and global environmental conditions and human welfare; (b) the need to address key threats to the global environment; and (c) building upon national and regional priorities for sustainable development.

#### **REPORT - Securing a Future for all Social Development Strategy for the Middle East and North Africa**

The Bank has prepared development strategies for the Middle East and North Africa from a variety of development perspectives. The proposed Social Development Strategy draws on the social challenges raised by the 2003 MENA flagship Reports on key issues of gender, governance and employment. A strategy that applies, selectively and contextually the principles of social inclusion, social cohesion and accountability lay the groundwork for equitable and sustainable development in the MENA region. The Middle East and North Africa Social Development Strategy addresses three major challenges that are critical to the region's sustainable social and economic development. These challenges are how to: (a) enhance social inclusion (youth, gender disparities and vulnerable group protection); (b)

strengthen social cohesion in urban and rural areas; and (c) enhance the capabilities of the citizens and civic groups to hold accountable the institutions that serve them. The Social Development Strategy provides an overview of what is known about the nature and dimension of these challenges in the Middle East and North Africa (MENA). It identifies four main lines of action where the Bank can contribute, systematize and strengthen existing efforts in the region. This document intends to clarify how the integration of social development improves overall development outcomes in MENA and how it can be promoted. The underlying thesis of this strategy is that to address social development issues is not only good in itself, but it is also the basis to mobilize and unleash the energies of different social groups and to create conditions for economic growth and sustainable development in the region. This would also mitigate internal conflicts and promote stability.

#### **REPORT - [Trade, Foreign Direct Investment and Development in the Middle East and North Africa](#)**

Even a casual observer of international development trends cannot fail but notice that, in the last two decades or so, the MENA region has lagged most other regions of the world in both development outcomes (such as growth and employment) and international integration (such as trade and foreign investment). This paper argues that these two observations are linked and the region's weak development performance is in part derived from its inability to engage substantially with the rest of the world at a time when such engagement was the main engine of rapid economic growth for a large number of developing countries.





**REPORT - [Public health in the Middle East and North Africa: meeting the challenges of the twenty-first century](#)**

This report documents the main highlights and findings from the Middle East Regional Symposium, "Meeting the Public Health Challenges of the 21st Century in the Middle East and North Africa/Eastern Mediterranean Region", held in Beirut in June 2002. The Middle East and North Africa (MENA) region is currently undergoing both epidemiological and demographical transitions which are resulting in changing patterns of mortality and morbidity. Chronic and non-communicable diseases and injuries now account for a growing share of the overall burden of ill health. Countries of the region are faced with the challenge of addressing these emerging issues while, at the same time trying to complete the unfinished agenda of addressing diseases and protecting the health of mothers and children. The book consists of an overview drawing on a broad range of presentations at the conference, followed by chapters on specific public health issues including: functions and infrastructures, choosing and financing public health services, public health best buys, health promotion, HIV/AIDs, road safety, and strengthening primary health care.

**WORKING PAPER - [Current World Trade Agenda: Issues and Implications for the MENA Region](#)**

The current world trade agenda is most relevant for MENA region— MENA lags the rest of the developing country regions in the pace of trade integration and in real GDP per-capita growth (barring Sub-Saharan Africa and Eastern Europe and Central Asia). Fast track accession to WTO for MENA countries is vital for speedier integration into the fast going world trade system. The two central issues on the ongoing world trade agenda, agriculture and services, are vital to the MENA region. Agriculture is also of central concern for food security, water and poverty reasons. The services sectors, on the other hand, have become the

single-biggest sectors in terms of GDP in all MENA countries. In addition to these two issues, in implementation areas the negotiations aim to come to closure in implementing the existing agreement on textiles and clothing. Finally, the abolition of the MFA by 2005 implies equally large challenges. The clothing and garments sector has been a relatively dynamic sector of the MENA region. The critical challenge will be to therefore improve the competitiveness and efficiency of these sectors in the run-up to the elimination of the MFA. Appropriate macroeconomic policies and supportive exchange rates will be critical. So will improvements in firm-level competitiveness and measures to accelerate and support that process. If these policies are successful, MENA countries should expect to continue to see growth of this dynamic sector with large potential job gains.

**WORKING PAPER - [Reforms and Growth in MENA Countries: New Empirical Evidence](#)**

In this paper the authors empirically analyze the linkages among economic reforms, human capital, physical infrastructure, and growth for a panel of 44 developing countries over 1970-80 to 1999. For this purpose, they generate aggregated reform indicators using principal component analysis. They show that the growth performance of the MENA region has been disappointing because these economies have lagged behind in terms of economic reforms. However, our analysis also reveals that the growth dividend of some reforms has been small. This is the case when structural reforms are implemented in an unstable macroeconomic environment (which corresponds to the situation of the MENA countries in the 1980s), and when macroeconomic reforms are accompanied by a low level of structural reforms (as observed during the 1990s). The result illustrates the complementarities between reforms as modeled by Mussa (1987) and Williamson (1994). Actually, after human capital and physical infrastructure, this analysis finds that macroeconomic and external stability are key





variables for the reform process and for the growth prospects of the developing world.

**WORKING PAPER - [Trade and Foreign Exchange Liberalization, Investment Climate, and FDI in the MENA Countries](#)**

Despite some progress in economic policy – in macroeconomic stability in the 1980s, and in structural reforms in the 1990s – the MENA countries have failed to attract foreign direct investments (FDI). This may be due to several factors. In this paper the authors empirically verify from a panel of 72 countries – among which are 8 MENA economies – that, during the 1990s, the low level of trade and foreign exchange liberalization compared to East Asia and Latin America played a determinant role in the low level of total FDI in the MENA economies, particularly in manufacturing. The paper also highlights the role of other factors, such as physical infrastructure, political environment and macroeconomic conditions, in explaining total FDI flows to the different regions. These results stress the importance of accelerating the pace of reform in the MENA economies.

**WORKING PAPER - [Labor Market Reforms, Growth, and Unemployment in Labor-Exporting Countries in the Middle East and North Africa](#)**

It studies the impact of labor market policies on growth and unemployment in labor-exporting countries in the Middle East and North Africa. The analysis is based on a framework that captures many of the main features of the labor market in these countries. In this paper, the authors conduct a variety of policy experiments, including a reduction in payroll taxation, cuts in public sector wages and employment, an increase in employment subsidies, a reduction in trade unions' bargaining power, and a composite reform program. Their key message is that to foster broad-based growth and job creation in the region, labor market reforms must not be viewed in isolation but rather as a component of a comprehensive

program of structural reforms.

**WORKING PAPER - [Migration and Trade in MENA: Problems or Solutions?](#)**

MENA has an employment puzzle. The region is going through a difficult demographic transition that is putting enormous pressures on its labor markets. MENA countries are increasingly unable to generate the number of jobs needed to absorb their growing young populations. As a result, unemployment has increased considerably during the past two decades, with significant heterogeneity among countries. Migration has been an important safety mechanism to reduce pressures in domestic labor markets in the past, transfer oil rents from the Gulf and increase income prospects for households through remittances. While the economies of the MENA region may have not integrated much via trade, they have done so via migration, which has played the role of both substitute and complement to trade. Migration to the Persian Gulf and to countries in Europe helped reduce the unemployment rates of the region as well as supply needed workers for the Gulf (and Europe). However, there are reasons to believe that this avenue has limited expansion capacity as the two main poles of attraction are reducing the demand for new MENA migrants. Future migration flows can only relieve part of the pressure in MENA's labor markets. Even in the best of circumstances, migration flows are likely to be low compared with the employment requirements in the region and play, at most, a limited and perhaps declining role in solving the employment puzzle of MENA. This paper analyzes migration and trade in the MENA region from the employment perspective and assess to what extent migration and trade can provide a solution to the ever growing employment problem.

**WORKING PAPER - [Making Microfinance Work Better in the Middle East and North Africa](#)**

This report analyzes microfinance in the Middle East and North Africa, and offers recommendations on how





to further develop the industry. Microfinance is the provision of financial services to the entrepreneurial poor, a definition with two important features: it emphasizes a range of financial services -- not just credit -- and it emphasizes the entrepreneurial poor. The region's emerging microfinance industry differs from those in other parts of the world. Expectations are too high: microfinance is not a panacea for, or solution to unemployment, for narrowly defined, most microfinance institutions only offer credit for business activities, and do not offer savings or deposit services. Governments are interested in regulating microfinance, and several countries have passed laws on microfinance, efforts that risk jeopardizing the industry's healthy development. Moreover, second generation issues may slow the industry's growth, demonstrated by the fact that many microfinance institutions are experiencing crises, after rapid initial growth, and need time to consolidate and restructure. Islamic finance methodologies are being applied by new microfinance programs, and existing programs that use Islamic finance -- some of them very large -- have become more visible. This report draws heavily on two Bank surveys of microfinance institutions in the region, one assessing developments as of the end

of 1997, and the other as of end of 1999. Egypt remains the region's leading provider but has lost market share, while Morocco is second, having experienced dramatic growth since 1997. But other countries, such as Lebanon, and the West Bank and Gaza, saw their microfinance industries stagnate, or even shrink. This was mainly because microfinance players in these countries went through restructuring and consolidation as they faced second generation issues. The report stipulates that for programs to reach the scale of microfinance institutions as in other parts of the world, they must raise funds commercially -- including taking deposits, which will also enable them to broaden their approach to microfinance, moving beyond credit for businesses. And, by mobilizing savings and deposits, they will be able to serve many more clients. Donors and practitioners alike should be prepared for the array of new training needs, deciding to transform into a new legal entity, and institutional form. Policymakers, meanwhile, should be prepared to create legal environments appropriate for prudent, but growing microfinance.





**REPORT - [Economic Developments and Prospects: Oil Booms and Revenue Management](#)**

The first in a series of annual reports, the 2005 MENA Economic Developments and Prospects report sheds light on the recent key economic developments in the region and the forces underlying the region's diverse economic outcomes. It analyzes the region's short-term growth prospects given global forecasts and current structural features of the economies, as well as the region's prospects for longer-term growth based upon progress in implementing comprehensive structural reforms. With economic headlines increasingly devoted to the rise in oil prices and what this implies for the MENA region, this first issue devotes particular attention to this theme, analyzing the impact of the oil price shock on the MENA region in terms of its relative size, its transmission channels throughout the broader region, and the manner in which windfall revenues have been managed.

