

**Expert Group Meeting on
“Fostering Partnerships between International and Regional Private Sector Institutions and
their Counterparts in Crisis Stricken Countries: Towards a More Resilient Private Sector”**

**12-13 December 2007
Intercontinental Hotel, Amman, Jordan**

Unedited Report

Introduction

The private sector is a vehicle to development through providing income and employment generation. Operating in countries affected by conflicts, the sector faces many challenges and difficulties due to mainly to the lack of security and high political risk. The operations of the private sector can also directly or indirectly affect the conflict situation. In order to better understand the dynamics of private sector activities and partnerships in conflict situations, UN-ESCWA has organized an Expert Group Meeting (EGM) on "Fostering Partnerships between International and Regional Private Sector Institutions and their Counterparts in Crisis Stricken Countries: Towards a More Resilient Private Sector" from 12 to 13 December 2007, in Amman. The goals of the EGM were to:

1. Provide a platform for discussing the inter-linkages between conflict, development, and the private sector.
2. Examine strategies that would enhance private sector capacity to adapt, diversify and innovate under conflict situation.
3. Study government policies that serve to strengthen private sector resilience in times of political tensions and conflict
4. Promote private sector partnerships with the government and the civil society with the aim of enhancing private sector resilience and fostering its positive contribution to conflict affected societies.
5. Provide input for the design of future technical assistance and capacity building programmes/projects to support private sector activities in countries afflicted with political tension and conflict.

The EGM was planned and organized by the Unit for Emerging and Conflict Issues (ECRI). It brought together 22 regional and international experts on private sector and conflict, private sector representatives, in addition to public sector and civil society representatives concerned with private sector development policies in countries affected by conflict, mainly, Iraq, the Occupied Palestinian Territory, and Lebanon.

The meeting was organized around four panels. The first discussed latest conceptual work and research on the conflict, development and the private sector. The Second session addressed ways to improve the resilience of the private sector in crisis affected countries through the role of major stakeholders in the private sector, public sector, and international organizations. The third session presented case studies of enterprises operating in Iraq, Palestine, and Lebanon highlighting their partnerships with different actors. The Last session was dedicated to the role of expatriates in supporting private sector in their home countries. Following is a summary of the main presentations and deliberations that took place during the EGM.

INTERLINKAGES BETWEEN CONFLICT, DEVELOPMENT AND THE PRIVATE SECTOR

Private Sector: Vehicle for Development despite Conflict

The private sector can contribute significantly to job creation, productivity and poverty reduction. In conflict situations, the private sector can be a catalyst stirring more conflict or a peace maker and development actor. The latter role can be envisaged in many ways such as creation of mutual economic dependencies among conflicting groups or taking part in the reconciliation and reintegration processes. The private sector can act as a pressure group to promote peace and political stability or facilitator of peace processes. Development actors and donors can support a positive role of the private sector in conflicts through training and guidance to tap its potential for humanitarian, relief and development aid, capacity building, and good governance programmes, and regulatory reforms.

What can companies do to minimise negative impacts on communities and other stakeholders, and therefore minimise risks to their own operations in a conflict situation?

Companies operating in conflict situations face significant risks as they have to deal with weak institutions, poorly developed legal infrastructure, and widespread corruption. Conflicts may continue – either in the form of low-level violence or intense political rivalries - even after ceasefires. Moreover, investment decisions are highly political and enterprises face high reputational risks when they engage with regions with poor governance standards.

Companies operating in conflict environment base their decisions on risk/return, not altruism. The way they do it, however, varies with business models, countries and sectors:

- Local businesses – need to do business to survive, but won't put additional investment to risk until the situation stabilises.
- Major regional and international companies are interested in major opportunities and 'first-mover' advantage, they need 'global opportunities' to justify high risks
- Many companies are 'niche players' specialising in high risk areas
- Diaspora investors have personal motivations and can benefit from local connections

Some of the priority or opportunity sectors which have attracted businesses in conflict situations are construction, mobile phone operators, transport and logistics, petroleum and mining, banks and hotels.

Doing business in conflict has consequences beyond the immediate risk/benefit of enterprises., Enterprises not only need to assess the risks they are taking but also need to be 'conflict sensitive' and aware of the social and environmental impacts of their projects on conflict. In the worst case, the private sector and aid may contribute to conflict instead of alleviating it.

