

Review

Economic Cooperation and Development

VOL.7 NO.1 APRIL 2014



Organisation of Islamic Cooperation

**Statistical Economic and Social Research
and Training Centre for Islamic Countries
(SESRIC)**

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and Training Centre for Islamic Countries
(SESRIC)



Prof. Savaş Alpay
Director General, SESRIC

In the present issue of the Economic Cooperation and Development Review, we have the privilege of publishing a timely interview with H.E. Iyad Ameen Madani, Secretary General of the Organisation of Islamic Cooperation (OIC). H.E. Iyad Madani, who had been unanimously elected by all OIC Member Countries as the new Secretary General, assumed his duty on 1st January 2014. The interview focused on the views of the Secretary General on a wide range of contemporary political, economic, social and cultural challenges faced by the OIC Member Countries as well as the issues that have high priority in his agenda in the short and medium term. Among others, the interview reflects the views of His Excellency Madani on the issue of Palestine and the city of Al-Quds Al-Sharif, Islamophobia, and the role of the OIC in supporting and encouraging civil society organizations to increase their effectiveness in coping with multifarious challenges and problems facing the Member Countries.

His Excellency the Secretary General stated that the OIC has today become a veritable actor and a

worthy partner in the promotion of world peace, development and security. Considering this fact, he put a special emphasis on areas such as preventing, managing, and resolving conflicts; fostering sustainable economic growth and development; combating xenophobia and Islamophobia through promoting tolerance and understanding; and intensifying international partnerships for development as the top priorities on the OIC agenda. Another critical priority for the OIC was pointed out to be the liberation of occupied Palestinian and Arab territories from Israel and the restoration of the inalienable rights of the Palestinian people. He added that progress in all these areas is essential to enable the OIC Member States address their developmental challenges such as poverty, unemployment, public health, environmental degradation and climate change.

Today, empowerment of women in all fields of social and economic life is gaining importance from the perspectives of both socio-economic development and human rights. Following international commitments and guidelines, most of the development policies have already been based on the principle of incorporating the priorities and needs of both women and men. In particular, development policies emphasize the enhancement of the involvement of women in economic, cultural, social and political fields of life in order to offer equal opportunity for access to all the benefits and services in the society. The 12 Critical Areas of Concern identified in the Beijing Declaration and Platform for Action, which was adopted by the UN 4th World Conference on Women in 1995 in China, provided an international framework for action on the advancement and empowerment of women. Despite the efforts which have been exerted so far, there is still a long way to go regarding empowerment of women and integration of relevant policies at the operational level across all countries, particularly in the developing regions.

In this context, the article by Dr. Jim Yong Kim, the President of the World Bank Group titled “Four Myths about Gender and Development” and co-authored with Ms. Jeni Klugman, Director of Gender and Development at the World Bank, looks at a series of key myths around girls’ education, female labour force participation, glass ceilings in the corporate world, and violence against women. It underlines the importance of reliable empirical evidence and studies, and argues that stronger and sustained efforts are still needed to ensure that women and girls have equal access to health services, education, technology, jobs and other services and rights. This, according to the article, could help end hunger and poverty for millions of people.

The impact of civil society organizations on governments and citizens has become recently more significant worldwide. Well-structured civil society organizations provide benefit to societies in different ways such as providing constructive criticisms to governments in reshaping their policies or being a platform for delivering the message of underrepresented citizens (such as women and the elderly) on different issues. Over the last few decades, civil society organizations have played an important role in increasing aid effectiveness in least-developed and developing countries by complementing and enhancing the interactions between donor countries/institutions and aid receiving countries/institutions. The overall environment for civil society organizations are more favourable today, both at national and international level, compared to the 1980s and 1990s.

In a study conducted by SESRIC, the stance of civil societies in 57 OIC member countries has been examined through the analyses of the 2013 version of the Enabling Environment Index (EEI) of CIVICUS. According to the EEI, three main factors affect citizens’ engagement in civil society activities and organizations: socio-economic environment, socio-cultural environment and

governance environment. The report shows that, on average, the OIC member countries lag behind the average of both other developing countries and the world in each of these three main dimensions. The EEI overall average score of the OIC group is far below the averages of other developing countries and the world. This implies that OIC member countries need to make more efforts towards improving their socio-economic, socio-cultural and governance environment to ensure a more enabling environment for enhancing the functionality of civil society organizations and, thus, their positive impact on our societies.

The contemporary practice of Islamic banking and finance is now over 30 years old. Islamic Finance has rapidly transformed in the last decade to become internationally recognised and accepted as a competitive and robust form of financial intermediation across the world. The global Islamic finance industry continues to experience double digit growth rates of around 17%, with global Islamic finance assets being estimated at USD1.8 trillion in 2013 compared to USD\$1.5 trillion in 2012. As the Islamic Finance industry continues its fast-track growth trajectory, an increasing number of academic institutions as well as centres of excellence take interest in this emerging area and contribute to its development through high-quality research.

In this context, the present issue of Economic Cooperation and Development Review includes an article titled “Islamic Finance at Harvard” by Dr. S. Nazim Ali, Director of the Islamic Finance Project at Harvard University. In his article, Dr. Ali draws attention to the growing involvement of Harvard University in the development process of Islamic finance. His article focuses on the Islamic Finance Project (IFP) which was initiated by the Harvard University in 1995 through its Center for Middle Eastern Studies (CMES). The article offers an overview of the major initiatives of the IFP since its establishment, including the IFP DataBank,

Harvard University Forums on Islamic Finance, and Harvard-LSE Workshops. As he points out, the IFP, afforded the credibility by the academic richness of Harvard, is ideally placed to coordinate the research efforts in Islamic finance and to serve as a focal point for researchers from all around the world.

While wishing a pleasant and useful reading to all the readers, I would like to express my deep thanks and appreciation to H.E. Iyad Ameen Madani, Secretary General of the Organisation of

Islamic Cooperation (OIC), Dr. Jim Yong Kim, President of the World Bank Group, Dr. S. Nazim Ali, Director of the Islamic Finance Project at Harvard University, and to all other contributors to this issue of the Economic Cooperation and Development Review.

Prof. Savaş Alpay
Director General
S E S R I C

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SESRIC hereby expresses its profound appreciation to the Turkish Statistical Institute (TurkStat) for providing printing facilities.

FACE TO FACE

Interview with H.E. Iyad Ameen Madani
Secretary General of the OIC



ARTICLES

Dr. Jim Yong Kim
President of the World Bank



Dr. S. Nazim Ali
Director, Islamic Finance Project, Islamic Legal Studies Program, Harvard Law School, Harvard University



OIC OUTLOOK

Civil Society in OIC Member Countries:
Challenges and Opportunities



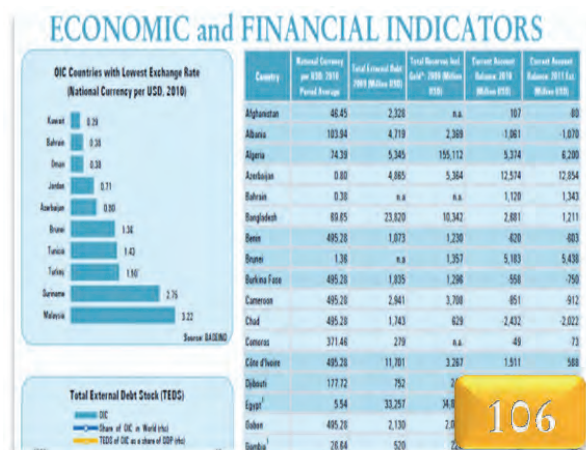
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OIC NEWS



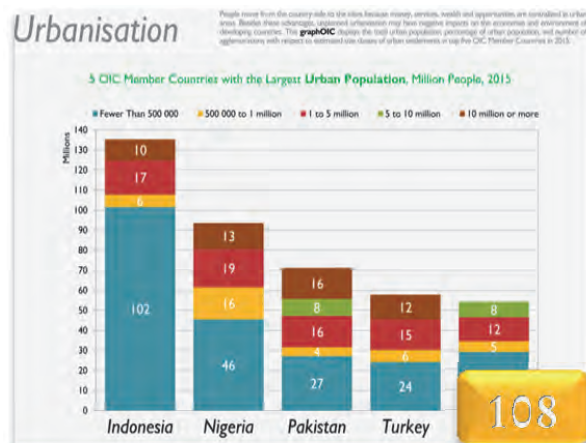
ECONOMIC AND FINANCIAL INDICATORS



COUNTRY NEWS



GRAPH OIC



SESRIC CALENDAR

02-03 April 2014: Consultative Meeting on "Development of Joint Cooperation Activities in OIC Member Countries in the area of Maternal, New-born and Child Health and Nutrition (MNCH)", Ankara – Turkey

07-08 April 2014: Workshop on the "Role of NGOs in the Implementation of OIC Strategic Health Plan of Action 2014-2023 (SHPA)", Ankara – Turkey

29-30 April 2014: First Meeting of Public Employment Authorities of the OIC Member Countries, Ankara – Turkey

29 April - 01 May 2014: Training Programme on 'Poverty Reduction Policies', Almirqab – Kuwait

04-06 May 2014: Workshop on "Occupational Safety and Health Regulations and Standards", Istanbul – Turkey

07-08 May 2014: 30th Meeting of the Follow-up Committee of COMCEC, Ankara – Turkey

10-12 May 2014: 37th Session of the Islamic Commission for Economic, Cultural and Social Affairs (ICECS), Jeddah - Saudi Arabia

12-16 May 2014: Workshop on Project Assessment and Evaluation, Ankara – Turkey

20-22 May 2014: OIC-UN General Coordination Meeting, Istanbul – Turkey

18-19 June 2014: 41st Session of the Council of Foreign Ministers (CFM), Jeddah - Saudi Arabia

22-26 June 2014: 39th Annual Meeting of the Islamic Development Bank Group, Jeddah - Saudi Arabia

05-06 November 2014: The 2014 Meeting of the Central Banks and Monetary Authorities of the OIC Member Countries, Surabaya - Indonesia

25-28 November 2014: 30th Session of the COMCEC, Istanbul - Turkey



INTERVIEW WITH H.E. IYAD AMEEN MADANI SECRETARY GENERAL OF THE OIC



Iyad Ameen Madani took office as the tenth Secretary General of the Organisation of Islamic Cooperation (OIC) on 1 January 2014.