**REPORT - [Pensions in the Middle East and North Africa: Time for Change](#)**

This report takes stock of current mandatory pension systems in the region, assesses the magnitude of the main problems, and outlines the common components of an integrated reform strategy. The report highlights six general problems with pension systems in the region: the pension promise is large and unaffordable; schemes are financially unsustainable; badly designed rules introduce unnecessary distortions in labor supply and savings decisions; the schemes are fragmented and administration is weak and costly; coverage rates are modest, with important gaps among the self-employed and in rural areas; and governance structures are not designed to ensure that the funds are managed in the best interests of plan members. After defining a framework for reform vis-à-vis these problems, the report proposes ways to improve the

management of pension funds.

**REPORT - [A Water Sector Assessment Report on the Countries of the Cooperation Council of the Arab States of the Gulf](#)**

The main objective of the Water Sector Review in the member countries the Cooperation Council of the Arab States of the Gulf (GCC) is to (1) conduct a diagnosis of the current situation of the water sector, identify issues in the GCC region, evaluate the GCC governments' current water policies, and propose recommendations for improved Integrated Water Resources Management (IWRM) in Phase I of the study; (2) present key findings and recommendations at the GCC Water Conference in Bahrain, September 19-20, 2005, where Government officials, academic specialists and technical experts from the region would provide inputs to this study; and (3) if amenable to the GCC governments, conduct Phase II of the study to develop specific policies and action plans for more sustainable water resources management in individual GCC states.

**REPORT - [Preventing HIV/AIDS in the Middle East and North Africa - a window of opportunity to act](#)**

This document presents the rationale for addressing HIV/AIDS in the Middle East and North Africa region and the Bank's strategic choices in supporting countries to prevent the spread of the disease. As one of the shocks that can drive households into abject poverty, HIV/AIDS has the potential to impede, and even reverse, development if not addressed early enough. Prevalence levels in the MENA region are low, compared to other areas, but recent evidence indicates that infection rates are increasing. Greater investments to improve HIV/AIDS advocacy, develop an information base, and implement prevention strategies among high-risk groups are needed, before prevalence levels reach epidemic proportions. Through investments in these areas, the region can





avoid the increase in human suffering a widespread epidemic could bring, and preserve the benefits of national and regional development investments put in place by governments, and development partners. This regional strategy clarifies the role of the Bank in confronting the epidemic, based on a review of regional and national needs, and responses to those needs, as well as the areas in which the Bank is best positioned to support countries' efforts.

**WORKING PAPER - [Public Infrastructure and Private Investment in the Middle East and North Africa](#)**

This paper examines the impact of public infrastructure on private capital formation in three countries of the Middle East and North Africa: Egypt, Jordan, and Tunisia. The first part highlights various channels through which public infrastructure may affect private investment. The second part describes our empirical framework, which is based on a VAR model that accounts for flows and (quality-adjusted) stocks of public infrastructure, private investment, as well as changes in output, private sector credit, and the real exchange rate. We propose two aggregate measures of the quality of public infrastructure and use principal components to derive a composite indicator. The impulse response analysis suggests that public infrastructure has both "flow" and "stock" effects on private investment in Egypt, but only a "stock" effect in Jordan and Tunisia. But these effects are small and short-lived, reflecting the unfavorable environment for private investment in our sample of countries. Reducing unproductive public capital expenditure and improving quality must be accompanied by reforms aimed at limiting the investment to infrastructure capital that crowds in the private sector. At the same time, other improvements to the environment in which domestic investment operates are crucial to stimulate growth and job creation in the region.

**WORKING PAPER - [Democracy for Better Governance and Higher Economic Growth in the MENA Region](#)**

In view of the complexity of the issues related to democratic development the objective of this paper is to discuss only a limited topic: does democracy tend to induce higher or lower economic growth? The aim is to help understand the links between democracy and economic growth. But it should be made clear that findings which show that democracy leads to less growth would not lead to any presumption that democracy should be sacrificed for the sake of growth. Such a choice needs to be made by any society (through a democratic process preferably!) given its special circumstances. On the other hand a positive link reinforces the strength of arguments for democracy.

**WORKING PAPER - [The Political Economy of Industrial Policy in the Middle East and North Africa](#)**

This paper examines the political economy and consequences of industrial policy in the MENA region. Unlike in many other regions, industrial policy in MENA developed within the context of the region's strong "social contract" between the government and its people. Although industrial development was an objective, it at times took a backseat to the more important goals of social transformation and economic redistribution — which influenced not only the types and success of industrial policies adopted, but also critically influenced the balance of power among interest groups. Despite the mounting strains on MENA's economic development models, oil and strategic revenues, and the lack of a full-fledged economic crisis have allowed the region to maintain industrial policies far longer than other regions. Equally important, the lack of interest groups to emerge and press for change has hindered the region's move toward more functional, market friendly policies for growth. As internal and external forces shape the way industrial policies can be used in the globalized economy, the MENA region's old style





of industrial policy will need to adjust. The ultimate path of change will be determined greatly by each country's initial conditions and individual political economy factors.

### **WORKING PAPER - Rural Water Supply & Sanitation in the Middle East and North Africa Region**

This note is an advocacy piece for the region to focus more on rural water supply and sanitation (RWSS) in its work program. The need for such a note was identified in 2003 because MENA region countries (with the exception of Yemen) appeared to be well poised to achieve the Millennium Development Goals for Water Supply and Sanitation (WSS). These goals require countries halving the proportion of people without sustainable access to safe drinking water by 2015 and those without access to basic sanitation by 2020. Contrary to this impression created by official country-level data, which rely on past public investment expenditures on RWSS provisioning, circumstantial evidence indicates that many of the MENA countries are currently facing serious difficulties in sustaining RWSS services. The paper culls out this evidence from health, gender, education sector analyses, as well as the sparse existing information on poverty-RWSS service relationship. The paper highlights the clear need in future to undertake more thorough country-level investigations on the causes of weak linkages between investments and actual system performance in terms of delivering services to users. The note thereafter discusses the main challenges facing the RWSS sector in the region in terms of sustainability and quality issues and the reform agenda within the broader context of water resources management. The latter acquires particular significance as many communities without adequate RWSS are living in highland areas where groundwater

depletion problems are most acute. The rest of the advocacy note is devoted to suggesting how the Bank could play a strategic role in promoting RWSS services.

### **WORKING PAPER - [A Note on Disability Issues in the Middle East and North Africa](#)**

This Note examines disability in the MENA region with respect to prevalence and main causes of disability, economic and social consequences of disabilities, prevention and risk mitigation mechanisms, and policies and strategies to create the enabling environment which permits persons with disabilities full participation in society, including access to education and labor force, and participation in decision making. Its purpose is to take stock of our current knowledge of disability issues in the region, and to open the door to new ideas and initiatives that will help mainstream disability as a theme across sectors.

### **DISCUSSION PAPER - [Environmental Health Review in the Middle East & North Africa Region](#)**

The objective of this review is to assess whether EH is indeed an issue of concern in the region and how the region is coping with it by: (i) estimating the Burden of Disease (BoD) in the region related to EH risks; (ii) identifying the key EH hazards in seven key client countries; (iii) understanding the role of institutions and budget allocations when addressing EH; (iv) identifying suitable cost-effective interventions to address the health risks in the region; and (v) identifying gaps in the operational approach in the region for maximizing impact on preventing or reducing health problems related to the surrounding environment.





**REPORT - [Economic Developments and Prospects: Financial Markets in a New Age of Oil](#)**

For the third straight year, the Middle East and North Africa (MENA) region has enjoyed a spectacular year of economic growth. With oil prices continuing their upward climb, MENA countries grew by an average of 6 percent over 2005, led by the region's predominant oil exporters. Over the last three years, MENA's economic growth has been the strongest experienced by the region since the 1970s. But MENA's growth upturn has not been universally shared, and with rising energy use and diminished positive transmission channels from the region's oil economies, resource poor economies are increasingly feeling adverse impacts from rising oil prices. Moreover, the region is contending with large fiscal implications from the heavy reliance on domestic energy subsidies. This issue of the World Bank's MENA Economic Developments and Prospects Report highlights the recent key economic developments as well as the forces underlying the region's economic outcomes. It analyzes MENA's medium term growth prospects given global forecasts, and charts the region's progress with implementing comprehensive structural reforms needed for longer-term growth. As with last year, the 2006 MEDP also examines a theme of particular importance to the region, with this year's theme devoted to regional financial markets. With oil prices continuing their soaring advances, the efficiency with which the region channels the oil-related resources into the real economy will depend critically upon financial sectors. It is thus particularly opportune to examine the state of the region's financial systems, to understand how they are poised to meet some of the region's development challenges.

**REPORT - [Sustaining Gains in Poverty Reduction and Human Development in the Middle East and North Africa](#)**

Since the mid-1980s, there has been little progress in poverty reduction in the MENA region although human development indicators have continued to improve. The report provides an overview of trends in poverty and human development indicators during

the last two decades. It shows that the substantial progress in reducing poverty in earlier decades came to a halt in the latter half of the 1980s. Average poverty rates for the region, measured at the \$2 per capita per day international poverty line, fell to around 25 percent by 1987, the lowest in the world at that time. But they stagnated thereafter, fluctuating between 20 and 25 percent.

**REPORT - [Is There a New Vision for Maghreb Economic Integration?](#)**

The report argues that assessing the benefits from regional integration can best be done in the context of the broader issues of economic integration in the world economy and more specifically with the main trading partner, the European Union. Based on empirical evidence the paper finds that there is limited potential for intraregional merchandise trade integration in the Maghreb. Due to data limitations, the marginal returns to regional service integration in the three countries (Tunisia, Algeria and Morocco) cannot be estimated. But drawing on available data the report illustrates that deeper economic integration (through service sector liberalization and investment climate reforms aimed at strengthening market competition and contestability) and wider integration (with the EU) can have a substantial impact on regional economic growth, trade and FDI in the Maghreb, bringing greater economic gains than would be derived from merchandise trade liberalization alone.