Role of the Public Sector in Creating an 'enabling environment'

The state is the one and only system that has the legitimacy to define laws, set security frameworks, and sign peace treaties. The private sector's most important role is to concentrate on core commercial activities, create jobs and pay taxes. The private and public sector can bridge the 'Cultural divide' between them through further collaboration. Some partnership areas include specialist advice from the private sector, serving as implementing agency, and development partnerships. It is very important to realize that sustainable business requires regular, repeatable transactions that benefit both sides.

Governments can implement a number of strategies to enhance the resilience of the private sector in times of conflict. The first strategy consists of policies aiming to secure businesses during times

of conflict and violence. This is seen as a typical provision of security as a public good. Well secured economic zones are one solution that has been proved successful in previous experiences, like the Green Zone in Baghdad. Rescheduling of tax and financial payments of firms and offering them additional financial support are also beneficial tools that can boost the economic performance of businesses. The second strategy consists of actions that have a critical role in periods of post-conflict peace and recovery. Firms need “guarantees” or “safety nets” to invest in risky environments. Benefits of early entrants, like long term contracts especially in the countries that are rich in natural resources, might attract investors. Palestine serves an example where political-risk insurance supported private investment since the implementation of the Oslo agreements. Improving business rules and regulations is another strategy where governments could help the private sector in times of conflict. More flexibility and simplicity in investment and commercial laws would reduce the risks firms face in times of conflict, as they are able to quickly close and reopen their businesses with minimal regulatory hurdles. Along with the efforts aiming at establishing security and stabilization, attention has also to be paid to the role of public institutions with respect to their work efficiency, defining and protecting property rights, and contracts enforcement.

IMPACT OF POLITICAL ENVIRONMENT ON PRIVATE SECTOR DEVELOPMENT IN THE ESCWA REGION

A review of political environment and dynamics in the region shows that Western Asia faces a major regional war at an average of every ten years, mainly the Arab-Israeli wars, six decades of Israeli occupation of Palestine, and three major Gulf wars. The absence of an effective (national and regional) mechanism to broker stability have exposed the region to direct intervention of foreign armies, overt foreign intervention in domestic affairs and long protracted local conflicts and political tensions. This led the region to fall into a vicious circle of weak national political and socio-economic systems, underperformance and slow growth, and international competing interests.

Situation of the Private Sector in Iraq, Lebanon and Palestine

Private sector development in Iraq is affected by the many conflicts the country underwent and by also the centralized nature of the economy which prevailed for over four decades. The state controlled a big part of economic activity in Iraq. Private enterprises operated under restrictions on the type of activity, size of capital, and movement of capital and investments. Foreign trade and finance were also economic activities controlled by the State. The private sector in Iraq has benefited from and relied on government support. However, it did not benefit from the advantages of operating in a free economy such as higher profitability and growth rates, innovative products, and enhanced competitiveness. Foreign investments started flowing into Iraq after the 2003 war. Most of these investments targeted big projects or companies. Private enterprises now face direct and indirect war induced losses, the sudden lift of the controls, dwindling public support, and a mass exodus of Iraqis

In Lebanon, where the private sector is relatively more developed and the economy is more liberal, private enterprises experienced direct and much more indirect losses after the 2006 July war and ensuing high levels of political uncertainty in the country. The private sector operates in a small economy and is dominated by SMEs. Overall investment in Lebanon has slowed down after the July 2006 war. Lebanon attracted over US\$ 2 billion in FDI flows in 2006 and ranked the fourth amongst all Arab countries. After 2005, the level of investments in Lebanon was adversely affected by high political risks.

The private sector is also dominated by SMEs and it's development is severely affected by ongoing conflict. The OPT has a relatively high aid dependency ratio that came that materialized from the persisting situation of occupation, violence, and restrictions on access and movement, and the isolation policy continuously disrupting business operations. Still, many SME's continue to

survive through adopting strategies to enhance their resilience although they mostly operate below potential. The OPT saw significant fall in investment from US\$ 1.3 billion in 1999 to \$100 million in 2002 endangering the prospects for long-term growth. Public investment to maintain or add infrastructure has nearly ceased and in the last two years almost all government funds have been used to pay salaries and cover operating costs. Arab investments in the OPT have been very minimal during the era of Israeli occupation and following the signing of Oslo Accord in 1993.