He was born to a well-known family in Makkah Al Mukarramah on 26 April 1946. His father, Ameen Abdullah Madani, is a prominent historian of the Arabian Peninsula, and his mother is Nathar Yahia Zakaria.

After completing his secondary school education at Taibah School in Al Madina Al Munawwarah, Iyad Madani moved to Arizona State University in the United States of America where he obtained his Bachelor's degree in production management.

In 1970, he went back to the Kingdom and served in various positions at Saudi Arabian Airlines, the last of which was the post of Director General of

the Administrative Development Department. From management he shifted to the media and was appointed as the first Editor-in-Chief of Saudi Gazette newspaper in Jeddah before he was appointed as Director General of Okaz Organisation for Press and Publication.

He was selected for the membership of the Shura Council and was appointed as Hajj Minister and, six years later, as Minister of Culture and Information.

During his career, Madani served as member of the Advisory Board of the Supreme Council of the Gulf Cooperation Council (GCC); member of the Board of Trustees of the Gulf University in Bahrain; Vice-Chairman of the King Abdulaziz Foundation for Development Housing Dedicated to His Parents; member of the Board of Directors of Banque Saudi Fransi; and member of the Board of Directors of the Department of Water and Sanitation and the Charitable Society for Social Services in Al Madina Al Munawwarah. He was also member of other institutions.

During his service in the various institutions, Madani displayed an avid interest in culture and thought, as reflected in his numerous contributions to various fora and his many articles published in Arabic and English throughout his career. Some of those articles were collected in his book titled "Sinnu Zarafa".

He received a number of decorations, including, in particular, the medal of honor from China, the public service medal from Malaysia and the Second Class Order from the Sultanate of Oman. He received an honorary doctorate in international relations from the International Islamic University of Malaysia.

SESRIC: Excellency, at the outset, we would like to congratulate you for being elected as the new Secretary General of the OIC and wish you all the success in your mission for serving the Islamic Ummah. While the world is witnessing a

significant transformation in many domains, it is indisputable that the OIC Member Countries are facing a wide range of contemporary political, economic, social and cultural challenges. Would you kindly brief us on the high priority issues in

your agenda, which you think may help the OIC Member Countries to better address these transformations and challenges for the short and medium term?

H.E. IYAD AMEEN MADANI: As you know, I formally assumed duties as OIC Secretary General on 1 January 2014. Let me begin by saying how honoured I am to take up this position. I'm grateful to the 57 OIC Member States for placing their confidence in me. And I want to congratulate my predecessor Prof. Ekmeleddin Ihsanoglu on the excellent work he has done over the past nine years.

We are currently witnessing political transformations in a number of our Member States that have implications on our collective action to foster global peace, stability, security and economic prosperity. This situation requires concerted actions by our Member States in order to address the grave humanitarian and socio-economic consequences of these changes.



Within this context and considering the fact that the OIC has today become a veritable actor and a worthy partner in the promotion of world peace, development and security, I think the following areas would continue to feature as top priorities on the OIC agenda. These areas include: preventing, management, and resolving conflicts; fostering sustainable economic growth and development; combating xenophobia and Islamophobia, through promoting tolerance and

understanding; and intensifying international partnerships for development. The liberation of occupied Palestinian and Arab territories from Israel and the restoration of the inalienable rights of the Palestinian people remain another top priority area for our Organisation. Progress in these areas is essential to enable the OIC Member States address their developmental challenges such as poverty, hunger, unemployment, disease, environmental degradation and climate change.

We are also pre-occupied with taking stock of our Organisation's achievements over the past nine years, since the adoption of the OIC ten Year Programme of Action. In this context, we have to critically analyze the implementation of this multi-sectoral blueprint in all its ramifications. We would identify the progress and achievements recorded so far, determine where there is need for fine-tuning and where we have to make amends and what mechanisms we would adopt to ensure that the vision and mission of the founding fathers of the Organisation are actualized. In doing this, we have to consult widely among our Member States and institutions, so that this policy framework document would be inclusive, comprehensive, and collectively conceived so as to make all proposals therein collectively implementable.

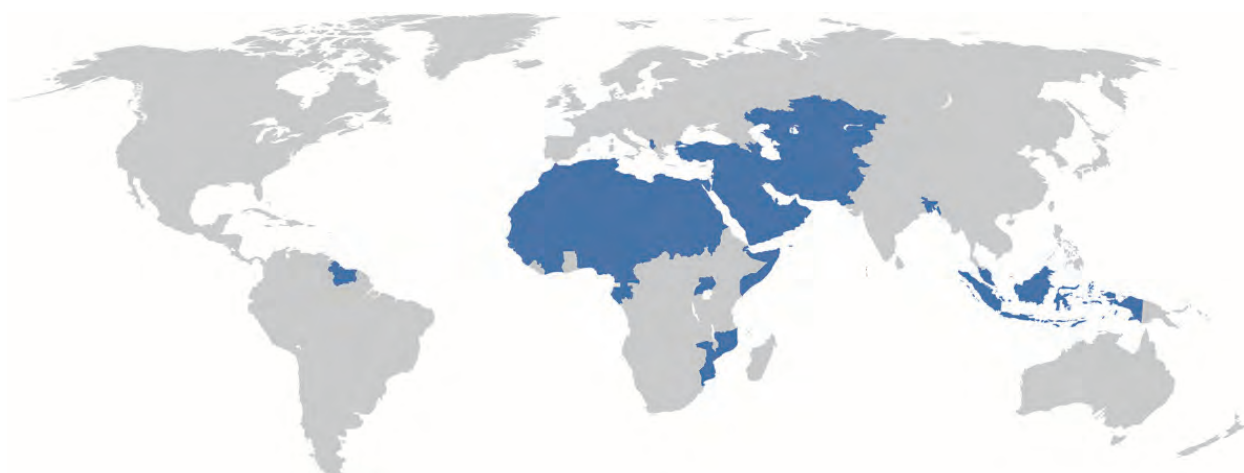
SESRIC: As it is well known, one of the main reasons behind the successful experience of the European Union as a regional integration scheme is the effective and high level of economic and commercial cooperation among its member countries. In contrast, intra OIC over the recent years is still at an undesirably low level of less than 20% of the total trade, and the overall links among OIC Member Countries are weak in terms of investment and other commercial activities. In this context, how would you envisage the possibility of improving this situation, and what role, do you think, the new COMCEC Strategy can play in this regard?

H.E. IYAD AMEEN MADANI: Globally, regional economic integration is a long, incremental and continuous process, starting from the granting of trade preferences by Member-countries to establishing free trade areas and the creation of a customs union, before proceeding to creating a greater cooperation framework with unified economic policies and operations as the European Union presently enjoys. You would recall that the initial purpose for the establishment of the Organisation was basically political in nature. It was not until five years later in 1974 that the Islamic Solidarity Fund was established to address assistance to Member States in the form of intra-OIC solidarity. So far, ISF has intervened in several cultural and socio-economic projects to the tune of US\$201 million. Thereafter, the IDB was established in 1975 with a very minimal authorized and subscribed capitals of ID 2 billion and ID 750 million respectively. And now the OIC leaders have increased IDB authorized and subscribed capitals over time to ID 100 billion and ID 50 billion respectively.

Furthermore, the IDB is now a group of multilateral development banks dealing with wide ranging development issues such as trade financing, export and insurance credits, the development of Private Sector and entrepreneurship, among others. The cumulative interventions of the IDB Group are estimated at US\$97.6 billion to date.

In addition to the foregoing interventions, trade exchanges have progressively increased from 14.4% in 2004 to 18.45 % in 2012, thanks to the various institutional, regulatory, legislative and operational mechanisms put in place over the years. The various multilateral agreements on promotion of intra-OIC economic, investment and commercial cooperation have remained in force. The latest of these agreements are the three agreements and protocol for the operationalisation of the Trade Preferential System of the OIC (TPS-OIC), aimed at creating a group of concessions on tradable items among OIC Member States.

These achievements in the economic domain were made possible by the high-level meetings of Ministers in charge of economic development in OIC Member States, which are held annually in Istanbul, Turkey, under the auspices of the OIC Standing Committee for Economic and Commercial Cooperation (COMCEC), whom the permanent Chairman is His Excellency, the President of Turkey. COMCEC has hitherto remained central to the implementation of the OIC Strategy and Plan of Action for economic and commercial cooperation. Accordingly, OIC believes that the new emphasis on member-driven support strategy, regional integration, as well as the evolving South-South and triangular cooperation frameworks would go a long way in fast-tracking the process of overall economic integration among OIC Member States.



SESRIC: It is an undeniable fact that there is great room for civil society involvement in areas such as health, education, natural disasters, conflict resolution and human rights globally, and we are aware of the strong emphasis you put on the potential role of civil society organisations in advancing socio-economic development in our member countries. Excellency, could you kindly elaborate on how you view the role of the OIC in supporting and encouraging civil society organisations to increase their effectiveness in coping with multifarious challenges and problems facing the member countries?

H.E. IYAD AMEEN MADANI: The OIC recognizes the significance of civil society participation for increasing the ownership of various initiatives at the grass roots level. Accordingly, the OIC has been reaching out to the civil society in relation to its programmes and activities in the area of health and humanitarian assistance. Specifically, we have been working with the local communities in the context of our partnership with the Global Polio Eradication Initiative (GPEI) as well as mother and child health programmes in Mali and Bangladesh. The OIC Strategic Health Programme of Action envisages strong community based approaches for disease prevention and control as well as mother and

child health. In addition, the OIC has been working over several years so as to bring together all humanitarian NGOs from OIC Member States under one umbrella by granting them a consultative status within the OIC General Secretariat. The process started in 2008 on the sidelines of the OIC Summit held in Senegal. Later, meetings were held in Libya, Qatar, Sudan and Turkey. In Somalia, for example, the OIC has established a consortium of humanitarian NGOs from the Islamic Ummah working all over Somalia under the responsibility of our Humanitarian Office in Mogadishu to coordinate their work for the sake of vulnerable and needy people in Somalia.