**WORKING PAPER - [The Demographic Benefit of International Migration: Hypothesis and Application to the Middle Eastern and North African Contexts](#)**

The view that international migration has no impact on the size of world population is a sensible one. But the author argues, migration from developing to more industrial countries during the past decades may have resulted in a smaller world population than the one which would have been attained had no international





migration taken place for two reasons: most of recent migration has been from high to low birth-rate countries, and migrants typically adopt and send back to their home countries models and ideas that prevail in host countries. Thus, migrants are potential agents of the diffusion of demographic modernity, that is, the reduction of birth rates among non-migrant communities left behind in origin countries. This hypothesis is tested with data from Morocco and Turkey where most emigrants are bound for the West, and Egypt where they are bound for the Gulf. The demographic differentials encountered through migration in these three countries offer contrasted situations-host countries are either more (the West) or less (the Gulf) advanced in their demographic transition than the home country. Assuming migration changes the course of demographic transition in origin countries, the author posits that it should work in two opposite directions-speeding it up in Morocco and Turkey and slowing it down in Egypt. Empirical evidence confirms this hypothesis. Time series of birth rates and migrant remittances (reflecting the intensity of the relationship kept by emigrants with their home country) are strongly correlated with each other. Correlation is negative for Morocco and Turkey, and positive for Egypt. This suggests that Moroccan and Turkish emigration to Europe has been accompanied by a fundamental change of attitudes regarding marriage and birth, while Egyptian migration to the Gulf has not brought home innovative attitudes in this domain, but rather material resources for the achievement of traditional family goals. Other data suggest that emigration has fostered education in Morocco and Turkey but not in Egypt. And as has been found in the literature, education is the single most important determinant of demographic transition among non-migrant populations in migrants' regions of origin. Two broader conclusions are drawn. First, the acceleration of the demographic transition in Morocco and Turkey is correlated with migration to Europe, a region where low birth-rates is the dominant pattern. This suggests that international

migration may have produced a global demographic benefit under the form of a relaxation of demographic pressures for the world as a whole. Second, if it turns out that emigrants are conveyors of new ideas in matters related with family and education, then the same may apply to a wider range of civil behavior.

**WORKING PAPER - [Governance and Private Investment in the Middle East and North Africa](#)**

This paper addresses the issue of the low level of private investment in the Middle East and North Africa (MENA) region, with special emphasis on the role of governance. Based on the existing literature, the authors categorize what types of governance institutions are more detrimental to entrepreneurial investments. They then estimate a simultaneous model of private investment and governance quality where economic policies concurrently explain both variables. The empirical results show that governance plays a significant role in private investment decisions. This result is particularly true in the case of "administrative quality" in the form of control of corruption, bureaucratic quality, investment-friendly profile of administration, and law and order, as well as for "political stability." Evidence in favor of "public accountability" seems, however, less robust. The estimations also stress that structural reforms-such as financial development and trade openness-and human development affect private investment decisions directly, and/or through their positive impact on governance. These findings bring new empirical evidence on the subject of private investment in the developing world and in MENA countries in particular.

**WORKING PAPER - [Trade and Investment Integration of the Maghreb](#)**

This paper discusses a trade strategy for the Maghreb countries, with a particular focus on regional initiatives, as trade expansion could generate higher and sustained growth rates, and employment. The analysis is based upon identification of the key internal and external barriers that are constraining integration into regional and global markets and





discusses how poor design and weak implementation of trade agreements amongst countries in the region limit their impact. This paper argues that Maghreb countries could reap significant benefits from enhancing their integration with regional partners, with the EU and with global markets. This entails careful design of trade policy to ensure complementarity between the three domains of trade policy: unilateral actions, regional trade agreements and the multilateral agenda. Integration needs to be broadly-based to include services so as to enhance productivity on an economy-wide basis and to increase the scope for trade and for new employment opportunities. Integration should also be deep to cover key elements of competitiveness relating to issues such as standards, conformity assessment, transport and logistics. Such trade policy initiatives are all the more effective when part of a broad and coherent reform process and bolstered by support for those who bear the brunt of the costs of adjusting to the new, more open regime.

**WORKING PAPER - [Implicit Pension Debt in the Middle East and North Africa Region: Magnitude and Fiscal Implications](#)**

This paper breaks down the contingent liability of a mandatory pension system into two components: the implicit pension debt and the pay-as-you-go asset. It then estimates these two components for 12 pension schemes across six MENA countries and presents international comparisons. The results show that implicit pension debts are large (in the order of 50% to 100% of GDP), often higher than the explicit public debt. At the same time, the large majority of pension schemes have negative pay-as-you-go assets. Under these circumstances, it is misleading to consider the implicit pension debt a contingency, as the government will have to finance it with almost certainty. In the absence of a default the fiscal impacts are expected to be large. The paper recommends including in the assessment of public debt sustainability the implicit liabilities of the mandatory pension system and the pay-as-you-go asset.

**WORKING PAPER - [Water, Food Security and Agricultural Policy in the Middle East and North Africa Region](#)**

The Middle East and North Africa (MNA) region is one of the most water scarce regions in the world with a regional annual average of 1,200 cubic meters per person (world average is close to 7,000). While agriculture and the rural economy are important elements in the MNA countries, the relative contribution of agriculture to overall GDP in most countries is low and has been declining. Internalizing the private as well as the social costs of water by the largest user is a challenge that countries will have to face for agricultural development to be successful and sustainable, especially in the context of increased competition with more trade liberalization. Water, not land, is now the limiting factor for improving agricultural production in the MNA region. Maximizing water productivity, not yield per unit of land, is, therefore, a better strategy for on-farm water management under such conditions. Raising water productivity in response to the new evapotranspiration (ET), water management paradigm demands more than just changes in irrigation technology. It requires integrated attention to improving technical, agronomic and management measures. Water User Associations (WUAs) greatly facilitate the implementation of integrated measures. Using satellite remote sensing technologies, planners and policy makers can make more effective decisions to ensure a stable supply of water for food and the environment. All MNA countries with the exception of Morocco are net importers of agricultural products. The greatest benefits for MNA will be generated by comprehensive domestic agricultural reforms, in tandem with higher market access in European and world markets. MNA governments will face issues relating to timing and sequencing of reforms. Given its current resources endowments and growth prospects, it is in the best interest for MNA countries to push towards proceeding with the liberalization of markets in developed countries. At the same time, they could ask for some sort of compensation for higher prices and lost preferences in the form of non-trade distorting financial schemes or even cash grants for those countries facing significant losses as a result. Countries will have to pay a particular attention to the





implications of this gradual approach for government revenues, adjustment costs and credibility of reforms.

**WORKING PAPER - [Case Study of the Middle East and North Africa Child Protection Initiative: an independent evaluation of the World Bank's support of regional programs](#)**

This study discusses the Child Protection Initiative (CPI) which was created in 2003 to encourage municipal authorities to take more action on the increase in vulnerable and disadvantaged children in urban areas in the Middle East and North Africa (MNA) region. The report reveals that in two and a half years, the CPI has established its presence as an actor in the region on issues of urban children, begun to raise awareness about the importance of the role of municipalities in addressing those issues, established a working relationship with a number of regional and international partners, and promoted pilot projects in four cities. The Bank has been an integral partner in developing and supporting the program, translating needs into action. The study concludes, however, that the program appears unlikely to achieve the objectives it set for its first three years, especially in the areas of capacity building and resource mobilization, and its lack of both an explicit business plan and monitoring

and evaluation system will make it hard for it to know if it has been successful in another three to five years.

**WORKING PAPER - The impact of regional trade agreements and trade facilitation in the Middle East and North Africa region**

The Middle East and North Africa (MENA) region's trade performance over the past two decades has been disappointing. Efforts to boost trade through a plethora of regional trade agreements (RTAs) are underway. This study examines the potential contribution of regional trade agreements, as well as trade facilitation improvements, in enhancing the development prospects of the region. Using the Global Trade Analysis Project (GTAP) model and database, both intra-regional integration and integration with the European Union are observed to have a favorable impact on welfare in the MENA region. The welfare gains from integrating with the European Union are observed to be at least twice as much as intra-regional integration. Furthermore, these welfare gains are observed to at least triple when the implementation of the RTAs is complemented with trade facilitation improvements.





**REPORT - [Economic Developments and Prospects: Job Creation in an Era of High Growth](#)**

The Middle East and North Africa (MENA) region continued to garner international attention over 2006. Over the last few years the region has performed remarkably well on many economic fronts. The MENA region has demonstrated strong economic performance, driven to a large degree by high oil prices and a favorable global environment, but also by reform policies that while gradual are in general on the right track. Growth in the region continues to be robust for the fourth year in a row, with strong external inflows and continued fiscal and external account surpluses at the regional level. Labor markets have reacted positively to these economic developments and unemployment has declined at a time when labor market pressures are at their peak. The region, despite many common economic and social features is remarkably diverse, and economic developments and outcomes differ significantly among its countries. This third volume of MENA Economic Developments and Prospects 2007 aims to build upon the established tradition of an annual review, monitoring key macroeconomic developments from the regional perspective as well as progress with structural reforms, in order to identify the forces shaping economic outcomes in the region and to highlight the key issues that affect the region's growth prospects. This year, the thematic chapter focuses on labor market issues, a sector of vital importance to the region, due to the demands that its demographic transition is imposing on employment and socioeconomic infrastructures. As always, it is hoped that the report deepens the understanding of the region's development progress, prospects, and challenges.

**REPORT - Breaking the Barriers to Higher economic Growth: Better Governance and Deeper Reforms in the Middle East and North Africa**

This book reflects the collected thinking of the World Bank's Office of the Chief Economist for the MENA region on long-term development challenges facing the region and the reform priorities and strategies for

effectively meeting these challenges. It is a comprehensive reform agenda to break the barriers to higher economic growth, to ensure sufficient jobs can be created for the region's rapidly growing labor force. This book examines some of these reforms and the complex issues surrounding their successful implementation.