Doing business legislation in Iraq, Lebanon and Palestine

In addition to the high risks stemming from armed conflicts and political instability, the legislation for doing business in the three conflict-stricken countries is characterized by very low efficiency and high burden on firms. The World Bank's Doing Business Survey, shows that the three countries ranked very low in 2007 with respect to the ease of doing business indicator, with Iraq ranking 141 out of 155 countries. Enforcing contracts took a significant number of procedures (as high as 55 in Iraq), lasting more than a year and costing more than 30 percent of firms' debt in Lebanon and Iraq. For closing a business, it takes 4 years in Lebanon, costs 22 percent of the estate value in bankruptcy proceedings; and creditors could only recover 19 percent of their claimed amount on insolvent firms. This is slightly better than the zero recovery rates in Iraq and Palestine, but still much below MENA and OECD averages. These indicators show that it takes more than insuring stability to attract private sector investments under conflict. Governments should drastically reform their legislation related to the business and investment climate, in order to provide firms with enough flexibility and transparency which eventually increases their confidence and reduces the perceived risks of countries.

RESILIENCE OF THE PRIVATE SECTOR IN CRISIS AFFLICTED COUNTRIES – MINIMIZING RISKS AND EXPLORING OPPORTUNITIES

Enterprises operating in countries in conflict face a number of common challenges. Many enterprises experienced losses of lives of clients and staff as well as physical losses of premises and products. They operate in adverse business environment where they experience high operation costs. Enterprises need to pay hazard premiums to staff and suppliers as a result of the lack of security. Restrictions on movement of persons and goods, by force or as a result of the lack of security, exacerbated the difficulty of operations. Businesses find it hard to secure financing for their operations. Absence of modern business laws and difficulty in law enforcement leave many enterprises to face higher risks of delinquencies. Despite these challenges, private sector enterprises continued to do business in conflict situations by following strategies to minimize their risks, find new clients, shift the focus of operations, find new sources of financing, increase operational efficiency, or resort to innovative ways of doing business. Partnerships with other private entities, public sector and international agencies to realize one or more of the mentioned strategies have contributed to the survival of businesses in conflict situations.

Role of Private Partnerships in Improving the Resilience of Enterprises

Case Study of ASALA, Palestine

Asala is a Microfinance Institution working in the West Bank and Gaza to empower Palestinian women entrepreneurs by providing flexible loans to start or expand a business and continuous training and counselling services. During the past two years, Asala faced many challenges. Two clients were killed and an increasing number of borrowers became unable to fulfil their financial obligations, particularly in Gaza where losses reached US\$ 200,000. The increase in delinquencies adversely affected liquidity and sustainability of operations, productivity of staff declined, and the organization had difficulty in enforcing legal contracts. This affected lending which was noted to deteriorate steadily from US\$ 1.4 million in 2005 to US\$ 0.93 million in 2007. In response to the situation, the organization adopted a number of coping strategies. Loans were reduced and were extended to low risk existing clients; different types of guarantees became required; and collection of payments was made using social pressure. Operational deficits were covered through fund raising. Asala is working with the Palestinian Network for Small and Microfinance (PNSMF) to establish a guarantee fund to support microfinance organizations in the OPT.

Case Study of Electronic Industries Co. S.A., Iraq

The Electronic Industries Company was established in 1973 in Iraq with an initial capital of ID 1 million. It is one of the large mixed sector (public and private ownership) companies employing over 700 people. After the 2003 war on Iraq, the company's turnover declined sharply by more than 80 percent. The company sustained severe damages in most of its factories and centres. The company now has a plan to rebuild damaged factories, and rehabilitate and modernize its production facilities through forming strategic partnerships with regional or international organizations to secure necessary capital.

Case Study of Al-Thakira Co. Iraq

Al-Thakira Company was established in Baghdad in 1992 to provide software solutions to local establishments. After 2003, the company faced many challenges. The company had a sharp increase in running costs as a result of the increase in the prices of materials and the payment of risk allowances to staff. Moreover, it became insecure for staff to travel from one governorate to the other to deliver services. In response to the situation, the company established partnerships in Basra to be able to operate in the governorates south of Baghdad. Outside Iraq, the company established successful partnerships in Jordan and the UAE. The company values its partnerships with different actors in Iraq and the region and sees them as contributing to coexistence of people from different sects and nationalities.