Furthermore, the OIC is convinced that matching education with employment would reduce the growing number of unemployed youth in its Member States, while at the same time empowering women, thereby increasing social inclusion among the vulnerable segments of the OIC community. In this regard, the SESRIC-sponsored OIC Vocational Education and Training Programme (OIC-VET), and the IDB's Vocational Literacy Programme (VOLIP) are veritable tools for realizing this noble objective. I congratulate SESRIC on this initiative.

SESRIC: Excellency, occupied Palestine and particularly the city of Al-Quds Al-Sharif remain an open sore for the Islamic Ummah. We all know that the OIC was established as a result of the criminal arson of Al-Aqsa Mosque in 1969. The living conditions of the Palestinians in Al-Quds are being made tougher every day through unfair political, legal, social and economic measures of the occupying forces, and very recently we hear of insidious plans to divide this blessed Mosque which has a sacred place in every Muslim's heart. Under these circumstances, how do you think the Islamic World can more effectively support Palestinian people in the city of Al-Quds Al-Sharif, and how do you view the role of the OIC and its various organs in this context?





H.E. IYAD AMEEN MADANI: Definitely, the question of Palestine and Al-Quds Al-Sharif remains the primary cause of the OIC. It remains at the heart of the most pressing concerns which need joint Islamic efforts at international fora to support the Palestinian people and to defend their legitimate rights.

We are convinced that there is a much wider scope for the OIC to effectively do this. The OIC has to maximize the political will to adhere to and implement its resolutions; to further mobilize all potential resources; and, thus ensure a more reliable, powerful, visible, and influential role, at international fora, in support of Palestine. Therefore, the OIC has a special responsibility to further exert efforts to secure support to the Palestinian legitimate rights; to ensure international recognition of the State of Palestine at all levels; to influence the international community's obligation to ensure the Palestinian people's enjoyment of all their legitimate rights, including their right to establish their sovereign and independent state on the 1967 borders, with Al-Quds as its capital.

In parallel, steadfastness of the Palestinian people in the face of the Israeli judaization plans hinges

on the adoption of a comprehensive approach in which member states of the OIC consolidate and shore up its direct economic and financial, support. Above and beyond, effective coordination among member states, OIC institutions, development agencies and civil society organisations, consistent with regular consultation with regional and international organisations in constructive and very much needed, with a view to mobilizing resources and prioritizing interventions. Besides, initiating necessary measures in the implementation of the recommendations of the 20th Session of Al-Quds Committee, which was held in Marrakesh in the Kingdom of Morocco, as well as the OIC Action Plan towards East Jerusalem, which was adopted by the 40th session of CFM, along with financial support to execute the strategic Development plan of the city of Al-Quds, carry a decisive political and economic impact.

SESRIC: Excellency, Islamophobia is a rising phenomenon in today's world where Muslims around the globe, including millions of minorities in different countries, are increasingly exposed to all sorts of discrimination, stereotyping, intolerance and violence. Meanwhile, the Islamic World is also suffering from conflicts and crises. This is, in fact, a

glaring contradiction to the fact that Islam is the religion of peace, compassion and mutual respect. Could you please share with us your perspective for addressing this important issue?

H.E. IYAD AMEEN MADANI: There is no doubt that Islamophobia, defined as baseless hostility and fear directed towards Islam and its followers, constitutes today a clear and present danger both for Muslims and non-Muslims alike. Not only does it erode the human rights of Muslims who are direct victims of discrimination, stereotyping, intolerance and violence, but it also threatens the preservation of peaceful international relations as well as maintenance of respectful dialogue and cultural bridges between societies.

As the voice of the Muslim Ummah, the OIC has been addressing this issue on a priority basis. One of the very first steps taken by the General Secretariat, as provided by the OIC Ten Year Program of Action, was the establishment of an Islamophobia Observatory to monitor all forms of prejudice against Muslims and issue an annual report thereon. This allows us to ensure constant flow of information and gathering of empirical evidence that helps better identify actors as well as the root causes of Islamophobia. The Report also clarifies the OIC's legal standpoint and formulates specific recommendations to various relevant stakeholders, including politicians, policy makers, religious leaders, academics and the larger civil society.

Another direct means of addressing the issue is for the OIC to continue maintaining open and constructive channels of communication with Western governments, both at the bilateral and multilateral levels, in order to raise concerns in a timely and effective manner. As Secretary General, I will also continue to encourage our Member States to continue underscoring our alarm and concern on the abuse of freedom of expression to the West.

At the multilateral level, the OIC has taken the lead in seeking to build consensus on how to address religious intolerance in a concerted and effective manner. The consensual adoption of OIC sponsored Human Rights Council Resolution 16/18 in March 2011 was a direct result of these efforts. The resolution is also quite substantive and provides for a multi-pronged approach calling for various administrative, political and legislative actions to be taken at both national and international levels.

In this respect, it is important for the OIC to continue to be engaged in the "Istanbul Process", which was launched jointly with the US in July 2011 and consists of a series of international expert meetings on the implementation of UN HRC Resolution 16/18. The Istanbul Process, thus, offers a positive platform for debate, particularly on the core issue of where to draw the line between freedom of expression and hate speech, exchange of best practices and building a common and unified stance.

The OIC also encourages the involvement of civil society, which is urgently needed in combating religious intolerance and discrimination. Grass root initiatives as well as intercultural and interfaith forums at the civil society level have great outreach, and help sensitize society. Hence the OIC, as well as other international organisations and concerned governments, should devise effective partnerships with various actors from the civil society in order to improve the implementation of Res. 16/18. This would also allow the discussion to focus more closely on real cases as well as best practices on the ground rather than discussing only norms and standards.

Last but not least, the Muslim world should exercise introspection and condemn all forms of religious extremism and radicalism that helps depict a negative image of Islam. In this regard, the OIC has been consistent in calling upon Muslim people not to fall to the game of

Islamophobes by resorting to violence, even while being provoked. We should be able to show restraint and fight on the intellectual front so as to isolate extremists on both sides and reassert the image and role of Islam as a religion of peace, compassion and mutual respect that can contribute positively to addressing modern day challenges and issues. This would effectively turn the tide from “Islamophobia” to “Islamophilia”.

SESRIC: As a subsidiary organ of the OIC, how do you evaluate the contribution of SESRIC to the social and economic development of the OIC Member Countries and its future role in enhancing socio-economic cooperation and collaboration among them?

H.E. IYAD AMEEN MADANI: I am happy to note SESRIC’s consistent contributions to the various OIC activities in its Member States, especially in the area of statistics, research and training. Accordingly, the increased number of its capacity building programmes and training courses/workshops in such crucial sectors as agriculture, finance, water management, youth employment and statistics, have created the desired paradigm shift required for the

implementation of the OIC cooperation programmes. Similarly, the implementation of OIC frameworks on intra-OIC trade promotion, agriculture and food security, including the development of strategic commodities such as cotton and cassava, tourism and transport development also enjoy the active involvement and valuable research inputs of SESRIC.

In addition to providing institutional support for such OIC programmes as the OIC Statistical Commission, the Meeting of Central Banks and Monetary Authorities, the OIC-sponsored International Conferences on Islamic Economics, among others, SESRIC has recently been involved in targeted programmes aimed at developing the managerial and professional capacities in our Member States. A recent example is the training programmes for agricultural extension workers, and on cotton development.

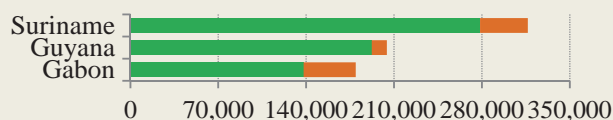
In view of the foregoing, I am certain that SESRIC remains relevant to the developmental needs of our Member States. It is also gratifying that SESRIC is widely acclaimed as the institutional Think-Tank of the OIC, whose services are required by both our Member States and institutions.

SESRIC: Thank you very much, your Excellency.

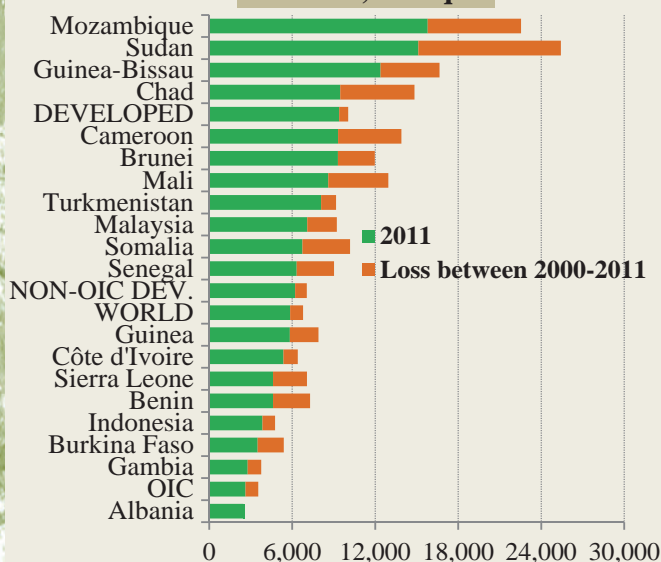


DID YOU KNOW?