**FLAGSHIP - [Making the Most of Scarcity: Accountability for Better Water Management Results in the Middle East and North Africa](#)**

Water -- the resource itself as well as the irrigation and water supply services derived from it is important for every country. It is fundamental to human health, wellbeing, productivity, and livelihoods. It is also essential for the long-term sustainability of ecosystems. Here, in the Middle East and North Africa (MENA) region, the most water-scarce region of the world, good water management matters even more than it does elsewhere. The report suggests that MENA can meet its water management challenge. People have a very real need for water for drinking and for household uses. This domestic use, however, accounts for less than ten percent of a typical country's water consumption. Every country in the region has enough water resources to meet domestic needs, even accounting for the larger populations expected in the future. And policy decisions can help improve the way drinking water and sanitation services are delivered so that people get the services they need. The bulk of a typical country's water consumption goes to agriculture. This demand depends on such factors as the structure of the economy, people's consumption preferences, agriculture and trade policies, and how efficiently water is used. These factors can be influenced by policy choices. Similarly, countries can protect their environmental quality with policy and institutional choices. The necessary policy changes are far from easy. Yet they are essential, and, when coupled with





improvements in accountability to the public, water resources and services will support communities and promote economic development and bring benefits to the entire population.

**POLICY NOTE - [Youth - An undervalued asset: towards a new agenda in the Middle East and North Africa - progress, challenges and way forward](#)**

Youth are becoming an increasing priority for countries in the Middle East and North Africa. Youth are an asset that if properly nurtured can stimulate the economic and social development of the region. Countries are searching for effective policies to capitalize on this youth asset and an increasing number of governmental and nongovernmental institutions in the region are involved in youth related-work. This report represents an initial attempt to assess the case for making investment in youth a systematic development priority for the region. It summarizes what is known about the challenges facing youth and the opportunities successful youth embody, and begins to consider the contours of promising cross-sectoral, youth-centered, and inclusive policies for the region and the potential role for the World Bank. It is a first step in the process of setting out the issues to encourage dialogue and discussion among policy makers leading to decisions and eventually actions. The report has two intended audiences. The first are policy makers in the region, particularly those in Governments that are responsible for economic and social policy including Ministries of Finance, planning and economy and line ministries responsible for delivery of social services to youth such as the health, education, social affairs and youth ministries. Second, donors and development organizations such as the World Bank can use the report as an input into thinking about how youth issues may fit into projects and to help formulate priorities toward youth in the future.

**REPORT - [Doing Business 2008: Middle East and North Africa](#)**

Doing Business 2008 is the fifth in a series of annual reports investigating the regulations that enhance business activity and those that constrain it. Doing Business presents quantitative indicators on business regulations and the protection of property rights that can be compared across 178 economies. This paper presents the summary Doing Business indicators for the Middle East and North Africa (MENA). The paper includes the following headings: introduction, starting a business, dealing with licenses, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, and closing a business.

**REPORT - [Decentralization and Local Governance in MENA: A Survey of Policies, Institutions and Practices. A Review of Decentralization Experience in Eight Middle East & North Africa Countries](#)**

In the context of increasing global decentralization, the surveyed MNA countries demonstrated overall that they are aware of and in some respects responsive to this global trend. They have expressed this orientation through public policy pronouncements and through various state-led initiatives. In terms of concrete actions, political/electoral measures have been the most significant steps taken to date. All of the surveyed countries have carried out local elections at least once in the last several years. Yemen passed a sweeping decentralization law in early 2000, launching local council elections for the first time and devolving significant powers to local authorities; Lebanon reinitiated local elections in 1998 after a 20 year hiatus during the civil war; and local council elections were reinitiated in West Bank & Gaza in December 2004 for the first time in nearly 30 years; in Egypt, considerable authorities have been devolved to Governorates in recent years with plans for further expansion based on successful implementation. Most recently, Jordan has begun revising its Law on





Municipalities in preparation for new local elections and includes within it a provision for women's representation on local councils. Morocco has further decentralized by devolving more responsibilities to local elected municipal councils in the context of the newly revised municipal law (charter 2002). However, the pace and underlying principles of decentralization in MNA are in some respects quite different and not always entirely clear. With few exceptions, MNA countries still feature remnants of their inherited colonial past where the sharing of power between the central and local levels of government is still heavily skewed toward the former. Indeed, power sharing in MNA for the moment may be best characterized by deconcentration of central authorities than outright delegation or devolution of powers.

#### **WORKING PAPER - [Job Creation in a High Growth Environment: The MENA Region](#)**

The MENA region is experiencing its strongest economic expansion in three decades. This paper addresses the labor market effects of the ongoing economic boom. While labor market outcomes were disappointing in the 1990s, the region has seen high rates of job creation and falling unemployment rates accompany output growth since 2000. Unlike in the past, the private sector has also generated most of the new jobs. Labor market conditions are not uniformly improving, however. The rapidly growing presence of educated women in the labor force is not sufficiently matched by employment opportunities. Moreover, labor productivity growth remains fairly low, which puts into question the quality and long term sustainability of jobs coming up in MENA. Since labor force growth is expected to remain high, pressures will be high for both job creation (to absorb labor supply) and output growth (to ensure productivity growth). MENA countries will need to continue moving forward on structural reforms in order to achieve the high and sustainable economic growth needed to couple high quantity of jobs with higher quality.

#### **WORKING PAPER - [Women Entrepreneurs in the Middle East and North Africa: Characteristics, Contributions, and Challenges](#)**

The importance of women's entrepreneurship for economic growth is increasingly recognized in the Middle East and North Africa (MENA). Entrepreneurship creates new jobs, essential in a region with a young population and high unemployment. With the lowest female labor force participation rates in the world and ironically women are often graduating from universities in higher numbers than their male counterparts, female entrepreneurship also provides a productive outlet for a well-educated and underutilized talent pool. This International Finance Cooperation (IFC) supported research project and report, undertaken in close cooperation with local partners, is a product of capacity building efforts that help fill the knowledge gap in understanding the challenges faced by women entrepreneurs. The report is the result of a pioneering effort of collaboration between businesswomen's associations and research institutions in five countries in the region. By providing a voice to women's needs for business skills development, better links to business networks, and improved access to financial services, the associations involved in this report have provided an important first step in identifying key challenges. This report comes at a time when stakeholders and partners are looking to further women's entrepreneurship in the region. Many women entrepreneurs some of whom are profiled in the report have kindly offered their time to respond to the country surveys. The purpose of this analysis is to help countries in the MENA region better understand the challenges faced by women and to promote an environment in which female as well as male entrepreneurs can thrive. This will not only benefit the businesswomen themselves, but will contribute to the well-being of their families and communities, and to their countries overall economic development.





**WORKING PAPER - [Middle East and North Africa: Gender Overview](#)**

This update will examine progress during 2000-2005 in five areas: economic participation, access to education, access to health care, women's legal rights, and public participation and representation, as of September, 2006. This also provides information on additional work carried out in the area of gender and poverty, as well as the ongoing research on women's entrepreneurship. There are great intraregional disparities in the extent to which women's economic activity has increased or decreased over the past couple of years. Unfortunately, there is still a greater disparity between female and male labor force participation in Middle East and North Africa (MENA) in comparison with other regions. Unemployment is a

bigger issue for men. The policy makers countries are also concerned that increased female labor force participation would raise overall unemployment. Another important factor in the maternal mortality rates is the practice of early marriage in some of the countries of the region, mostly among the poor and the rural populations. This mainly affects already marginalized women. A second factor that influences the poverty level of female-headed households is marital status. An interesting observation is that the poverty status of the household and the gender of the head affect the labor participation of other members in the household. Studies across countries have shown that female owned firms employ a larger share of women than their male counterparts.





**REPORT - [Economic Developments and Prospects: Regional Integration for Global Competitiveness](#)**

This book reports key macroeconomic developments from the regional perspective as well as progress with structural reforms. The aim is to identify the forces shaping economic outcomes in the region and to highlight the key issues that affect the region's growth prospects. The thematic focus of this year's report is intra-regional integration. This is viewed not just as a set of preferential trade agreements but also as a means to foster the flow of labor, capital and investment. The report suggests the adoption of a paradigm of open regionalism in which regional preferences would be used as stepping stones towards greater integration with the global economy. The thematic chapter focuses on regional integration as seen from a broader perspective that includes trade in goods and services, labor, capital and infrastructure. As was the case with previous year's publications, we hope that the report will deepen public understanding of the region's progress, prospects, and challenges.

**REPORT - [Environment for Women's Entrepreneurship in the Middle East and North Africa](#)**

This report is about how women entrepreneurs can contribute more to the quality and direction of economic and social development in the Middle East and North Africa region. The commonly held perception is that business owned by women in the Middle East and North Africa are small and informal, that they're less sophisticated, and that they're huddled in low-value-added sectors. This report shows that there is very little difference between male- and female-owned firms. The book notes that women's entrepreneurship isn't reaching its potential, despite an investment climate that is much less gendered than suspected. With a significant increase in women's education level and the strong economic rights women have in Islam, women's entrepreneurship can become a far greater engine for growth and diversification than expected in the past.

**REPORT - [The Road Not Traveled: Education Reform in the Middle East and North Africa](#)**

Education is at the crossroads for the future of the Middle East and North Africa (MENA). It plays a crucial role in promoting poverty alleviation and economic growth, both at national and at household levels. It reflects the aspirations of the people for a successful integration into the global economy in an ever changing world. Education is also a strategic priority for the World Bank in the MENA region and worldwide. The preparation of this report has benefited from the experience accumulated from Bank collaboration with the region in education—a relationship that has lasted for more than 40 years. This report traces the successes and the challenges facing the development of education to identify promising education reform options for the future.