Role of Public Sector Partnerships: Lebanese Government's Programme of Support to the Private sector

As mentioned earlier, in addition to its basic role of providing security, one of the strategies the Government can follow to support private sector activity is through financial support and facilitation. The Lebanese Government embarked on many post conflict measures to support the private sector in the aftermath of the July 2006 war in Lebanon. Main financial schemes mobilized financing facilities of a total of \$1.3 billion and focused on the enlargement of existing subsidized

government loans to leverage their impact and the creation of new financial tools. Soft loans were extended to the private enterprises with the following eased conditions:

For enterprises suffering severe direct damages only:

- Broaden access and extend maturity of subsidized loans programs
- Increase loans ceiling
- Extend subsidized loans to cover more assets
- Extend the grace period (to 2 years) and loans' maturity (to 10 years) in order to facilitate rescheduling of the existing loans.

For enterprises with indirect damages:

- Extend loan facilities to more economic sectors and activities: distribution, transport, storing, trading, education, health...
- Expand Trade Finance facilities through the expansion of existing trade finance lines (IFC, EIB,...)

The government has also undertaken measures to support SMEs by strengthening leasing programs as well as tapping on international and Arab equity funds driven by the current goodwill towards Lebanon. It is also promoting the introduction of new financial tools such as securitization, Islamic Financing, and equity guarantee schemes. Other forms of support to the private sector came in the form of tax incentives grace periods, tax credits and exemptions to ease the tax burden of enterprises.

Investment Development Authority of Lebanon (IDAL): Strategies to Face High Political Risk

IDAL has played two major roles in supporting investments in the private sector in Lebanon mainly through investment promotion and export promotion. IDAL has put into effect a strategy to face these risks at both the national and international levels. It is working to expand its activities at the international level through Government coordination. It is also partnering with the government to provide short term recovery mechanisms through financial compensation, guarantees for subsidies, and extended tax holiday periods. It is working now to establish and expand partnerships with Lebanese Diaspora, and Gulf and international investors.

B. Role of International Organizations

Partnerships with international organizations can play an important role in the development of private sector in conflict affected countries. These organizations bring together needed resources, global expertise, and technical focus to the areas where they work. Beyond aid provisions, international organizations are also becoming more involved in the direct implementation of projects in countries where they operate.

International Finance Corporation and the World Bank Group

The International Finance Corporation (IFC), which is globally specialized in private sector development, provided support to enterprise in conflict affected countries through lending and advisory services. The overall investments of IFC in these countries amounted to US\$1.82 billion making benefits to 190 enterprises in 20 countries. The MENA region¹ received almost 40 percent of these investments in addition to US\$22.66 million worth of advisory services. In implementing projects and providing advisory services in conflict areas, the IFC capitalized on its global experience and presence as well as collaboration with the World Bank which enabled a quick launch of interventions and an effective focus on specific areas such as access to finance, business

¹ MENA Conflict Affected Countries are defined by the IFC as Afghanistan, Iraq, Lebanon, and the Occupied Palestinian Territory.

environment, infrastructure and enterprise development. IFC worked through partnerships to leverage its investments in these countries. The projects were focused on sectors of high potential impact on reconstruction such as communication, construction materials, banking and microfinance.

IFC Rapid Engagement in a Sensitive Area: The Case of Afghanistan

One of the successful partnerships with SMEs is the “Horticulture Export Development Project”. The project provided advisory services to raisin and pomegranate producers in Kandahar to improve production and marketing of produce. It introduced new production technologies which have improved productivity by three fold and assisted in enhancing quality of production by advising wholesalers to provide “embedded” extension services to farmers and through training 10 extension workers and 600 farmers. The project also assisted wholesalers to identify export markets for their products. The project gives a good example of rapid engagement in a sensitive area in an economically vital sector. Many advantages were realized through collaboration and partnership with other organizations. The project was designed on basis of knowledge and experience of other donors like USAID and UNDP. Shared consultants with World Bank Group in project design resulted in key synergies with WB Emergency Horticulture & Livestock Project.