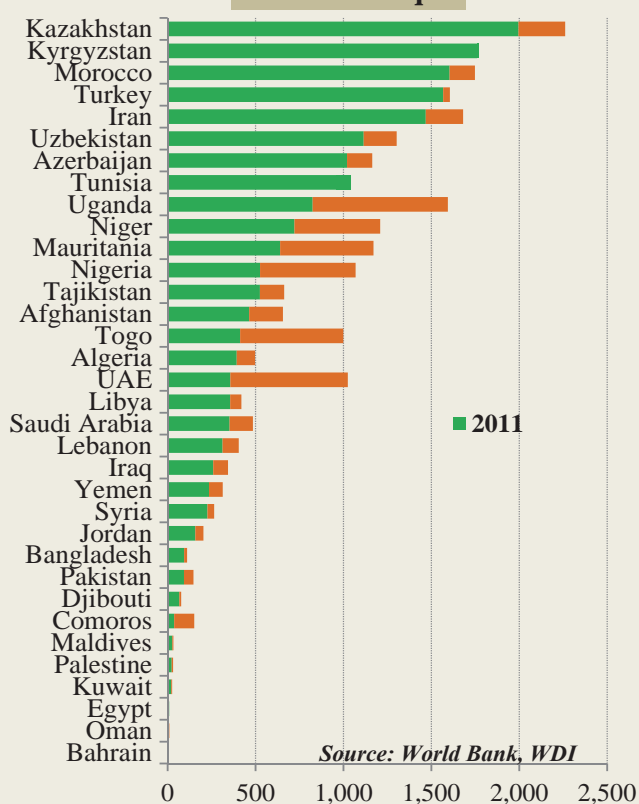
Forest Area per capita



below 20,000 sq.m



below 2000 sq.m



Source: World Bank, WDI

- In 2011, Suriname had the highest forest area per capita among OIC Member Countries with a record level greater than one fourth of a square kilometre.
- It was followed by Guyana and Gabon where the forest areas were above 100,000 square meters per person.
- Including Mozambique, Sudan, Guinea-Bissau and Chad, 7 OIC Member Countries had larger per capita forest areas than the average of developed countries, 9386 m².
- Meanwhile, the averages of non-OIC developing countries and the world were 6204 m² and 5847 m², respectively.
- In 35 Member Countries, an average citizen was endowed with forest area smaller than the OIC average of 2623 m².
- Compared to 2000, only three member countries, namely Albania, Kyrgyzstan and Tunisia, managed to increase the forest land per person while no change was observed in Egypt.
- On the other hand, the forest area per capita levels decreased by more than 50 % in Comoros, UAE, Togo and Nigeria.
- An average citizen living in Uganda, Mauritania, Sudan, Niger, Benin, Pakistan, Chad, Burkina Faso, Sierra Leone, Somalia and Mali also lost more than one third of the forest area s/he had in 2000.

FOUR MYTHS ABOUT GENDER & DEVELOPMENT

Jim Yong Kim and Jeni Klugman¹



Jim Yong Kim, M.D., Ph.D. is the President of the World Bank Group. Soon after he became president in July 2012, the organization established two goals: ending extreme poverty by 2030 and boosting shared prosperity for the bottom 40 percent of the population in developing countries. Kim's career has been focused on health, education, and delivering services to the poor. Before joining the World Bank, he served as President of Dartmouth College and held professorships at Harvard Medical School and the Harvard School of Public Health. From 2003-2005, as Director of the World Health Organization's HIV/AIDS Department, he led the "3 by 5" initiative, the first-ever global goal for AIDS treatment, which helped to expand AIDS treatment in developing countries. In 1987, Kim co-founded Partners in Health, a non-profit medical

organization now working in poor communities on four continents. Trained as a physician and an anthropologist, he has received several awards, including a MacArthur "Genius" Fellowship, and recognitions such as one of America's "25 Best Leaders" by *U.S. News & World Report*, and in 2006 *TIME* magazine named him as one of its "100 Most Influential People in the World."



Jeni Klugman is the Director of Gender and Development at the World Bank Group, where she serves as lead spokesperson on gender equality issues, and is responsible for developing strategic directions to promote the institution's gender agenda. She also serves on several advisory boards, including that of the World Economic Forum's on Sustainability and Competitiveness, and those related to the work of the Council on Foreign Relations, Plan International, International Civil Society Network, and the Global Forum on Women in Parliaments, as well as a European Union research program on GDP and beyond. Her previous roles include serving as the director and lead author of three global Human Development Reports published by the United Nations Development Programme: *Overcoming*

Barriers: Human Mobility and Development (2009); *The Real Wealth of Nations: Pathways to Human Development* (2010); and *Sustainability and Equity: a Better Future for All* (2011). She holds a Ph.D. in Economics from the Australian National University, as well as postgraduate degrees in both Law and Development Economics from Oxford University, where she was a Rhodes Scholar.

To end poverty and boost shared prosperity, the full participation of women and girls is needed. Major advances toward gender equality have been achieved over recent decades. This has resulted in better health and education outcomes. However, such progress often obscures the sometimes shocking inequalities that persist.

This paper uses evidence and data to look at a series of key myths around girls' education, female labor force participation, glass ceilings in the corporate world, and violence against women. It underlines the importance of reliable empirics, and argues for stronger and sustained efforts to expand opportunities for women and girls.

¹ The authors acknowledge the valuable contributions of their colleagues Sarah Nedolast, Sarah Jackson-Han, Jennifer McCleary-Sills and Matthew Morton, and comments from Martin Raiser, William Wiseman and Ana-Maria Munoz Boudet.

In their widely read annual letter, Bill and Melinda Gates took a new direction in 2014. Rather than discussing the work of their foundation, they addressed “Three Myths That Block Progress for the Poor,” starting with the notion that nothing can be done to address extreme poverty.

Today, with the discussions around the post-2015 development agenda gaining momentum, the reminder of the power of myths begs the question whether widely held notions about gender and development are wrong. Unfortunately, many beliefs are not supported by evidence. Chief among them: that recent strides toward equality for women and girls have achieved enough to warrant less vigilance, less focus, and fewer resources.

Women and girls have indeed achieved meaningful progress in recent decades. In many countries, primary and secondary enrollment rates have reached parity, and many women are living longer, healthier lives. Development practitioners and policymakers broadly agree that no country can lift itself out of poverty or

achieve its potential when half its citizens are denied equal rights and equal opportunities. At the World Bank Group, we recognize gender equality as a prerequisite to achieving our twin goals of ending extreme poverty by 2030 and boosting shared prosperity.

And yet grave, sometimes shocking inequalities persist. We see them when we look past myths to the evidence and data.

More girls are enrolled in school, but does that translate into a similar jump in labor force participation? And are women earning as much as men? Many discriminatory regulations have been abolished, but do women enjoy the same laws, loans, and learning opportunities as their husbands and brothers? Women and girls risk violence in public spaces, but are they less likely to experience gender-based violence in their own homes? Many more women have access to health care and family planning, but must we accept that 800 women still die in childbirth *every day*, overwhelmingly in poor countries? The answer in each case is no.



The examples here are not exhaustive but should serve as both an antidote to complacency and urgent call to action. We must aim for a world in which men and women have truly equal rights and opportunities, but it will take scaled-up effort, innovation, and collaboration to get us there.

1. Myth: All girls now have the opportunity to go to school

Education is a pathway to happier, healthier, and more productive lives. There is consensus, backed by research, that education enhances people's ability to make informed decisions, be better parents, sustain livelihoods, adopt new technologies, cope with shocks, and act as responsible citizens and effective stewards of the natural environment (World Bank 2011b). Women's education is further positively linked to better health and education benefits for their children. In Pakistan, for example, children whose mothers have even a single year of education spend one extra hour studying at home every day and report higher test scores (World Bank 2011d).



Globally, enormous progress has been made and the gender gap in school enrollment has shrunk. Two-thirds of all countries have reached gender parity in primary enrollments, while in more

than one-third, girls significantly outnumber boys in secondary education (World Bank 2011d).

In the Middle East and North Africa region, there are virtually no gender gaps in enrollment and, indeed, 'reverse' gender gaps in university enrollment—and the gains have been among the fastest in the world. In increasing 6- to 12-year-old female enrollment, Morocco achieved in just over a decade (1997-2008) what took the United States 40 years (1870-1910) to achieve. More women are also literate than ever before. From 1950-2010, the average schooling for women over age 15 in low-income countries increased from 1.5 years to 6.5 and from 2.6 years to 7.6 for men (World Bank 2011d).

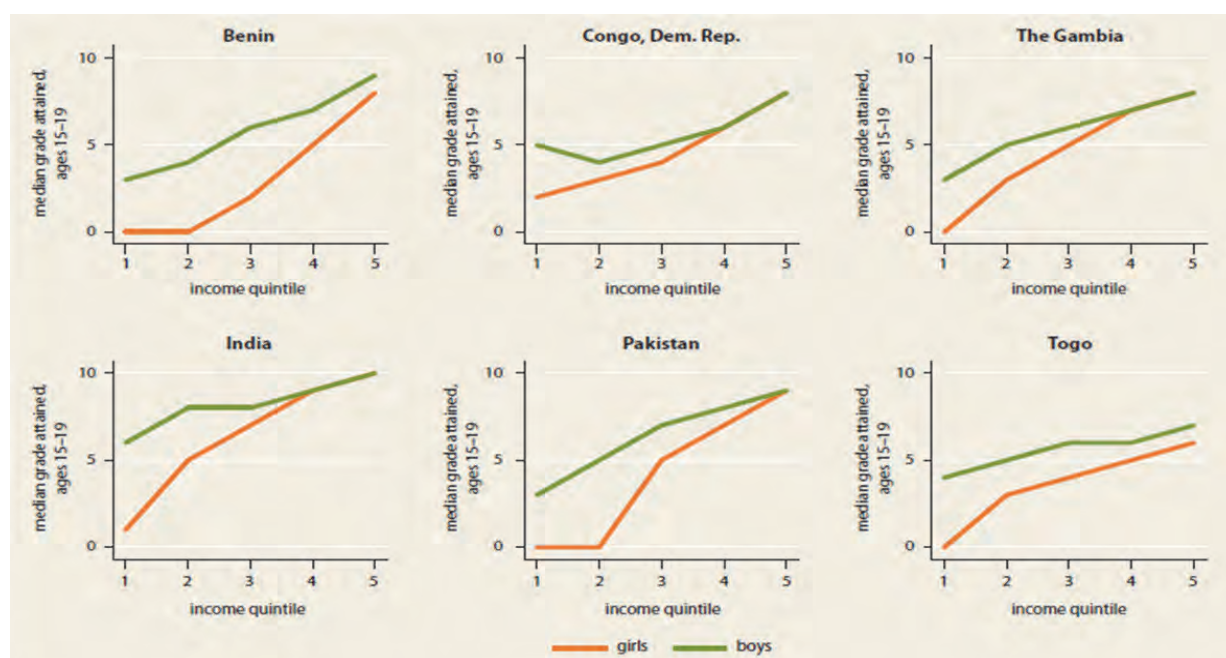
Yet gaps still persist, particularly among the poor. An estimated 31 million girls of primary school age are still out of school². Almost half live in sub-Saharan Africa and nearly a quarter in South Asia. In the seven countries with the lowest female literacy rates – Niger, Mali, Burkina Faso, Ethiopia, Chad, Benin, and Sierra Leone— fewer than one in two female youth are literate (World Bank 2011c). In Niger for example, only one in two girls goes to primary school, one in 10 to middle school, and getting to high school is very rare -- one in 50 presently do so³. In an environment where school is costly and far from home, and where social norms direct families and girls themselves to follow traditional paths, early marriage may be viewed by families as a more profitable and less risky strategy.