**REPORT - [Risk Analysis for Islamic Banks](#)**

This publication provides a comprehensive overview of topics related to the assessment, analysis, and management of various types of risks in the field of Islamic banking. It is an attempt to provide a high-level framework (aimed at non-specialist executives) attuned to the current realities of changing economies and Islamic financial markets. The Islamic financial system is not limited to banking; it also covers capital formation, capital markets, and all types of financial intermediation and risk transfer. Islamic finance was practiced predominantly in the Muslim world throughout the middle ages, fostering trade and business activities with the development of credit. The growth of Islamic finance coincided with the current account surpluses of oil-exporting Islamic countries. The Middle East saw a mushrooming of small commercial banks competing for surplus funds. The Islamic Republics of Iran, Pakistan, and Sudan announced their intention to make their financial systems compliant with Shariah.





## **REPORT - Using PISA to understand the determinants of Learning in the Middle East and North Africa Region**

The purpose of this analysis is to apply PISA as a means to inform and aid governments and the Bank in the development of strategies for improving learning outcomes, in the design of specific programs and projects, and in monitoring differences in education quality across relevant subpopulations within countries. Consequently, this report examines the PISA datasets for Jordan and Tunisia and presents relevant findings, and exposes topics requiring more in-depth analysis. The report is divided by country and concludes with a cross-country analysis to help understand the differences in learning achievement between countries.

### **WORKING PAPER - [Who Benefits Most From Migration? An Empirical Analysis Using Data on Return Migrants in the Maghreb](#)**

From a theoretical standpoint, it is generally assumed that migration results from a utility maximization process, *i.e.* that people migrate to be better off. The purpose of this paper is to explore this assumption by comparing the situation of migrants after they move to their situation before they move and by examining their post-migration subjective well-being using data from a survey on return migrants simultaneously conducted in Algeria, Morocco, and Tunisia in 2006 as part of the MIREM project. Since the database contains no detailed information on earnings and incomes in the pre- and post-migration periods, the analysis is conducted using indirect measures: an indicator of occupational mobility between pre- and post-migration periods; and two subjective measures of relative financial well-being and of “post-move” satisfaction. The question we address is finally whether life abroad was positively experienced by migrants.

## **WORKING PAPER - Return Migration and Small Enterprise Development in the Maghreb**

This study, using the results of field surveys of return migrants from Morocco, Tunisia and Algeria between September 2006 and January 2007, analyzes returnees’ entrepreneurial behavior in Morocco, Algeria and Tunisia. It sets out to understand whether and to what extent the interviewees’ situation prior to migration and their experience of migration has impacted their propensity to engage in entrepreneurial activity. The point is to shed light on some of the following questions: are financial capital and new skills acquired abroad used productively back home? What are the characteristics of the returnees’ investment projects upon return? How is entrepreneurial behavior related to migrant characteristics and overseas experience? Is there a link between migration duration and after-return activity?

### **WORKING PAPER - [Centralization, Decentralization and Conflict in the Middle East and North Africa](#)**

In this paper, we examine broadly the intergovernmental structure in the Middle East and North Africa (MENA) region, which has one of the most centralized government structures in the world. We are addressing the reasons behind this centralized structure by looking first at the history behind the tax systems of the region. For this, we review the Ottoman taxation system that has been predominantly influential as a model and discuss its impact on current government structure. Next, we discuss the current intergovernmental structure by examining the type and degree of decentralization in five countries representative of the region: Egypt, Iran, West Bank/Gaza, Tunisia and Yemen. We then conduct a cross-country regression analysis using panel data for a broader set of MENA countries to understand the factors behind heavy centralization in the region. Our findings show that external conflicts constitute a major roadblock to decentralization in the region.





### **WORKING PAPER - [Doing Business in the Arab World 2009: Comparing Regulation in 20 Economies](#)**

Doing Business 2009, the sixth in a series of annual reports published by the World Bank and the International Finance Corporation. Doing Business investigates the regulations that enhance business activity and those that constrain it. Doing Business presents quantitative indicators on business regulations and the protection of property rights that can be compared across 181 economies from Afghanistan to Zimbabwe and over time. This report focuses on 20 Arab economies: Algeria, Bahrain, Comoros, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Mauritania, Morocco, Oman, Qatar, Saudi Arabia, Sudan, Syria, Tunisia, United Arab Emirates, West Bank and Gaza and Yemen. The paper includes the following headings: introduction, starting a business, dealing with construction permits, employing workers, registering property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts, and closing a business.

### **WORKING PAPER - [Middle East and North Africa – Opportunities for Mitigating the Environment Impact of Energy Use](#)**

The main motivation for Middle East and North Africa Region (MENA) governments to improve energy efficiency is to address pressing domestic concerns, such as urban air pollution, energy security, economic competitiveness, the fiscal cost of energy subsidies and the balance of payments. However, improved energy efficiency is also seen as the most promising route for reducing the region's green house gas (GHG) emissions. Therefore, as part of the study on energy efficiency in MENA, this report aims to describe and quantify the links between energy efficiency and GHG emissions as well as urban air pollution in MENA. More specifically, the objectives of the report are: (i) to create scenarios of emissions of GHG and selected urban air pollutants (specifically, particulate matter

(PM)) under different assumptions of energy efficiency improvements; (ii) to identify the country/sectors where energy efficiency improvements are likely to have the greatest impact upon GHG and PM emissions; and (iii) to benchmark MENA against other regions in terms of energy intensity and GHG emissions.

### **WORKING PAPER - [A Corporate Governance Survey of Listed Companies and Banks Across The Middle East and North Africa](#)**

Corporate governance is the system by which business corporations are directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among different participants in the corporation, such as, the boards, managers, shareholders, and other stakeholders, and spells out the rules and procedures for making decisions on corporate affairs. By doing this, it also provides the structure through which the company objectives are set, and the means of attaining those objectives and monitoring performance. A company committed to good corporate governance has well-defined and protected shareholder rights, a solid control environment, high levels of transparency and disclosure, and an empowered board. The interests of the company and those of all shareholders are aligned. However, the author also recommends that in addition to awareness raising events, these same stakeholders should organize targeted seminars and workshops that focus on how to implement good corporate governance, so that the benefits of corporate governance are not only understood in theory but may also translate into practice.

### **WORKING PAPER - [Export Diversification Egypt, Jordan, Lebanon, Morocco, and Tunisia](#)**

The analytical framework comprises a combination of statistic-descriptive, empirical, and qualitative analysis based on collected international best practice and 22 case studies of emerging new export activities from





the MENA-5. The focus is on merchandised exports, although services exports are covered as much as the available data allow. This report looks at Egypt, Jordan, Lebanon, Morocco, and Tunisia for several reasons: First, the data situation in these countries is sufficient to make a deeper analysis possible. Second, the countries are similar enough in country characteristics, economic reform processes, and level of economic integration to allow for comparisons among each other and the world. Lebanon is an

outlier, though. Not only does its economic structure differ from the others (its economy is much more services-orientated, liberalized, and integrated), but the country broke out into conflict while the report was being prepared, the consequences of which could not be incorporated into the work. Data limitations also led to the occasional omission of Lebanon from the analysis.



**REPORT - [Economic Developments and Prospects: Navigating Through the Global Recession](#)**

The global financial and economic crisis that began in mid-2007 in the US and has now led to the first global recession since World War II is impacting MENA countries and compounding the impact of the generalized rise in commodity prices that peaked in mid-2008. There is no consensus on the causes if this is “once in a lifetime” crisis. However, it is generally accepted that a combination of low interest rates in the US, strong global demand especially in emerging market economies, and large current account surpluses in some countries, provided impetus for the buoyancy and bubble in housing, commodities, and stock markets.

Just as they were synchronized on the upside, these markets all experienced sharp declines in prices during 2007–08. This series of events are of direct consequence for MENA’s economic developments in 2008 and prospects for 2009 and 2010. The objective of this 2009 MENA Economic Developments and Prospects is to review the implication of the triple food-fuel-financial crisis for MENA economies. Chapter 1 reviews the year 2008 and the first few months of 2009. It discusses the impact of the global economic environment and MENA countries’ responses to the initial impact of the food-fuel-financial crises. Chapter 2 reviews MENA countries’ prospects for 2009 and 2010 and discusses policies that can be envisaged to mitigate the impact of the global financial crisis on the region. Chapter 3 goes beyond the short-term concerns about the current crisis and discusses structural factors that affect MENA countries’ vulnerability to shocks and their flexibility and ability to respond to future crises.

**FLAGSHIP - [From Privilege to Competition: Unlocking Private-Led Growth in the Middle East and North Africa](#)**

The objectives and intended impacts of this report are threefold: informing policymakers and other stakeholders, proposing a new angle on private sector policies, and provoking a debate. *First, informing.* The report brings together new evidence on private sector

development across the Middle East and North Africa (MENA), as well as the findings from the literature on this topic, particularly country-specific analysis. Its aim is to present current knowledge on business environment challenges in MENA—at least on selected issues presumed to be most pertinent to the region. It also aims to inform policymakers and other stakeholders of successful policy reforms in the region or elsewhere. *Second, proposing a new perspective on public policies shaping the investment climate.* This report is prescriptive, offering new routes for policy reforms. Rather than reiterate the list of standard reforms that might be ongoing in the region, this report will offer different angles to the business environment reform agenda. For example, in the legal and regulatory environment, the report emphasizes the institutional underpinnings of the reform process and its public sector governance aspects. Similarly, for industrial strategies the report will distance itself from dogmatic views on whether they are good or bad. Instead, it will focus on the institutional underpinnings of good industrial strategies, as well as on the design and evaluation of these interventions. *Third, provoking a debate.* Ultimately, this report aims to bring public sector governance to the center of the private sector development agenda. Public sector governance, accountability, transparency, credibility, rents, privileges, discretion, and state-capture are terms sprinkled throughout the report, much more prominently than the vocabulary usually associated with the private sector—technology, innovation, entrepreneurship, competitiveness centers, small and medium enterprises, incubators, and the like. Another objective of this report is to provoke debate among stakeholders in the MENA countries and to raise awareness that the private sector agenda in this region is mostly one of public governance.

