

**WORLD BANK CONSULTATIONS ON THE EVOLUTION PROCESS
MIDDLE EAST AND NORTH AFRICA REGION – MULTI-STAKEHOLDER
MONDAY, JULY 24, 2023 || 1:00PM – 4:00PM RABAT TIME
RABAT, MOROCCO (HYBRID)**

World Bank Representatives:

Anshula Kant, Managing Director and Chief Financial Officer World Bank Group

Dirk Reinermann, Director, IDA Mobilization and IBRD Corporate Finance

Jesko Hentschel, Country Director for the Maghreb and Malta, World Bank

Jean-Christophe Carre, Country Director for Mashreq (Iran, Iraq, Jordan, Lebanon and Syria)

Stefan Emblad, Country Director for West Bank & Gaza

Ziad El Nakat, Resident Representative, Kuwait

Sherif Bahig Hamdy, Sr. Operations Officer, Egypt

Moderator:

Nasma Jrondi, Senior Expert in Sustainable Development, VP Mentor'Elles Association

Introduction

The World Bank has been engaging in global consultations on the Evolution Process. The parameters of these consultations are outlined on this website [here](#) in an outreach plan. The first Evolution Roadmap Forum, held on April 11, 2023, at the Spring Meetings, kicked off the official consultations in parallel with the online multi-stakeholder consultation process. While participants expressed appreciation for the opportunity to engage in the Forum in Washington, they underlined *the importance of taking the consultation on the road to global south stakeholders*.

Building on the Evolution Forum, this second phase of the WBG's public consultation period consists of **regional consultations** to take place in all seven regions of the Bank's work during the month of July 2023 (see full schedule in Annex 2).

Morocco serves as a hub for the MENA region's Evolution Roadmap Consultation session. It is also the location of the Bank's main office of the Maghreb sub-region, which includes Algeria, Tunisia, and Libya. It is also the location of the upcoming Annual Meetings in October, which will be hosted in Marrakech (October 9-15). The consultations in Rabat were in person, but stakeholders in the West Bank and Gaza, Egypt, Lebanon and Kuwait attended via Zoom from the Bank offices along with Country Director or Senior Staff. Stakeholders from these countries and others across the region and the world also joined via Zoom.

MENA Consultations

This consultation targeted in-person stakeholders in Rabat along with invited in-person participants that connected virtually with World Bank offices in Jerusalem, Cairo, Beirut, and Kuwait City. Invitations were extended with the goal of ensuring a diverse and balanced representation of different types of organizations, including civil society, think tanks, academics,

development partners, and the private sector. Participants also attended from these countries and others in the region and the world via the Zoom.

The moderator opened the discussion by welcoming the participants in the participating World Bank offices and online, and encouraged attendees to really engage and provide their views on the Evolution process. World Bank Country Director for the Maghreb and Malta, **Jesko Hentschel**, also welcomed participants, providing a global overview on the consultations, and framing the local context for the discussion. In her presentation, World Bank Group Managing Director and CFO, **Anshula Kant**, indicated that the World Bank is committed to a collaborative and inclusive process informed by the Bank's stakeholders, and then provided an overview of the three main pillars of the Development Committee paper, which was shared with participants ahead of the consultations. The moderator then opened the floor for interventions (see Annex 1 for specific comments and questions from participants). The consultation was conducted under Chatham House Rule; therefore, comments are not attributed.

Participants: A total of 109 people attended – including 44 external stakeholders attending in person in World Bank country offices and 65 external stakeholders via the Zoom (see list of participants in separate file).

MAIN HIGHLIGHTS

- **Mission and vision:** These were welcome, but the feasibility of balancing global public goods (GPGs) and local issues is questioned. The recommendation from several participants is to meet individual countries first and then align global strategies to local plans. The expectations for a better and bigger World Bank are running high.
- **Regional challenges and cooperation:** The importance of promoting regional integration and access to digital services were frequently raised throughout the discussion. Regional cooperation in the region –in general, not just on climate change matters— is lacking and should be incorporated into the Bank's plans.
- **Private sector:** Private sector development was one of the main themes of the discussion and many participants highlighted the importance of the World Bank's role in helping shape the business environment regarding regulation, tax regimes, and access to finance. But some noted that this plan only allows for the large private sector to engage with the WB, while small and medium enterprises are overlooked. As in other consultations, there were several calls to ensure that the WB's emphasis on private capital mobilization does not lead to not paying enough attention to the critical role of the public sector.
- **Governance:** While financial support is crucial, especially during crises, promoting good governance and accountability (including environmental) is equally necessary. Indicators on governance could show which countries are making more progress and whether that is linked to better lives.