The evidence documents that the gender gaps are larger among the poor (see figure 1). For example, in India and Pakistan, enrollment rates among the richest boys and girls are similar, but there is a gender gap of almost five years among the poorest quintile of the population (World Bank 2011a).

² Analyses of data from UNESCO Institute for Statistics UNESCO

³ Ibid.

Figure 1 Female disadvantage in schools persists, especially among the poor



Source: World Bank World Development Report, 2012

At the other end of the spectrum, women are especially underrepresented in science, technology, engineering, and math (so-called STEM) fields. Out of 102 economies for which there are recent data, only two had at least as many female as male graduates in engineering, manufacturing, and construction, and only 30 (29%) had attained gender parity in science in tertiary enrolment. Women's share of the information and communication technology workforce is 29, 20, 21, and 20 percent in Jordan, South Africa, Sri Lanka, and the United Kingdom, respectively (World Bank 2014).

2. Myth: Female labor force participation rates are higher now than ever before

It is widely believed that the major gains in schooling that have been achieved over the past two decades – in Bangladesh, for example, the number of girls in school increased from 1.1 million to 4 million and women now outnumber men in tertiary education globally—have translated into comparable expansion of women's economic opportunities (World Bank 2011d).

In fact over the past two decades, female labor force participation rates globally have fallen, from 57 to 55 percent. Turkey offers a case in point – female secondary enrollment rates grew from 60 to 79 percent between 2000 and 2010, yet, female labor force participation is still only 30 percent; and those working are typically informally employed (Grun et al. 2013). More encouraging, the same study shows a clear cohort effect: in addition to the usual higher participation rates among better educated women, younger women also are more likely to work than their mothers controlling for



education. This is an important nuance because while social norms, lack of childcare, and labor market regulations all keep the participation of women in the workforce in Turkey far below where it should be, the trend appears to be starting to turn.

While better educated women are more likely to enter the labor force, social norms, lack of childcare and labor market regulations keep the level of participation low. Turkey's female labor force participation rates are less than half the average for countries with similar income, where female labor force participation is around 65 percent⁴. Likewise in the Middle East and North Africa, rising female education levels have had little impact on economic opportunities. The regional average stands at only 25 percent and has increased at a glacial rate -- less than 0.2 percent annually -- over the last 30 years. At this rate, the Middle East and North Africa region would take 150 years to catch up to the current world average (World Bank 2013).

At the same time some regions have documented major gains in women's economic opportunities. In Latin America and the Caribbean, there have been significant increases in women's labor force participation, largely attributable to higher female education and lower fertility. This combination of factors has contributed significantly to poverty reduction in the region (World Bank 2012b).

Yet another myth is that religion largely explains this variation across regions. While religion unquestionably has played a significant role in the evolution of customs, social norms, and laws, there is a great diversity of outcomes for women within as well as across religious groups. We see that worldwide the proportion of Muslims in a country's population is only weakly associated with lower female labor force participation. There is wide variation in female labor force participation across Muslim majority countries, from 15 percent in Jordan to 51 percent in Indonesia and 66 percent in Senegal⁵.



⁴ World Bank World Development Indicators, data from 2008.

⁵ Average female labor market participation rate for Muslim majority countries calculated based on the Pew Research Center's list of Muslim majority countries using 2012 data from the World Development Indicators. No data was available for Kosovo.



What stands in the way of women entering the labor force? The common theme is that of overlapping constraints. Gender-biased social norms, regulations, and laws significantly impact labor market outcomes for women.

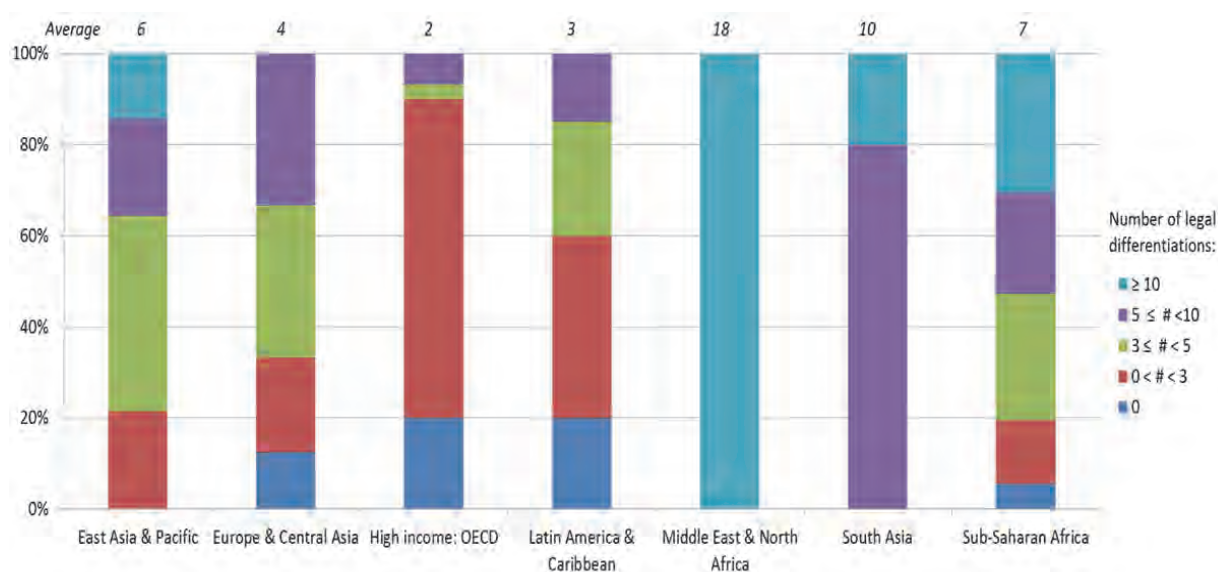
Women farmers and entrepreneurs do not enjoy equal access to productive inputs and services, such as credit, land, bank accounts, and agricultural extension services, due to a combination of biased norms and market and institutional failures that disadvantage and discourage women. Biased norms restrict opportunities by establishing gender roles early in life that dictate the use of time and limiting

expectations on human capabilities. They can constrain women's options, such as choosing whether to seek paid jobs and what type of work to do. This helps to explain why we see that progress in overcoming gender gaps in one area, such as school enrollment, may not affect a woman's economic opportunities if social norms limit her activity outside of the household or gender-biased regulations discourage employers from hiring her. Such regulations include those that require companies to assume the costs of maternity leave.

Social norms influence behavior because conformity can earn social acceptance whereas deviations can incur social exclusion, ridicule, or even violence. As one participant in a recent women's focus group discussion in Niger explained, "Men have their occupations, women have theirs. It's like that since childhood, it's our heritage" (Masquelier forthcoming).

Moreover, legal discrimination remains a remarkably common barrier to women's work. Recent World Bank Group analysis found that across 143 economies, 128 had at least one legal difference in how men and women were treated (see Figure 2).

Figure 2: Formal Constraints to Women's Economic Empowerment, 2013



Source: Women, Business, and the Law, 2013, World Bank Group

These barriers include restricting women's ability to access institutions (such as obtaining an ID card or conducting official transactions), own or use property, build credit, or get a job. In 15 economies, husbands can object to their wives working and prevent them from accepting jobs (World Bank Group 2013).

While changing policies and practices may seem daunting, inaction can be even more costly. For Turkey, recent Bank staff analysis finds that in 2012, labor market gender inequalities resulted in lost GDP per capita of the order of 25 percent⁶. And these losses add up across the world. To illustrate: A recent study by Booz & Company estimates that raising female employment to male levels could have a direct net impact on GDP of 34 percent in Egypt, 12 percent in the United Arab Emirates, 10 percent in South Africa and 9 percent in Japan as a result of increased labor productivity (Aguirre et al. 2012).

3. Myth: With all those CEOs, women are climbing the corporate ladder

There is a whole new cohort of high profile women who have reached the pinnacle of the corporate world, from Mary T. Bara at General

Motors to Indra K. Nooyi at Pepsico. And in emerging economies Chandra Kochhar at ICICI Bank in India and Maria das Gracas Silva Foster at Petrobras in Brazil among others, are pioneers making their mark. These are major milestones – and create grounds for hope, since the private sector accounts for about three out of four jobs in countries such as Egypt, Finland, and France and nine out of 10 jobs in countries such as Brazil, Chile, Japan, and South Africa (World Bank 2012a).

Yet these women are very much the exception – indeed a small, often tiny, minority. Among Fortune 500 companies in the United States, only 4 percent of CEOs, 14 percent of executive officers, and 17 percent of board members were female in 2012 (Catalyst 2013). A 2013 survey of 4,322 companies from 34 industrialized and emerging market countries found that, in aggregate, only 11 percent of board members are women (Gladman and Lamb 2013).