**REPORT - [Shaping the Future: A Long-Term Perspective of People and Job Mobility in the Middle East and North Africa](#)**

The internationalization of the production of goods and services, reduced communications and transportation costs, and global demographic developments will lead to higher international





mobility of labor and jobs in the coming decades. Over the long run, income growth and the prosperity of nations will depend on the availability of a sufficiently large workforce with a range of skill levels and the ability to adapt to the changing needs of society. Recognizing the urgency to invest massively today in order to increase the future global pool of medium- and high-skilled workers and to meet tomorrow's global needs, the report develops a policy framework for both labor-sending and labor-receiving countries and advocates a collaborative approach to address the challenge ahead.

**REPORT - [Strengthening China's and India's Trade and Investment Ties to the Middle East and North Africa](#)**

The spectacular economic rise of China and India over the past two decades has accelerated their trade with Africa, Latin America, and the Middle East and North Africa (MENA). Their demands for oil, gas, and other natural resources have been driving new relationships with MENA countries based not only on energy but also on trade, investment, and political ties. Indeed, Dubai has become the center of a new Silk Road, the intersection where people, capital, and ideas meet. And while the financial crisis that hit global markets in 2008 has placed downward pressure on growth, these new relationships are likely to deepen in the coming years. The report's main messages are as follows: a) demand for energy from China and India is expected to increase substantially in the future, thus greatly benefiting oil producing countries in the MENA region; b) the oil exporters in the Gulf have laid big bets on economic diversification and knowledge enterprises, bets they might win, but with lots of risk along the way. Oil price volatility may threaten the sustainability of the recent expansion; and c) the growth of China and India offers new market opportunities for the countries in MENA. Besides energy, potential opportunities, for fertilizers, petrochemicals, crude materials, agricultural products, and a number of manufactured goods where MENA has strong

comparative advantages, remain unexploited.

**REPORT - [An Assessment of Sources of Data on International Migration in the Maghreb and Egypt, Focusing on Population Censuses and Household Surveys](#)**

This report focuses on the collection of data on international migration in order to better monitor international migration movements and to investigate the relationships between international migration and socio-economic development, especially with reference to the countries of North Africa. The focus is thus on developing countries, with particular attention to the Maghreb countries of Morocco, Algeria and Tunisia, plus Egypt.<sup>1</sup> To assess the methods used to collect data, the paper reviews and assesses the mechanisms in place (especially the questionnaires and samples) for collecting data on international migration in the four focus countries, and to a lesser degree the statistical staff capacities. The authors offer detailed recommendations on how recent data collection instruments and methods of the four countries could have been improved as well as observations regarding staff capacities.

**REPORT - [MENA-to-EU Migration and Labor Market Imbalance](#)**

In this report, we analyze the consequences of increasing MENA-to-EU migration flows on both sending and receiving regions. We first characterize the structure of MENA emigration and show that EU27 is a major destination for 9 MENA countries, including Algeria, Egypt, Morocco and Tunisia. Potential increased flows of MENA-to-EU migration in the future would in all probability particularly impact these countries. Then, we analyze the demographic trends in these regions and conclude that replacement migration policies encouraging MENA-to-EU flows of





working-age people would need to be temporary, as MENA countries themselves will be facing labor shortages in the future. Replacement migration policies will need to be limited in size and in time (not beyond 2050). We then analyze the economic effects of increased migration using generational accounting techniques and general equilibrium modeling. We show that increasing MENA-to-EU migration would generate significant changes in EU tax rates and GNI per capita, smoothing the fiscal and economic burdens of aging. Compared to a non selective immigration shock, selecting immigrants has a moderate impact in reducing tax rates, but leads to a greater impact on GNI per capita in the EU. On the other hand, increases in emigration, without some compensating policies on education, would have a strong detrimental impact on MENA tax rates, especially if emigrants are skilled. Regarding GNI per capita and inequality in MENA, increasing unskilled emigration leads to strong improvements (mainly due to remittances) while increasing skilled emigration induces detrimental consequences. Finally the negative effects of a selective migration policy in MENA may be considerably mitigated if the brain drain leads to side-effects or is accompanied by increased education attainment at origin. In particular, our results suggest that a stronger partnership between EU15 and selected MENA countries, involving more skilled migration and a greater cooperation in human capital formation, can raise the welfare of all parties concerned. Such an initiative could be designed in the framework of the *Union pour la Méditerranée* whose goal is to promote a development of the Euromediterranean Partnership.

**REPORT - [Skilled Migration from the MENA Region: Trends, Impacts, and Policy Responses](#)**

This report fills a significant knowledge gap on migration from MENA, assessing the region's skilled migration in terms of size, direction, and trends, making use of updated data and disaggregation. Utilizing this information, the authors also assess the

impact of skilled migration on sending countries in the region in terms of growth, human capital formation, and remittance, and suggest options for improving the outcomes of skilled migration for sending MENA countries.

**REPORT - [Water in the Arab World: Management Perspectives and Innovations](#)**

This volume is intended to serve as a water handbook. It represents the collective knowledge about water resources management acquired over recent years, both within the World Bank water team and with counterparts working in the Arab countries of North Africa and the Middle East (MNA). The chapters offer a cornucopia of ideas and themes. Some chapters are based on background papers prepared for the 2007 'MNA development report on water.' Others draw on sector work prepared at the request of client countries. Yet others summarize observations based on study tours or other learning events sponsored by the World Bank. Upon reviewing this lodestone of embedded knowledge, the author realized that bringing together the observations and analyses could serve a useful purpose for public officials, other practitioners, academics, and students who are interested in learning more about the complexities of managing water resources management in one of the driest parts of the world.

**REPORT - [Characterizing HIV/AIDS epidemiology in the Middle East and North Africa: Time to Focus on Risk](#)**

This report addresses the dearth of strategic information on HIV spread in MENA populations. Through scientific literature reviews and access to data collected and studies conducted at local, national and regional level, we have identified considerable evidence on HIV in MENA in the form of thousands of publications, reports, and data sources. We present in this report the results of our synthesis and analysis of this evidence. For the purpose of an epidemiologically relevant classification, we divided the MENA





population into different risk classes. The first class is that of priority groups that are at highest risk of HIV infection. These groups include injecting drug users (IDUs), men who have sex with men (MSM), and female sex workers (FSWs). The second class is that of bridging populations which experience an intermediate risk of HIV infection and provides links between priority groups and the third class of the general population (such as clients of sex workers). The general population experiences the lowest risk of HIV infection and encompasses most of the population in any community. It also includes vulnerable populations who are in principle not at high risk of HIV infection, such as prisoners, youth, and mobile populations, but are vulnerable to practices that may put them at high risk of HIV infection. This report covers all countries that are included in the definition for the Middle East and North Africa Region at the World Bank, the MENA Regional Support Team (RST) of United Nations Programme on HIV/AIDS (UNAIDS), and the Eastern Mediterranean Regional Office (EMRO) the World Health Organization (WHO). Explicitly, this report includes data on Afghanistan, Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Jordan, Kuwait, Lebanon, Libya, Morocco, Oman, Pakistan, Occupied Palestinian Territories, Qatar, Saudi Arabia, Somalia, Sudan, Syria, Tunisia, United Arab Emirates, and Yemen.

**WORKING PAPER - [Social Protection Management for Migrants: The Case of EU and North Africa](#)**

This paper looks at MENA migrants' access to social protection and the extent to which benefits are portable – whether migrants can maintain and transfer their benefits across borders. The theoretical and empirical literature on the economics of migration emphasizes the role of migration as a risk diversification strategy of households, driven by the lack of credit and insurance opportunities in sending countries (e.g. Bloom and Stark, 1985, Stark, 1991). Migration, hence, happens partly in response to inadequate social protection in sending countries. In destination

countries, migrants continue to need to manage social risks. However, low income, precarious working conditions, and the lack of strong support networks make migrant households particularly vulnerable to such social risks – lacking the means with which to cope with e.g. unemployment, ill health, or old age. The absence of safety nets can have severe repercussions both on migrants and other household members who remain in sending countries, who may rely on remittances for their survival. Social protection, hence, has implications for both migrants and the family they leave behind. This report focuses more narrowly on two key aspects: access to social services for migrants in receiving countries, and the portability of such services. Social services include health care benefits, long-term social security benefits like old-age and disability benefits, and short-term benefits like social assistance, maternity, and unemployment benefits, family allowances as well as public housing and education.

**WORKING PAPER - [Firms' productive performance and the investment climate in developing economies: an application to MENA manufacturing](#)**

Drawing on the World Bank Investment Climate Assessment surveys, this paper investigates the relationship between firm-level technical efficiency and the investment climate for 22 developing economies and eight manufacturing industries. The authors first propose three measures of firms' productive performance: labor productivity, total factor productivity, and technical efficiency. They show that, on average, enterprises in the Middle East and North Africa have performed poorly compared with other countries in the sample. The exception is Morocco, whose various measures of firm-level productivity rank close to the ones of the most productive economies. The analysis also reveals that the competitiveness of countries in the region has been handicapped by high unit labor cost, compared with main competitors like China and India. The empirical results show then that the investment





climate matters for firms' productive performance. This is true (depending on the industry) for the quality of various infrastructure, the experience and education level of the labor force, the cost of and access to financing, as well as different dimensions of the government-business relation. The analysis reveals that some industries, more exposed to international competition, are more sensitive to investment climate deficiencies. For some industries, this is also true for small and medium domestic enterprises that do not have the possibility to influence their investment climate or choose their location. These findings bear clear policy implications by showing that increasing firms' size and improving the investment climate (in particular of small and medium firms and industries more exposed to international competition) could constitute a powerful means of industrial development and competitiveness, in the Middle East and North Africa region in particular.

**WORKING PAPER - [The International Migration Architecture: A Survey with Lessons for the MENA Region](#)**

This paper surveys the state of the international migration architecture. Even though the paper defines this architecture broadly, most attention is given to its dominant feature: the controls rich countries place on residence opportunities for foreigners. To put these controls in context, the paper details what we know about the gains from international movement and the extent of movements actually taking place. This paper also reviews the many channels through which a dynamic migration and remittance system can affect development prospects. This will highlight a broader set of policies than rich-country migration controls: policies that affect the development-value of diasporas (connections); policies to induce and integrate returnees (circulation); policies relating to human capital investments in sending and receiving countries (creation); policies that allow sharing of migration-related benefits with sending countries (compensation); and policies to attract and retain talent (competition). Taken together, these policies determine the international migration architecture.