IFC Post Conflict Interventions: The Case of Lebanon

In response to the July 2006 war on Lebanon, the IFC has immediately up-scaled its operations from US\$ 30 million to US\$ 275 million in investments and advisory services. It has also redirected its policy from “limited engagement” to taking lead for World Bank Group operations in Lebanon. By mid August, 2008, the IFC developed a needs assessment and committed to implementation in 6 weeks. The IFC started implementing finance projects to support trade, SMEs, and larger corporations through financing schemes with commercial banks and a microfinance institution. Advisory services for longer term structural reforms such as access to finance, business start up, privatization and corporate governance were also provided. The benefits of IFC partnerships with the World Bank and private sector enterprises include leveraging investments and complementing support efforts. The lessons learned from the IFC experience highlight the need for immediate, flexible, and innovative approaches to private sector support in countries affected by conflict. These approaches give space for longer term programs to be designed and implemented. Finally, there is no recovery in a country without private sector recovery.

SUPPORTING THE PRIVATE SECTOR THROUGH PARTNERSHIPS WITH EXPATRIATES

Expatriates can play an important role in the development of the private sector in their home countries during times of conflict. The MENA region has been a source and a destination for a large number of workers who left their countries to look for better living and employment prospects elsewhere. The region has also been a source of migrants to the rest of the world. One of the positive aspects of the expatriates and migrants is the amount of remittances they transfer to their home countries. Incoming remittances have more than doubled between 2000 and 2006 in the MENA region. In the OPT and Lebanon, remittances’ share in GDP exceeded 25 percent in 2006 and by far exceeded FDI flows to both countries. In Lebanon, remittances were supported by a liberal capital movement and a developed financial system. However, most of the remittances go into financing private consumption and therefore into bridging the huge current account deficit.

This, for example, has provided an important socioeconomic cushion to Lebanon during times of conflict. Many families rely on the income transferred by siblings or relatives. However, not much has been done regarding expatriate investment in the country. The situation is similar in the OPT where expatriate groups around the world do not play a significant role in the development and rehabilitation of the country. Their involvement is hindered by mainly institutional weakness of expatriate organizations, narrow focus, the security situation in the OPT and the geographic distance. On the positive side, many Palestinian expatriates feel a close affinity and allegiance to Palestine and to the Palestinian people. They also have the advantage of not living in the chaos and turmoil of occupation.

There is a need to shift focus to the developmental role the expatriates can play in their countries or origin. A good example is Mexico where the government put in place policies to support transfers into projects and where an important proportion of remittances finance SMEs. In addition to remittances, the expatriates and Diaspora are found to have important contribution through other channels of economic activity such as tourism, transportation, telecommunications, trade in ethnic and cultural products, and financial services. It is very important to establish networks and channels to facilitate partnerships with the expatriates particularly during times of conflict.

Partnerships with the Expatriates

Case Study of E-commerce and the Baklava Industry in Lebanon

In Lebanon, the size of Lebanese migrants and expatriates is estimated to be three times the size of the population. A case in point is the Baklava industry supported by E-commerce and providing a new venue for trade between residents and expatriates. The demand for Baklava by the expatriates is high since it is considered a prestigious traditional product. During periods of high political risk in the Lebanon, several major Lebanese producers were able to sell Baklava across the borders to clients in the USA and Europe through on-line orders. These sales make between 5-10 percent of business transactions and they are supported by a special financial services offered by some Lebanese banks. Challenges faced by producers are mainly due to high financial costs, inefficient internet services, and controls on access to destination markets. During times of conflict, e-commerce can be one of the important venues for selling products and services. SMEs need to study e-commerce strategies to find new clients and grow. The Government can also play an important role in facilitating e-commerce by providing an efficient infrastructure of telecommunications, a legal framework to regulate and safeguard e-commerce, and initiating trade agreements with other countries.

Partnerships with the Expatriates (cont'd)