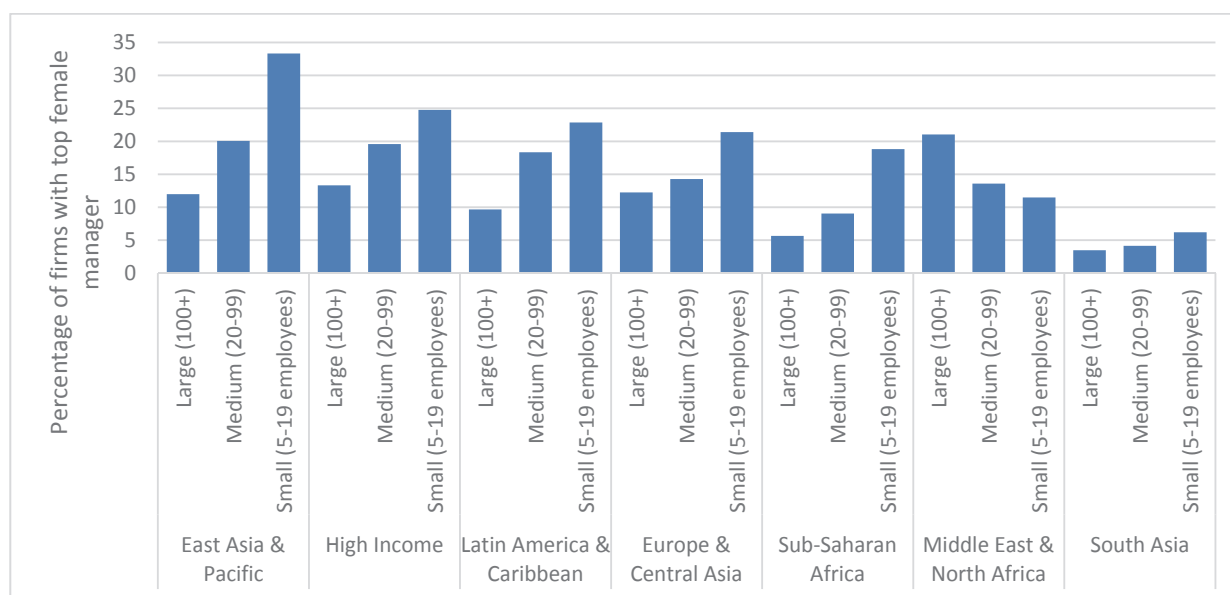
Bank staff analysis of survey data from 13,000 firms in 135 countries found that fewer than one in five firms (18 percent) have a top female manager, and only one in ten large firms have female management. In South Asia, women manage about one in 16 firms⁷ (see Figure 3).



⁶ Staff estimates based on 2012 data using methodology of Cuberes and Teigneir 2012.

⁷ Data retrieved April 14, 2013, from the Enterprise Surveys database.

Figure 3: Firms with Top Female Managers, by Region (2007-2012)



Source: Enterprise Surveys data for 2007–12, www.enterprisesurveys.org.

Overlooking women as employees and leaders not only constrains productivity; it also hurts the bottom line. The evidence is accumulating:

- A 2010 study by McKinsey and Co. of businesses operating in emerging and developing economies found that the most important reason for dedicating resources to women's employment is to develop, recruit, and retain the best possible workers. The same study found that among companies that invest in programs targeting women in emerging and developing markets, at least one-third had measured improved profits (McKinsey 2010).
- A 2012 Credit Suisse study of nearly 2,400 companies across the world found that the share prices of companies that have at least one woman on their board perform 26% better than companies that do not. Analysts attribute the better performance of boards with women to higher risk aversion and lower debt, which paid off during the global economic downturn (Credit Suisse 2012).
- Multinational firms increased profitability in South Korea by aggressively recruiting women for local managerial positions (Siegel et al. 2013). Yet just 2 percent of employers report having adopted strategies to recruit more women in the 42 countries for which relevant data exist (Manpower 2013).



Making sure women are part of the “talent pipeline,” from entry through to senior levels, provides a strategic edge, ensuring that employers are not missing out on the employment potential and skills of half the population. This is particularly relevant in sectors with traditionally low levels of female employment and in emerging markets, where the dearth of talent is often cited as one of the top barriers to company growth (Catalyst 2013).

4. Myth: Violence threatens women mainly in conflict situations or unsafe public spaces

More than 35 percent of women globally have experienced gender-based violence in the form of physical or sexual assault (World Health Organization 2013). That is 938 million women—more than the total number of people living in Sub-Saharan Africa. Women are subjected to violence in times of peace and times of war, in the streets, in their workplaces, and in their homes. These acts range from emotional abuse, beatings, rape and economic deprivation to female genital mutilation, honor killings, and child marriage (United Nations 2013).

Fragility and conflict can heighten the risk of exposure to violence for both men and women. It is sadly true that gender based violence is frequently used as a weapon of war to humiliate, terrorize, punish, and torture both combatants and civilians, and has been reported in many different conflict settings. While data are limited, studies show that between one quarter and one third of women living in conflict settings have experienced sexual violence (Spangaro et al 2013), which could take the form of militarized sexual violence, opportunistic sexual violence, sexual exploitation and abuse, and sexual violence exacerbated by weakened structures (Wood 2006).

The highest profile cases are perhaps those that take place in public spaces – like the Delhi rape, and when sexual violence is used as a tool in armed conflict, such as in the former Yugoslavia in the 1990s and Democratic Republic of Congo today. But, tragically, even this is only part of the story.

Statistically, in most of the world, no place is less safe for a woman than her own home. Globally, the most common form of violence women suffer is intimate partner violence (IPV), including physical, sexual, emotional and

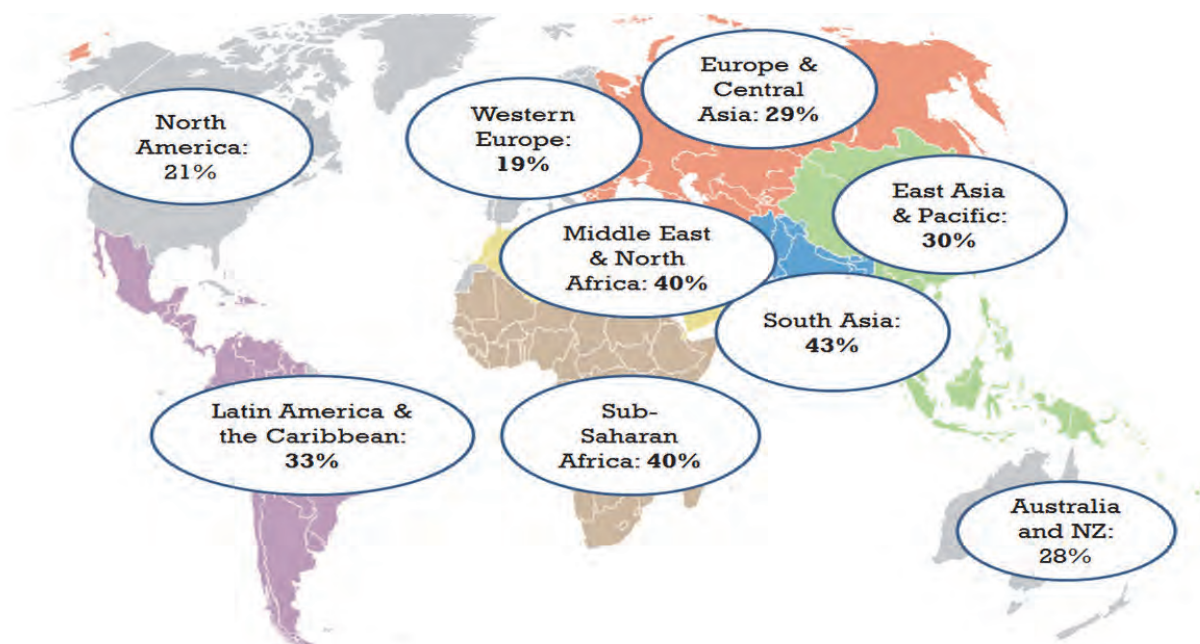
economic abuse by their husbands, boyfriends, or partners (Heise 2002) (see Figure 4).

Women's risk of experiencing violence in the hands of their partners increases in conflict situations, when institutions and rule of law are generally weaker (Vinck and Pham 2013). Such contexts also tend to be characterized by norms that condone violence, economic stress, and higher exposure to traumatic events, all of which tend to increase the incidence of violence.



- One of the highest rates of recent IPV recorded is in the Democratic Republic of Congo, where 60% of women reported experiencing IPV in the past 12 months (Gomez and Speizer 2010).
- In the Palestinian territories, women whose husbands were exposed to political violence were 89 percent more likely to have been physically abused by their partner (Clark et al. 2010).
- In Liberia, men's perpetration of violence against their partners was significantly associated with exposure to traumatic war-related events (Vinck and Pham 2013).

In this sense, what we see in fragile and conflict-affected contexts is but one important part of a larger epidemic of gender-based violence.

Figure 4: Prevalence of Intimate Partner Violence by Region

Source: New analyses of data presented in report by WHO, LSHTM & MRC, (2013), Global and regional estimates of violence against women: prevalence and health effects of intimate partner violence and non-partner sexual violence, WHO: Geneva

The effects of violence are felt at the individual, family, community, and economic levels. Exposure to IPV has been linked with a multitude of adverse physical health outcomes, including acute injuries, chronic pain, gastrointestinal illness, gynecological symptoms, depression, and substance abuse (Campbell 2008; Coker 2012). Research on the mental health

consequences of intimate partner violence has shown it to be a risk factor for depression, post-traumatic stress disorder, and substance use (Taft and Watson 2008). A recent systematic review found that such violence increases a woman's risk of experiencing a major depressive disorder two to three-fold (Beydoun et al. 2012). It has also been linked to increases in women's risk of



contracting HIV and other sexually transmitted infections, as well as their risk of unintended pregnancy and their odds of seeking abortion (Maman 2003; Campbell 2000; Kaye 2006). Exposure to IPV in childhood also promotes the cycle of violence. Women whose fathers beat their mothers are more than twice as likely to experience IPV later in life (Kishor and Johnson 2004). The seeds of gender-based violence are planted early in life, through exposure to domestic violence and maltreatment in childhood and dating violence in adolescence and youth.

Gender-based violence both expresses and reinforces inequality. It tells women they are worth less than men and undermines their ability to make choices and act on them independently. It demands concerted action as a violation of women's basic human rights, but also given the major costs for development which result from pervasive violence.

The costs associated with such violence, like the scale of the problem itself, are indeed staggering—in both individual suffering and lost productivity and earnings. And that creates unique obstacles to tackling poverty in many of the world's poorest, most vulnerable countries. Conservative estimates of lost productivity resulting from domestic violence range from 1.2 of GDP in Tanzania, to 2 percent of GDP in Chile—roughly what most governments spend on primary education (1.5 percent of GDP) Duvvury et al. 2013). And even those figures don't include costs associated with long-term emotional impact and second-generation consequences (Carney et al. 2012). One study estimates the total costs linked to domestic violence for the United Kingdom at 10 percent of GDP (Santos 2013). In some communities, girls' basic rights are violated and human talent development is disrupted by gender-based violence in schools. A 2008 survey in Mozambique, for instance, found that 70 percent of girls reported knowing that some teachers

demand sex for better grades, and 50 percent reported sexual abuse by boys in their peer group (UNICEF 2011).