Its elements include unilateral policies of receiving countries, unilateral policies of sending countries, and various efforts at bilateral and multilateral cooperation.

**WORKING PAPER - [Why is Diaspora Potential so Elusive? Towards a New Diaspora Agenda in North African](#)**

The paper introduces a hierarchy of Diaspora impacts, with remittances/subsistence agenda at the base of the pyramid and institutional reform agenda at its pinnacle. The basic thrust of the paper relates to the heterogeneity of home country institutions, diaspora members and their motivations. World-wide, a new generation of diaspora initiatives is emerging which explicitly recognizes such internal diversity and matches better performing segments of home country institutions with dynamic segments of diasporas. From this perspective, projects of diaspora members in home countries are similar to venture capital projects. . North African countries exhibit a large diaspora of skilled and unskilled migrants – including very successful individuals in academia, business and research - that are already well connected within and across countries through search networks and informal communities of practice. Among the large number of public and private initiatives that are being organized to engage North African diasporas, the paper revises a number of the promising initiatives that can lead or already lead to high-impact results - such as creation of new institutions – and proposes practical suggestion to public policymakers and diaspora social entrepreneurs on how to align this spontaneous impetus into with a domestic agenda of institutional development.

**WORKING PAPER - [Improving Food Security in Arab Countries](#)**

Arab countries import at least 50 percent of the food calories they consume. As the largest net importers of cereal, Arab countries are more exposed than other countries to severe swings in agricultural commodity





prices, and their vulnerability will probably be exacerbated in coming years by strong population growth, low agricultural productivity, and their dependence on global commodities markets. Arab countries need to act urgently to improve food security. Projections of the region's food balance indicate that dependence on imports will increase by almost 64 percent over the next twenty years. This paper suggests three critical strategies that, together, can serve as pillars to help offset future vulnerability to price shocks: Strengthen safety nets, 1. provide people with better access to family planning services, and promote education. 2. Enhance the food supply provided by domestic agriculture and improve rural livelihoods by addressing lagging productivity growth through increased investment in research and development. 3. Reduce exposure to market volatility by improving supply chain efficiency and by more effectively using financial instruments to hedge risk.

**WORKING PAPER - [Tapping Hidden Resource: Energy Efficiency in the Middle East and North Africa](#)**

Addressing the MENA region's challenges—diversifying economies to create jobs for millions of unemployed young people, bringing education and health services to those who lack them, sheltering economies from the see-saw of oil-price volatility, and improving the lot of the region's most vulnerable people—those tasks call for careful stewardship of resources. The region's petroleum exporters have established stabilization funds to capture windfall revenues earned during periods of high worldwide oil prices and to conserve them for use in leaner times. Such funds have received considerable attention from economists and the press. But another form of stewardship—one that can benefit the region's net oil importers as well as its net exporters—has been much less prominent. Truly a hidden resource, *energy efficiency* has vast potential to benefit the economies of the region. The scale of the potential benefit mirrors the inefficiencies in the region's use of energy

today. Addressing those inefficiencies is not an easy matter, but international experience indicates that it can be done. Political commitment, keen analysis, ample communication, and institutional depth and dexterity are all required, each based on a longer treatment in the full version of this study.

**WORKING PAPER - [Changes in Cross-Border Trade Costs in the Pan-Arab Free Trade Area, 2001 – 2008](#)**

Regional integration is a major feature of the trade policy strategy of all countries in the Middle East and North Africa. An important vehicle to achieve greater integration of Arab countries was the agreement to form the Pan Arab Free Trade Area (PAFTA) in 1997 under Arab League auspices. Under the PAFTA all tariffs on goods of Arab origin were to be removed by January 1, 2008, which was subsequently brought forward to January 1, 2005. More recently, signatories of PAFTA have launched efforts to extend integration efforts to encompass trade and investment in services, and to increase efforts to deal with non-tariff measures restricting trade flows. A primary source of information on the magnitude and type of constraints that affect cross-border trade are the firms that import and export, both those that are in the business of distribution and intermediation, and those that produce goods and either want to sell their output in other countries or want to import parts and components that they use to produce their goods or services. This paper summarizes the results of a survey of trading firms in 9 PAFTA members. The survey compiled information on the extent to which the costs of trading across Arab borders have declined since PAFTA was implemented. The survey spans official trade and tax policies, the administrative requirements that confront traders, and the costs/quality of transport infrastructure.





## ENDNOTES

- (1): FLAGSHIP - Trade, Investment and Development in the Middle East and North Africa: Engaging with the World
- (2): WORKING PAPER - Making Microfinance Work Better in the Middle East and North Africa
- (3): WORKING PAPER - Current World Trade Agenda: Issues and Implications for the MENA Region
- (4): REPORT - Trade, Foreign Direct Investment and Development in the Middle East and North Africa
- (5): WORKING PAPER - Trade and Investment Integration of the Maghreb
- (6): REPORT - Is There a New Vision for Maghreb Economic Integration?
- (7): WORKING PAPER - The impact of regional trade agreements and trade facilitation in the Middle East and North Africa region
- (8): WORKING PAPER - Export Diversification Egypt, Jordan, Lebanon, Morocco, and Tunisia
- (9): REPORT - HIV/AIDS in the Middle East and North Africa: The Costs of Inaction
- (10): REPORT - Characterizing the HIV/AIDS epidemic in the Middle East and North Africa: Evidence on levels, distribution and trends
- (11): REPORT - Preventing HIV/AIDS in the Middle East and North Africa - a window of opportunity
- (12): REPORT - Characterizing HIV/AIDS epidemiology in the Middle East and North Africa: Time to Focus on Risk
- (13): REPORT - Public health in the Middle East and North Africa: meeting the challenges of the twenty-first century
- (14): WORKING PAPER - A Note on Disability Issues in the Middle East and North Africa
- (15): DISCUSSION PAPER - Environmental Health Review in the Middle East & North Africa Region
- (16): REPORT - A Water Sector Assessment Report on the Countries of the Cooperation Council of the Arab States of the Gulf
- (17): WORKING PAPER - Rural Water Supply & Sanitation in the Middle East and North Africa Region
- (18): WORKING PAPER - Water, Food Security and Agricultural Policy in the Middle East and North Africa Region
- (19): FLAGSHIP - Making the Most of Scarcity: Accountability for Better Water Management Results in the Middle East and North Africa
- (20): WORKING PAPER - Improving Food Security in Arab Countries
- (21): POLICY NOTE - Integrated Forestry Development in the Middle East and North Africa
- (22): WORKING PAPER - Tapping Hidden Resource: Energy Efficiency in the Middle East and North Africa
- (23): REPORT - A Strategic Framework and Action Plan to Mainstream the Global Environmental Agenda (GEF) in the Middle East and North Africa
- (24): WORKING PAPER - Middle East and North Africa – Opportunities for Mitigating the Environment Impact of Energy Use
- (25): WORKING PAPER - The changing financial landscape: opportunities and challenges for the Middle East and North Africa
- (26): WORKING PAPER - Making Microfinance Work Better in the Middle East and North Africa
- (27): WORKING PAPER - A Corporate Governance Survey of Listed Companies and Banks Across The Middle East and North Africa
- (28): REPORT - Risk Analysis for Islamic Banks
- (29): FLAGSHIP - Jobs, growth, and governance in the Middle East and North Africa: Unlocking the potential for prosperity
- (30): WORKING PAPER - Governance and Private Investment in the Middle East and North Africa
- (31): REPORT - Breaking the Barriers to Higher economic Growth: Better Governance and Deeper Reforms in the Middle East and North Africa
- (32): REPORT - Decentralization and Local Governance in MENA: A Survey of Policies, Institutions and Practices. *A Review of Decentralization Experience in Eight Middle East & North Africa Countries*
- (33): WORKING PAPER - Centralization, Decentralization and Conflict in the Middle East and North Africa
- (34): FLAGSHIP - Gender and Development in the Middle East and North Africa: Women in the Public Sphere
- (35): WORKING PAPER - Women Entrepreneurs in the Middle East and North Africa: Characteristics, Contributions, and Challenges





- (36): WORKING PAPER - Middle East and North Africa: Gender Overview
- (37): REPORT - The environment for Women's Entrepreneurship in the Middle East and North Africa
- (38): REPORT - The Road Not Traveled: Education Reform in the Middle East and North Africa
- (39): REPORT - Using PISA to understand the determinants of Learning in the Middle East and North Africa Region
- (40): FLAGSHIP - Unlocking the Employment Potential in the Middle East and North Africa Toward a New Social Contract
- (41): WORKING PAPER - Labor Market Reforms, Growth, and Unemployment in Labor-Exporting Countries in the Middle East and North
- (42): REPORT – Shaping the Future: A Long-Term Perspective of People and Job Mobility in the Middle East and North Africa
- (43): REPORT - Securing a Future for all Social Development Strategy for the Middle East and North Africa
- (44): WORKING PAPER - Case Study of the Middle East and North Africa Child Protection Initiative: an independent evaluation of the World Bank's support of regional programs
- (45): POLICY NOTE - Youth - An undervalued asset: towards a new agenda in the Middle East and North Africa - progress, challenges and way forward
- (46): REPORT - Economic Developments and Prospects: Oil Booms and Revenue Management
- (47): REPORT - Economic Developments and Prospects: Financial Markets in a New Age of Oil
- (48): REPORT - Economic Developments and Prospects: Job Creation in an Era of High Growth
- (49): REPORT - Economic Developments and Prospects: Regional Integration for Global Competitiveness
- (50): REPORT - Economic Developments and Prospects: Navigating Through the Global Recession
- (51): WORKING PAPER - Reforms and Growth in MENA Countries: New Empirical Evidence
- (52): WORKING PAPER - Public Infrastructure and Private Investment in the Middle East and North Africa
- (53): WORKING PAPER - The Political Economy of Industrial Policy in the Middle East and North Africa
- (54): REPORT - Sustaining Gains in Poverty Reduction and Human Development in the Middle East and North Africa
- (55): REPORT - Pensions in the Middle East and North Africa: Time for Change
- (56): WORKING PAPER - Implicit Pension Debt in the Middle East and North Africa Region: Magnitude and Fiscal Implications
- (57): FLAGSHIP - From Privilege to Competition: Unlocking Private-Led Growth in the Middle East and North Africa
- (58): REPORT - The Role of ICT in Production Networks and Supply Chains
- (59): WORKING PAPER - Opening up Telecommunications to Competition and MENA Integration in the World Economy
- (60): REPORT - Knowledge Economies in the Middle East and North Africa: Toward New Development Strategies