- **Stakeholder engagement:** It was clear that our efforts to reach out and consult are very much appreciated by all. Speakers emphasized that the focus on global challenges is critically important, with countries in the region deeply affected by climate change, water scarcity, gender and income inequality, energy transition and others. Focus on the global challenges must therefore be balanced with the development needs of the countries. The Bank has a role in drafting climate risk assessments for all countries. The Bank was also encouraged to move away from largely consultative model of engagement to a true partnership with civil society, private sector, community organizations, as active participants in the development process.
- **Human capital:** The World Bank and other donors should strive to reduce countries' dependency on aid and focus on improving resource management, along with helping countries create more job opportunities for their citizens. Both the WB and the private sector should be more actively engaged in reshaping higher education and professional training.
- **Innovation:** Environmental preservation requires more efforts and innovative solutions. The Bank should continue focusing on digital transformation in the region as there is still a significant technology access gap.
- **Climate change:** Climate change presents a severe threat to the MENA region, but access to the technology the WB recommends is only available for a few. The World Bank must revise its plans and work closely with the region to mitigate its impact. It is also important to support agriculture and introduce environmental-friendly technologies. In addition, on green transitions, it is important to clarify the Bank's value add in areas such as technology and jobs. It would also be important to look at country and regional approaches that are relevant for other countries and regions (e.g., desert farming, desalination, etc.)
- **Gender:** This is absent from the document and needs to be prioritized. The role of women in economic development, innovation, policymaking, leadership and nation-building needs enhancement, and the Bank should incorporate clear policies regarding gender issues in all its projects in the region.

Annexes

Annex 1: Comments from Participants

Annex 2: Full Regional Consultation Schedule

Annex 1: Comments from Participants

| Private sector | The private sector is leading development in the region, its role in Lebanon is overlooked, when it should be properly supported. Robust reforms and real-time information sharing from the Bank are needed to help the country cope with these crises. |
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| | How do you plan to encourage the private sector to invest in projects that reduce the negative impacts of climate change, especially since this type of project is financially expensive and its economic benefits are not immediate? |
| | The private sector, which often outperforms the public sector, needs additional support. This should be seen as a collaboration rather than a competition. |
| | Government-private sector relationships can lead to severe consequences for the populace. Privatization of essential services like water could have detrimental impacts. Comprehensive and effective Grievance Redress Mechanisms must precede such initiatives, as the current mechanisms are basic and fail to meet expectations. |
| Governance | Governance is tackled very shyly in the roadmap, when we know the cost of corruption is higher than that of the pandemic. |
| | The World Bank is often perceived as part of the problem due to its exclusive collaboration with governments, often excluding local associations and stakeholders. |
| | In terms of governance, it might be a good idea to test the changes envisaged in pilot form (in a given geographical area) and objectively evaluate the results and consequences before any generalization. In this way, it is always possible to modify certain elements that may have proved "negative" or problematic before generalization. |
| | While financial support is crucial, especially during crises, promoting good governance and accountability is equally necessary. |
| | While the promotion of public goods is commendable, it remains unclear how this strategy addresses local issues such as governance, country priorities, and population needs. It is recommended that interventions be tailored to meet individual country needs. Global strategies should align seamlessly with local plans. |

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| | <p>The region requires further assistance from the Bank on governance issues.</p> |
| | <p>Environmental accountability should be given the same weight as financial accountability. Corruption at different levels necessitates the Bank updating its policies accordingly.</p> |
| Stakeholder engagement | <p>We need clear guidelines on project consultation and information flows across the World Bank, client governments, and the citizens of these countries in the region.</p> |
| | <p>Although the World Bank has commendable stakeholder engagement policies on paper, their implementation in the MENA region is lacking. Genuine engagement and consultation with project beneficiaries are absent.</p> |
| | <p>The World Bank's Grievance Redress Mechanisms and complaint systems require an overhaul to improve their accessibility to local communities, particularly when government responsiveness to complaints and concerns is limited.</p> |
| | <p>The Bank needs to rebuild trust with its stakeholders. There have been numerous project implementations with significant issues. The Bank's complaint system should be revisited to ensure that citizen's complaints and concerns receive adequate attention. If the World Bank seeks to increase its lending and portfolio, more will need to be done to ensure that due diligence is conducted properly.</p> |
| | <p>The ER contains no mention of the closing civic space being faced in multiple countries and regions around the world. The role of the World Bank in supporting local NGOs is instrumental as they augment government efforts and the private sector.</p> |
| Innovation | <p>Very little is done to support the bottom-up growth of innovation-driven entrepreneurship that focuses on the commercialization of R&D.</p> |
| | <p>We need technology and jobs that can be performed by people with an average level of education.</p> |
| | <p>A significant technology access gap exists. Environmental preservation requires more efforts and innovative solutions.</p> |