Conclusion

The world can no longer ignore women as a force for development. To end poverty and boost shared prosperity, we need the full participation of women and girls. Countries that create better opportunities and conditions for women and girls can raise productivity, improve outcomes for children, make institutions more representative, and advance prospects for all. Sustained economic growth requires women alongside men—in factories and families, on farms, in households and houses of parliament, and in society broadly.

We are seeing progress in some areas. But we are not there yet. We need stronger and sustained efforts to ensure that women and girls have equal access to health services, education, technology, jobs, land, and other services could help end hunger and poverty for millions of people.

Overcoming gender inequality requires an understanding of local specificities as well as developing bold, coordinated actions to address multiple constraints. It requires investments in women's and men's skills and capabilities so that they can engage in higher productivity activities. Finally, investing in evidence and data is needed to both strengthen the diagnostics and facilitate tracking of progress. A single solution cannot erase a multitude of constraints, but concerted, multi-sectoral actions can contribute to greater progress. The commitment begins with fostering girls' and boys' skills and aspirations equally from their earliest days. It will help ensure that future generations enjoy a more equitable and prosperous world. In this light, it is clear that the difficulty and scale of the gender agenda should not give way to defeat. The costs of inaction are too great.

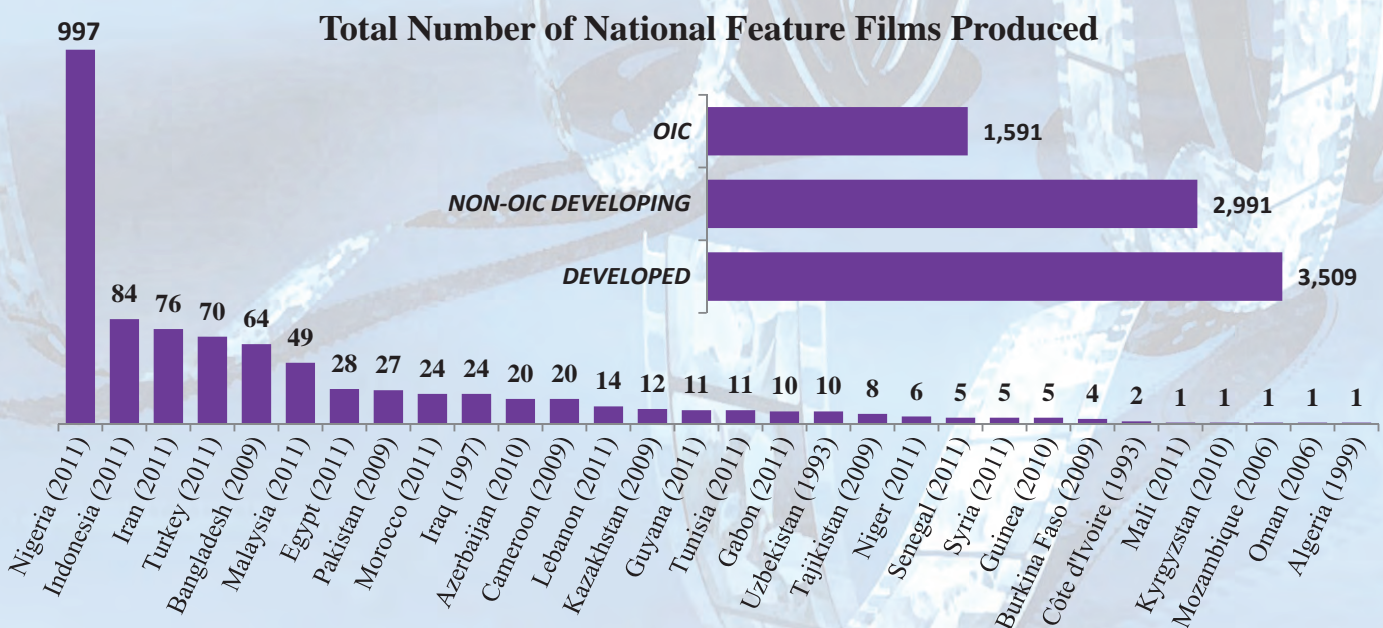
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DID YOU KNOW?

- ✓ The film industry is one of the most lucrative and best-documented of the world's cultural industries. As technology alters the ways in which cinema is produced, distributed and consumed, gathering comparable information is highly needed to understand the impact of these changes on the industry and contemporary culture. The UIS Biennial Survey on Feature Film Statistics offers a unique portrait of an industry in transition and sheds light on cultural diversity in this sector.
- ✓ In 2011, more than half of global film production volume were originated from five countries alone: India (1255), Nigeria (997), USA (819), China (584) and Japan (441).
- ✓ Producing nearly one thousand feature films in 2011, Nollywood of Nigeria was not only the leading film producer within OIC region but also ranked second in the world following the Bollywood of India.
- ✓ Based on the latest available, 1591 feature films had been produced in 30 OIC Member Countries. This constituted nearly 20% of the global film production whereas the shares of developed and non-OIC developing countries in the world were 43% and 37%, respectively. .
- ✓ National cinema is part of an international marketplace, characterised by a cross-border flow of talent and a global circuit of festivals and awards. Promisingly, the national film industries in OIC Member Countries are getting stronger compared to one decade ago. But still the production levels are below 30 films per year except for five member countries, namely Indonesia (84), Iran (76), Turkey (70), Bangladesh (64) and Malaysia (49).
- ✓ As Hollywood is globally favoured, to enrich the the cultural diversity of cinema production all over the world largely depends on the support given to national and regional film industries. This will also help to overcome the geographical divide between big players and small domestic markets.



ISLAMIC FINANCE AT HARVARD

S. Nazim Ali

Director, Islamic Finance Project, Islamic Legal Studies Program
Harvard Law School | Harvard University



S. Nazim Ali is Founding Director of the Islamic Finance Project (IFP) at Harvard Law School since it was established in 1995. For the last thirty years, he has focused his research efforts exclusively on the field of Islamic finance, giving particular attention to lines of inquiry that seek to examine and interrogate the frontiers of the Islamic finance industry, facilitate research within the industry itself and encourage dialogue among the industry's stakeholders as well as between the industry and various external discussants. Dr. Ali has played a lead role in organizing several conferences, workshops and symposia in the field during his nearly two decades at Harvard, including the internationally renowned, biennial Harvard University Forum on Islamic Finance, the proceedings of which are serially compiled and published under his supervision; and the annual workshop at the London School of Economics which brings together the industry's

leading economists, *shari'a* experts and practitioners in order to address key issues confronting the Islamic finance industry. He led the effort that resulted in the publication the world first academic software database covering the Islamic finance industry, the IFP DataBank (originally published on CD-ROM in 1997 and available online since 2003 <http://ifp.law.harvard.edu>) Dr Ali has published half a dozen books and numerous research papers and articles. His most recent publications include, *Building Bridges across Financial Communities: the Global Financial Crisis, Social Responsibility* (Harvard Law School, 2012), and *Shari'a Compliant Microfinance* (Routledge, 2012). He received his PhD from the University of Strathclyde, Glasgow, U.K.

The Islamic Finance Project (IFP) was founded by the Harvard University is America's oldest university and one of the most respected centers of higher education and research in the world, attracting an array of talented students and scholars from across the globe. After about eight years of association with the CMES, the IFP came under the patronage of the Islamic Legal Studies Program (ILSP) at Harvard Law School in 2003. As the only Ivy League project of its kind, the IFP studies the field of Islamic finance from a legal perspective by analyzing contemporary scholarship, encouraging collaboration among scholars within and outside of the Muslim world, and increasing the interaction between theory and practice in the Islamic finance industry.

The IFP is involved in the study of Islamic finance as an interdisciplinary subject, drawing broadly from a variety of fields, and has relationships with professors and students at several Harvard institutions including the Harvard Law School, Harvard Business School, Harvard Divinity School, the Kennedy School of Government and the Faculty of Arts and Sciences. The IFP organizes academic forums, bringing together scholars and experts in law, finance, economics, and traditional Islamic ethics and law (*fiqh*), to engage leading thinkers and industry leaders in a robust academic environment.

Over the years IFP has come to be recognized as a leading research program in the field of Islamic economics, banking and finance. For scholars at



Harvard and beyond, IFP serves as a research center that collects, processes and provides information on academic and practical discourses. For industry professionals, it serves as a valuable platform to interact and engage in stimulating ideas and set the agenda and direction for the industry.

Objectives of the Islamic Finance Project

Since its inception, the Project has continuously redefined its role and scope to meet the growing challenges faced by the nascent Islamic finance industry. The IFP has created for itself a niche. Today, it is recognized as one of the world's leading centers for the study of Islamic economics, banking and finance. As a multi-dimensional research project, the IFP is committed to:

1. Promoting research and development in the field of Islamic economics, banking and finance;
2. Fostering an increased understanding of Islamic Finance between the Islamic and non-

Islamic worlds as well as between industry and academia;

3. Cultivating faculty and student interest in the field by sponsoring workshops and courses on Islamic finance in cooperation with other groups and programs;
4. Assisting governmental bodies seeking to understand the dynamics of this new global phenomena and to create awareness and understanding of Islamic finance principles, policies and trends;
5. Facilitating productive criticism and reflection by offering new perspectives on central concerns.

AN OVERVIEW OF MAJOR IFP INITIATIVES

Over the last several decades, the subject of Islamic finance has attracted growing interest among academics, students, and professionals around the globe. In light of this interest, the IFP has undertaken numerous initiatives to monitor the trends and developments taking place in the Islamic finance industry.