Networking with the Diaspora: Case Study of TOKTEN Programme/UNDP in the OPT

The TOKTEN Palestinian Programme was first introduced in the West Bank and Gaza Strip as part of the UNDP's Programme of Assistance to the Palestinian People (PAPP) in September 1994. The TOKTEN Programme has been successful in sponsoring short to mid-term consultancy missions for Palestinian expatriate experts, attracting more than 550 female and male professionals who served in senior advisory and planning positions in various key Palestinian Authority ministries and other leading institutions in the occupied territories i.e. universities, selected organizations, research centres and private sector enterprises. Around 12 percent of the TOKTEN participants have elected to resettle in the Occupied Territories, signalling the success of the programme and contributing to a "brain gain." The program can also work to facilitate the engagement of Palestinians around the world in capacity building and knowledge creation/sharing in Palestine, help develop strategies that focus on building capacities within individuals and organizations, and support build Palestinian knowledge creation and innovation capacities through e-learning and informal learning circles. The TOKTEN website seeks to create a Roster of Expatriate Palestinian Experts and a roster of Technical Assistance needs. Ideas for joint partnerships between the UNDP and the private sector could entail creating an enabling environment for the involvement of the Diaspora, encouraging advocacy of the "right to development", assessing the possibilities of consulting and advisory roles in the private sector for expatriates, and establishing mechanisms for Diaspora involvement. Future steps emphasize the need to attract private sector investments and involvement from both domestic and international sources.

Concluding Remarks

- The private sector can contribute significantly to job creation, productivity and poverty reduction in countries affected by conflicts. It can also act as a catalyst stirring more conflict. During times of conflict, the private sector's most important role is to focus on core commercial activities. While security remains the main concern for private sector operations in countries affected by conflict, enterprises not only need to assess the risks they are taking but also need to be 'conflict sensitive' and aware of the social and environmental impacts of their projects on conflict. Corporate responsibility is a key to the survival of the private sector and not an optional extra.
- The state is the one and only system that has the legitimacy to provide security. Governments can facilitate the resilience of the private sector in times of conflict by putting in place policies aiming to secure businesses. Flexibility, simplicity, and transparency in the business environment can do much to reduce the risks firms face in times of conflict, and would therefore encourage more private investments. Governments through fruitful partnerships with donors and international institutions and NGOs can be a source of major support to the private sector in and after conflict times, not only through compensation payment, but through other developmental measures such as easing financial burdens, and improving access to business services. Investment promotion agencies can contribute to identifying niche areas of investments and to coordinate government efforts in providing support to the private sector.

- International organizations play an important role in supporting the resilience of the private sector in conflict affected countries through financing, provision of technical assistance, provision of research and policy recommendations, and facilitating networking channels. The lessons learned from the IFC and World Bank experiences highlight the need for immediate, flexible, and innovative approaches to private sector support in countries affected by conflict. International organizations as well as the wider donor community can play strong complementary roles in private sector development in conflict-affected countries. There is an ongoing need to learn and share respective mandates, roles and practices to better understand how to maximize synergies amongst the various organizations involved in the process.
- The Diaspora and expatriates can play an important role in supporting their home countries during conflict through remittances and through their contribution to other economic activities. More engagement by the expatriates is sought in investment and developmental projects. This would require enhancing the networking channels with them through partnerships amongst private sector representatives, expatriate representatives, and international organizations. It would also require their exposure to investment opportunities in their home countries. The Government can play an important role to shift focus into the developmental effects of remittances on the economy through providing the necessary policy framework.

Recommendations

In light of the presentations and deliberations of the EGM which have all converged to the importance of private sector development in conflict situations, the following points can be recommended for future action through various forms of partnerships among private and public entities, international organizations, experts, and any other concerned actors:

- Study and assess the effect of private sector operations, local and international businesses, on the conflict situation in countries affected by conflict. The study should aim to identify the concept of “corporate responsibility” and recommend ways to limit the negative impacts of businesses on conflict situation.
- Explore and study specific business mechanisms in sectors of interest that would enhance the resilience of local businesses during conflict. ICT and E-commerce could provide new important venues to doing business in counties in conflict.
- Provide policy recommendation to Governments on ways to enhance business and investment legislation, financial services and access to funds, and improve business infrastructure with the aim of improving the business climate
- Explore the possibility of providing investment guarantee and war risk insurance schemes to businesses operating in conflict situations.
- Design projects to train private sector decision makers on tools to manage political and security risk.
- Improve public-private partnerships through further collaboration between both sectors. Some partnership areas include specialist advice from the private sector, serving as implementing agency, and development partnerships.
- Promote South-South investments in countries affected by conflicts. Many countries in the region are invited to play a more active role in countries affected by conflict not only

through humanitarian aid but also through more investments and involvement in development projects.

- Promote networking with the Diaspora and expatriates through partnerships with business groups, and provide efficient mechanisms to introduce the former to profitable investments which could be of interest to them in their home countries.
- Build awareness for and promote public policies that enhance access of the Diaspora and expatriates and engage them in developmental activities in their countries of origin.