### COMPLETE LIST OF REGIONAL ECONOMIC AND SECTOR WORK

FY	PROJECT NAME
FY03	Trade, Investment and Development in the Middle East and North Africa: Engaging with the World
FY03	The Role of ICT in Production Networks and Supply Chains
FY03	Making Trade Work for Jobs: International Evidence and Lessons for MENA
FY03	Exchange Rate Management within the MENA Region: The Cost to Manufacturing Competitiveness
FY03	Long term economic development challenges and prospects for the Arab countries
FY03	Opening up Telecommunications to Competition and MENA Integration in the World Economy
FY03	HIV/AIDS in the Middle East and North Africa: The Costs of Inaction
FY03	Integrated Forestry Development in the Middle East and North Africa
FY03	The changing financial landscape : opportunities and challenges for the Middle East and North Africa
FY03	Jobs, growth, and governance in the Middle East and North Africa : Unlocking the potential for prosperity
FY03	HIV/AIDs Action Plans/Surveil. Sys.
FY03	MNA-Knowledge for Dev. Strategy
FY04	Unlocking the Employment Potential in the Middle East and North Africa Toward a New Social Contract
FY04	Better Governance for Development in the MENA: Enhancing Inclusiveness and Accountability
FY04	Gender and Development in the Middle East and North Africa: Women in the Public Sphere
FY04	A Strategic Framework and Action Plan to Mainstream the Global Environmental Agenda
FY04	Securing a Future for all Social Development Strategy for the Middle East and North Africa
FY04	Current World Trade Agenda: Issues and Implications for the MENA Region
FY04	Reforms and Growth in MENA Countries: New Empirical Evidence
FY04	Trade and Foreign Exchange Liberalization, Investment Climate, and FDI in the MENA Countries
FY04	Migration and Trade in MENA: Problems or Solutions?
FY04	Trade, Foreign Direct Investment and Development in the Middle East and North Africa
FY04	Labor Market Reforms, Growth, and Unemployment in Labor-Exporting Countries in MENA
FY04	Making Microfinance Work Better in the Middle East and North Africa
FY05	Economic Developments and Prospects: Oil Booms and Revenue Management
FY05	Public Infrastructure and Private Investment in the Middle East and North Africa
FY05	Democracy for Better Governance and Higher Economic Growth in the MENA Region
FY05	The Political Economy of Industrial Policy in the Middle East and North Africa
FY05	Pensions in the Middle East and North Africa: Time for Change
FY05	A Water Sector Assessment Report on the Countries of the Cooperation Council of the Arab States of the Gulf
FY05	A Note on Disability Issues in the Middle East and North Africa
FY05	Preventing HIV/AIDS in the Middle East and North Africa - a window of opportunity
FY05	Environmental Health Review in the Middle East & North Africa Region
FY05	Reg. Rural Water Sup. & Sanit. Note
FY06	Economic Developments and Prospects: Financial Markets in a New Age of Oil
FY06	Trade and Investment Integration of the Maghreb
FY06	Implicit Pension Debt in the Middle East and North Africa Region: Magnitude and Fiscal Implications
FY06	Water, Food Security and Agricultural Policy in the Middle East and North Africa Region





FY06	Sustaining Gains in Poverty Reduction and Human Development in the Middle East and North Africa
FY06	Case Study of Middle East and North Africa Child Protection Initiative : an independent evaluation of the World Bank's support of regional programs
FY06	The Demographic Benefit of International Migration: Hypothesis and Application to the Middle Eastern and North African Contexts
FY06	Governance and Private Investment in the Middle East and North Africa
FY06	The impact of regional trade agreements and trade facilitation in the Middle East and North Africa region
FY06	Is There a New Vision for Maghreb Economic Integration?
FY06	Regional Poverty Report
FY07	Economic Developments and Prospects: Job Creation in an Era of High Growth
FY07	Job Creation in a High Growth Environment: The MENA Region
FY07	Breaking the Barriers to Higher economic Growth: Better Governance and Deeper Reforms in the Middle East and North Africa
FY07	Making the Most of Scarcity: Accountability for Better Water Management Results in the Middle East and North Africa
FY07	Women Entrepreneurs in the Middle East and North Africa: Characteristics, Contributions, and Challenges
FY07	Doing Business 2008: Middle East and North Africa
FY07	Middle East and North Africa: Gender Overview
FY07	Youth - An undervalued asset : towards a new agenda in the Middle East and North Africa - progress, challenges and way forward
FY07	Decentralization and Local Governance in MENA: A Survey of Policies, Institutions and Practices. <i>A Review of Decentralization Experience in Eight Middle East &amp; North Africa Countries</i>
FY08	Economic Developments and Prospects: Regional Integration for Global Competitiveness
FY08	Centralization, Decentralization and Conflict in the Middle East and North Africa
FY08	The environment for Women's Entrepreneurship in the Middle East and North Africa
FY08	The Road Not Traveled: Education Reform in the Middle East and North Africa
FY08	Who Benefits Most From Migration? An Empirical Analysis Using Data on Return Migrants in the Maghreb
FY08	Return Migration and Small Enterprise Development in the Maghreb
FY08	Doing Business in the Arab World 2009: Comparing Regulation in 20 Economies
FY08	Middle East and North Africa – Opportunities for Mitigating the Environment Impact of Energy Use
FY08	A Corporate Governance Survey of Listed Companies and Banks Across The Middle East and North Africa
FY08	Risk Analysis for Islamic Banks
FY08	Export Diversification Egypt, Jordan, Lebanon, Morocco, and Tunisia
FY08	Using PISA to understand the determinants of Learning in the Middle East and North Africa Region
FY09	Economic Developments and Prospects: Navigating Through the Global Recession
FY09	Shaping the Future: A Long-Term Perspective of People and Job Mobility in the Middle East and North Africa
FY09	An Assessment of Sources of Data on International Migration in the Maghreb and Egypt, Focusing on Population Censuses and Household Surveys
FY09	MENA-to-EU Migration and Labor Market Imbalance
FY09	Skilled Migration from The MENA Region: Trends, Impacts, and Policy Responses
FY09	Social Protection Management for Migrants: The Case of EU and North Africa – 2009





FY09	The International Migration Architecture: A Survey with Lessons for the MENA Region
FY09	Why is Diaspora Potential so Elusive? Towards a New Diaspora Agenda in North African Economies
FY09	Water in the Arab World: Management Perspectives and Innovations
FY09	Strengthening China's and India's Trade and Investment Ties to the Middle East and North Africa
FY09	Firms' productive performance and the investment climate in developing economies : an application to MENA manufacturing
FY09	Improving Food Security in Arab Countries
FY09	Tapping Hidden Resource: Energy Efficiency in the Middle East and North Africa
FY09	Characterizing HIV/AIDS epidemiology in the Middle East and North Africa: Time to Focus on Risk
FY09	Changes in Cross-Border Trade Costs in the Pan-Arab Free Trade Area, 2001 – 2008
FY09	From Privilege to Competition: Unlocking Private-Led Growth in the Middle East and North Africa



**COMPLETE LIST OF REGIONAL TECHNICAL ASSISTANCE**

FY	Technical Assistance Operations
FY03	MNA--Community Driven Development
FY03	MNA - Energy/Environment Review
FY03	Regional Child Protection/Labor Study
FY03	MNA-Knowledge for Development Strategy
FY03	Children and the City Conference
FY03	(LKD)PPIAF:MENA Workshop for H2O/Electricity
FY03	MNA-Housing Access to the Poor (Ph. 2)
FY03	Public Health Strategy (Conf. follow-up)
FY03	MNA-PPP in water and energy
FY04	PPMI-2 ST Consults/Sector Studies
FY04	PPMI-2 Awareness/3rd Party training
FY04	PPMI-2 Sector Studies
FY04	PPMI2-3RD PARTY TRAINING/PUBLICATIONS
FY04	(LKD)PPIAF: MENA Seminar on Competition
FY04	(LKD)PPIAF: Roundtable on WSS and Power
FY05	MNA Legal Framework Municipal &Hospital Waste
FY05	Regional ECD Capacity Building
FY05	SUPPORT METAP SOLID WASTE MANAGT
FY05	METAP-Regional Solid waste management-TA
FY05	Agri-business Promotion
FY05	Dubai Children and Youth Conference
FY05	Water Strategy Implementation.& Donor Coordination
FY05	Dubai Dissemination --- Yemen Roundtable
FY06	MENA Regional Initiative for Dry-land Management.
FY06	MNA Regional Water Partnership
FY06	MNA-Cultural Heritage Coordination -
FY06	MNA OVERSIGHT CAPACITY OF PARLIAMENTS
FY06	Strategic Environmental Assessment/Yemen-Djibouti
FY06	5M-Maghreb Reform Knowledge Partnership
FY06	Regional HIV/AIDS Strategy
FY06	Women in the Economy - Maghreb
FY06	Women in the Economy - Mashreq
FY08	MNA Int'l Migration
FY08	MENA Regional Governance Trust Fund
FY08	Regional Diabetes Dissemination Activity
FY08	MNA Health Policy Conference
FY08	Regional Youth Sector Work
FY08	MENA International Migration
FY08	5M-Roundtable on Sustainable Regional Energy Dev
FY08	The Arab International Women's Forum
FY08	MENA AML/CFT Compliance Training
FY09	METAP - SMAP III
FY09	Morocco GAC Diagnostic Survey
FY09	MENA AIDS Strategic Planning
FY09	Support to the Academy for learning
FY09	Assessing Trade Integration in PAFTA
FY09	Science Technology & Innovation Workshop