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| Human capital | How can we invest in revolutionary education and infrastructure in LICs and MICs? I don't see that. |
| | The document lacks the specific recognition of children, who are disproportionately affected by extreme poverty especially in MENA, where those children live in 'multidimensional poverty' that affects education, health care, housing, nutrition, sanitation, and water. |
| Climate change | How can local communities contribute to decarbonization if there are still laws that forbid them for doing so? |
| | Climate change presents a severe threat to the MENA region. The World Bank must revise its plans and work closely with the region to mitigate its impact. It is also important to support agriculture and introduce environmental-friendly technologies. |
| | LICs should not be forced to borrow, but should receive preferable terms (grants or highly concessional financing). |
| FCV | Humanitarian and financial support to FCV countries, governance, and development initiatives have been largely unsuccessful, urging the Bank to reconsider its strategies and policies, including much better cooperation with the UN. |
| Gender | Our collaboration with the World Bank has positively impacted women in UAE. Women's contributions across all fields, including leadership roles, are crucial. Despite ongoing efforts to provide women with quality education and labor market participation, progress is neither sufficient nor evenly spread throughout the MENA region. When we look at aggregate figures, we see MNA has the lowest share of economic participation by women in the world. |
| | Need to support more women-led innovation to address critical, sustainable, and inclusive solutions to climate change, food and water security, and poverty. Need to see more women involved not only in finding solutions, but also sitting at negotiation tables and policymaking tables. |
| | Supporting women should be an integral part of the Bank's strategies and policies in the region. |

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| | <p>The role of women in nation-building needs enhancement. Current circumstances present men with more benefits and access to funds than women. This issue should be addressed in the World Bank's new strategies, and more women should be involved in technical studies intended for the region.</p> |
| | <p>In addition to sharpening the focus on female labor force participation, should also focus on increasing access to financial education.</p> |
| | <p>Clear policies addressing gender issues in the region should be incorporated in all projects.</p> |
| <p>Other</p> | <p>I would like to highlight the need for support in the development of capital markets to enable countries to leverage their own saving pool to expand finance; and the pooling of efforts of DFI to increase impact of the financing and blended finance, and to attract financial support from wealthier countries in the region to support projects and availability of capital in the less wealthy countries.</p> |
| | <p>The main criteria for the WB to classify countries is not relevant anymore. How can Palestine be in the top level of MICs?</p> |
| | <p>A reassessment of the World Bank's twin goals is necessary. Perceptions of the Bank as lacking in accountability abound, and there are few instances that demonstrate the Bank's efforts to rectify this perception.</p> |
| | <p>It is concerning that less affluent populations in poorer nations pay higher interest on debt than the returns they garner from investments in essential sectors such as education and health services.</p> |
| | <p>The World Bank and other donors should strive to reduce countries' dependency on aid and focus on improving resource management. And there should be a focus on debt sustainability for people as well as countries.</p> |

Annex 2: Full Regional Consultation Schedule

| Region and Country | Management Representative | Dates |
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| South Asia (Dhaka, Bangladesh), regional, online multi-stakeholder | Ed Mountfield, Vice President, Operations Policy and Country Services | July 5, 2023 |
| South Asia (Dhaka, Bangladesh), country-focused in person multi-stakeholder | Ed Mountfield, Vice President, Operations Policy and Country Services | July 5, 2023 |
| Latin America and the Caribbean (Panama City, Panama), regional, hybrid multi-stakeholder | Axel van Trotsenburg, Senior Managing Director | July 10, 2023 |
| Latin America and the Caribbean (Panama City, Panama), regional, private sector, in person | Axel van Trotsenburg, Senior Managing Director | July 10, 2023 |
| Africa West (Abidjan, Cote d'Ivoire), parliamentarians, hybrid | Anna Bjerde, Managing Director of Operations | July 10, 2023 |
| Africa West (Abidjan, Cote d'Ivoire), regional, hybrid multi-stakeholder | Anna Bjerde, Managing Director of Operations | July 11, 2023 |
| Africa West (Accra, Ghana), regional, private sector, hybrid | Anna Bjerde, Managing Director of Operations | July 13, 2023 |
| Europe and Central Asia (Tirana, Albania), regional, multi-stakeholder online | Ed Mountfield, Vice President, Operations Policy and Country Services | July 17, 2023 |
| Europe and Central Asia (Tirana, Albania), country-focused, in person multi-stakeholder | Ed Mountfield, Vice President, Operations Policy and Country Services | July 17, 2023 |
| East Asia Pacific (Indonesia, Jakarta), regional, hybrid multi-stakeholder | Aki Nishio, Vice President, Development Finance | July 17, 2023 |
| East Asia Pacific (Indonesia, Jakarta), regional, private sector, hybrid | Aki Nishio, Vice President, Development Finance | July 17, 2023 |
| Africa East (Washington, DC), regional, virtual* | Axel van Trotsenburg, Senior Managing Director | July 20, 2023 |
| Middle East and North Africa (Rabat, Morocco), regional, hybrid multi-stakeholder | Anshula Kant, Managing Director & Chief Financial Officer | July 24, 2023 |
| South Asia (Delhi, India), country-focused, hybrid multi-stakeholder | Aki Nishio, Vice President, Development Finance Auguste Tano Kouamé, Country Director of India | July 27, 2023 |

* The consultations were planned to be held hybrid out of Nairobi, but were relocated to Washington, DC, because mission travel was suspended, and staff asked to work from home at the advice of WBG Security.