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Annex II: Agenda

Wednesday, December 12, 2007

- 08:30 – 09:00** **Registration**
- 09:00 – 09:30** **Opening Statements**
- 09:30 – 11:30** **SESSION 1: INTERLINKAGES BETWEEN CONFLICT, DEVELOPMENT AND THE PRIVATE SECTOR**
- The Private Sector: A Vehicle for Development in spite of Conflict and Political Tensions in the ESCWA Region**
- Mr. Antoine Mansour, Head of Unit for Emerging and Conflict Related Issues, Economic and Social Commission of Western Asia (UN-ESCWA)
- Public-Private Partnerships in State Building and Recovery from Conflict**
- Mr. John Bray, Director (Analysis), Control Risks
- Doing Business under Uncertainty: The Role of Public Policy in Mitigating the Risks Firms Face during Conflict**
- Mr. Jad Chaaban, Assistant Professor, Department of Economics, American University of Beirut
- Discussion**
- 11:30 – 12:00** **Coffee Break**
- 12:00 – 13:00** **SESSION 2: RESILIENCE OF THE PRIVATE SECTOR IN CRISIS AFFLICTED COUNTRIES – MINIMIZING RISKS AND EXPLORING OPPORTUNITIES**
- IFC's Partnerships for Private Sector Development in Conflict-Affected Countries**
- Ms. Mary Porter Peschka, Senior Operations Officer, Private Enterprise Partnership - Middle East & North Africa, International Finance Corporation (IFC)
- IBRD and IFC Response in the Face of Crisis in Lebanon**
- Ms. Julia Brickell, Head of Lebanon Office, International Finance Corporation (IFC)
- Discussion**
- 13:00– 15:00** **Break**
- 15:00 – 17:00** **SESSION 2: RESILIENCE OF THE PRIVATE SECTOR IN CRISIS AFFLICTED COUNTRIES – MINIMIZING RISKS AND EXPLORING OPPORTUNITIES (CONT'D)**
- Lebanese Government's Programme of Support to the Private Sector**
- Mr. Roger Melki, Advisor to the Minister of Finance, Ministry of Finance, Lebanon
- Public-Private Partnerships for Investment Promotion in Lebanon**
- Mr. Abbas Ramadan, Economic Research Officer, Investment Development Authority of Lebanon (IDAL)

Arab Investment Initiatives and Prospects to Foster the Integration of the Palestinian Economy with Arab Economies.

- Mr. Naser Abdelkarim, Professor of Financial Economics, Birzeit University, Occupied Palestinian Territory

Challenges facing Private Sector Operations in Iraq

- Mr. Basim Jameel Anton, Vice Chairman of Iraqi Businessmen Union

Discussion

Thursday, December 13, 2007

9:00 – 10:15

SESSION 3: STRENGTHENING THE RESILIENCE OF THE PRIVATE SECTOR THROUGH PARTNERSHIPS: CASE STUDIES IN SELECTED SECTORS

Private Sector Partnerships in Microfinance

- Ms. Salma Sleyman, Resource Development & Public Relations Manager ASALA; Palestinian Business Women's Association

Partnerships in Industry in Iraq: Experience of Electronics Industries Company

- Mr. Tarik Saleh AL-Rubaie, Manager, Electronics Industries Company

Private Sector Partnerships in IT: Experience from Al-Thakira Company

- Mr. Ahmed Mohammed, Owner and Manager, Al Thakira, Iraq

Discussion

10:15 – 10:45

Coffee Break

10:45 – 13:00

SESSION 4: SUPPORTING THE PRIVATE SECTOR THROUGH PARTNERSHIPS WITH EXPATRIATES

Expatriates' Remittances and the Lebanese Economy

- Mr. Nassib Ghobril, Head of Economic Research & Analysis, Byblos Bank Group

Diaspora and E-Commerce: A Case Study from Lebanon

- Ms. Guita Hourani, Associate Director & Researcher, Lebanese Emigration Research Center (LERC), Notre Dame University (NDU)

Networking with Expatriates

- Mr. Mounir Kleibo, Head of Governance, UNV-TOKTEN Manager, UNDP/PAPP

Discussion

13:00 – 13:30

CLOSING SESSION