The DataBank project, one of the pioneering efforts of the Islamic Finance Project, was launched in early 1995. This provided the opportunity to understand the landscape of the industry from its history to research and current practices. The open access tools developed by the Project made several other openings possible including the creation of a think tank which culminated in the First Harvard University Forum on Islamic Finance in 1997, an initiative that has gained recognition as one of the most important discussions of issues related to Islamic finance. The unique feature of the Forum was the ambience and environment very unique to Harvard. IFP began to attract top class academics, *shari'a* scholars, practitioners, regulators as well as the consumers and students (the future industry leaders). The papers and discussion emanated from the Forum created further debates on the issues critical to the growth of the industry. After organizing four annual Harvard Forums, it was decided to organize the Forums biannually. The action was primarily intended to retain the high quality of research and presentation. Owing to financial and other challenges attracting top academic and industry leadership every year at Harvard was also turning out to be an uphill task. In 2006, the IFP joined hands with the London School of Economics (LSE) in another landmark initiative where renowned *shari'a* scholars were invited to deliberate in conjunction with economists and legal experts on more complex issues faced by the industry. This initiative has emerged to be known as HLS-LSE workshop which has been organized yearly in London since 2006. This day-long workshop focuses intensively on methodological issues relating to Islamic banking and finance. The IFP has also started the tradition of annual public lectures on Islamic finance at the LSE for its students and the general public.

The IFP has come forward, sometimes at critical stages, to bridge the gap between industry and academia, between various faith-based communities and also between regulators and

industry players. It has arranged get-togethers of various experts at the Federal Reserve Board to clarify the issues related to regulation and perception of Islamic finance industry at large. Also it has taken lead in gathering various communities in discussing business and financial issues in the light of their respective religious teachings, thereby promoting appreciation and understanding among various religious groups. The IFP has always been conscious of encouraging critical thinking of Islamic finance; consequently some of the best-known critiques of Islamic finance have found the IFP to be a great platform to share their ideas. Self-criticism is another way to reflect on one's achievements and failures, and the IFP has been organizing regular meetings, seminars, public lectures and panel discussions of scholars, students and industry players (both formal and informal) to promote deeper understanding of the challenges faced in the globalized financial world.

To disseminate the information to an even larger audience, all of the IFP's important events are recorded and published on its website.

The IFP started with publishing all the papers presented at its Forums, but from the Sixth Forum it decided to publish only selected papers in the form of a book. As of date, the IFP has published eight books covering various themes. "Islamic Law of Finance: Religion, Risk and Return" authored by ILSP founding director Frank Vogel and HBS Professor Emeritus Samuel Hayes (published by Kluwer International) continues to be one of the most sought-after books not only in the western world but also in the Middle East and Far East.

THE IFP DATABANK

The first of its kind, the DataBank aims to assist academics, researchers and professionals by providing them with the most relevant and up-to-date information on Islamic economics, banking, finance, law and *shari'a*. It also has an extensive collection of rulings along with their original



sources. The DataBank has filled an important information gap between academics, practitioners and the scholars engaged in guiding the industry. All its information is available online and for free. The DataBank's approach is encyclopedic in scope and the layout is regularly updated to create a more user-friendly interface.

Information in the DataBank is collected and processed continuously by Harvard students and affiliates from various countries who obtain information through primary and secondary sources scouring libraries, published government materials, internet sources, and more than two hundred institutions with which the IFP has contacts. Currently, the DataBank has over 10,000 original records.

HARVARD UNIVERSITY FORUM ON ISLAMIC FINANCE

This is IFP's flagship event since 1997 (see Appendix 1 for complete list). It is unique among industry events for its content, approach and ability to attract scholars and practitioners from

all over the world. The Forum is also well-known for providing a platform to young researchers and budding practitioners.

In the last seventeen years the Harvard Forum has grown from a small one-day affair to a major multi-session international conference. The Forum brings forth the latest research from academia, contemporary developments in the industry, and leading analyses by academics and government officials. The Forum has also fostered a sense of community among researchers while promoting healthy debate and collaboration between academics, practitioners, and institutions.

The Harvard Forum serves as a magnet for all types of individuals in the field of Islamic finance. Among the many attendees have been bankers, economists, *shari'a* scholars, financial analysts, attorneys, legal practitioners, management professionals, professors, and students. While hundreds attend the Forum directly, thousands follow it indirectly, reading our reports and proceedings.

The Forums have monitored the development of Islamic finance in a comprehensive manner. They have gone deep in exploring ideas, analyzing practices, and prospects, and spotting trends as well as future opportunities for the industry. Presentations at the Forums have dealt with *shari'a* perspectives, investments and financial products, new opportunities and directions, and other aspects of economics, finance, and development. Forums also bring a broad range of resources including introductory programs for newcomers and discussions on sensitive and critical issues such as Islamic jurisprudence, governmental regulations, product development, and ethics.

The IFP has remained committed to keeping the Forums as accessible as possible. Registration fee for attending the Forum is minimal compared to other events in the industry and for academics and students it is highly subsidized. Those who submit their research and papers (whether accepted or not) usually have the registration fee waived.

Special free workshops are organized for those with little knowledge and prior experience in the field. Students from Harvard and other Boston-area colleges as well as members of the community have enthusiastically participated at these workshops.

The Forum has provided all possible support and encouragement to *shari'a* scholars in engaging them with policymakers, regulators and industry players. Either an entire session is dedicated to discussing *shari'a* issues or a *shari'a* scholar is accommodated as an expert panelist to share his views on the subject matter.

In addition, the IFP has introduced a dedicated session on Current Academic Research in Islamic Finance where students and young researchers are encouraged to make presentation on their ongoing research in related fields.

Islamic Finance in the Global Market (1997)

This was the theme of the First Forum which was held at a time when Islamic finance industry had just started gaining traction in the globe market through project finance. The most noteworthy example was the US\$ 1.2 billion Equate Petrochemical finance deal arranged by Kuwait Finance House. Later on this deal was developed as Harvard Business School case study written by Professor Benjamin Esty.¹

Islamic Finance into the 21st Century (1998)

The Second Forum focused on Islamic economic development and *shari'a* issues. The two days of sessions included 43 speakers (17 practitioners, 11 practitioners/academics and 15 pure academicians).² The sessions were divided according to special topics, such as the Global Perspective of Islamic Finance, the *Shari'a* Perspective on Islamic Financial Products, Legal Issues, Islamic Economics, Asset Securitization, Project Finance and Islamic Finance Information Technology. Presentations and papers in these sessions covered a wide array of subjects such as Accounting and Auditing Standards for Islamic Financial Institutions, *Shari'a* Precautions in some Islamic Finance Contracts, *Shari'a* Violations in Islamic Investment Agreements, Issues in Prudential Regulations and Supervision, Financial Engineering, Islamic Tradable Instruments, Islamic Investment Products, Integrating Islamic and Conventional Project Finance, Linking Ethics and Economics, Islamic Finance -the Micro Evolutionary Perspective, Monetary Policies and Economic Growth. The 1998 Forum was also very timely as Citibank launched a full-fledged subsidiary in Bahrain, Citi Islamic Investment Bank. Much dialogue surrounded this event as some viewed Citi's entry as a sign of the Islamic finance industry overtaken by Western banks while others viewed this action

¹ International Investor: Islamic Finance and the Equate Project / Benjamin C. Esty, and Mathew M Millett. Harvard Business School Case 200-012, 1999.

²http://ifp.law.harvard.edu/login/view_pdf?file=forum2nd.pdf&ctype=forums



as an indication of the strong move in the industry.

Islamic Finance: Local Challenges, Global Opportunities (1999)

The theme for the Third Forum was a critical evaluation of the opportunities for Islamic finance in specific nations, specifically the U.S. and the U.K. These opportunities, while promising, confronted institutional, political and social challenges, which were specific to the regions in which Islamic finance operated.

Although we continued our tradition of covering a wide range of subjects, however, in view of the growing specialization in the field, we devoted our efforts towards covering more specific topics, such as economic history, *awqaf*, and capital markets. The Third Forum also featured several case studies of the application of Islamic finance. As Islamic finance gathers critical mass, we may see new products such as Islamic asset-backed securities and Islamic indices, and progress in the development of sophisticated measures to select companies for investment as well as closer

cooperation between financial institutions and regulatory bodies.³

Islamic Finance: The Task Ahead (2000)

The Fourth Forum focused on the current issues confronting the Islamic financial industry and the potential pitfalls that lie in the offing. Accordingly, the Forum's theme reflected concern over the state of the Islamic banking industry and the directions it was likely to take in the early years of the 21st century. A special workshop was organized to acquaint newcomers with the basics of blossoming but at times intimidating field of Islamic finance.⁴

Islamic Finance: Dynamics and Development (2002)

The Fifth Forum provided a platform for leading academics, *shari'a* scholars, practitioners and community members to further understand Islamic finance. In the context of unfortunate events September 2001, the Forum provided the

³http://ifp.law.harvard.edu/login/view_pdf/?file=forum3rd.pdf&type=forums
⁴http://ifp.law.harvard.edu/login/view_pdf/?file=forum4th.pdf&type=forums

much needed opportunity for dialogue between professionals of various communities. It also dispelled some of the myths gaining ground regarding Islamic finance in the surcharged environment. The keynote and parallel sessions were supplemented with a panel discussion on the position of the Islamic financial community in the contemporary financial and political environment. Given the increased number of queries received about Islamic finance and financial institutions, a workshop for newcomers was also held.⁵

Islamic Finance: Current Legal and Regulatory Issues (2004)

The Sixth Forum was held at a time when the field of Islamic finance itself was witnessing widespread and momentous changes. Important new institutions were founded in recent past, most notably the Islamic Financial Services Board in Malaysia, which was promoted by fourteen regulatory and supervisory agencies in addition to the International Monetary Fund and the World Bank. The regulatory and legal landscape, too, had witnessed some very important developments, such as the new laws for financial institutions promulgated in Lebanon and Kuwait. The Sixth Forum reflected these developments, particularly in exploring current legal and regulatory issues in Islamic finance.⁶ These issues are at the forefront of developments in the field, and the Forum, with its unique blend of academic scholarship and industry experience, provided a critical and objective examination of all such issues.

Integrating Islamic Finance in the Mainstream - Regulation, Standardization and Transparency (2006)

Aggressive growth of Islamic finance created challenges of interaction with the main stream financial system. Prominent Islamic scholars,

lawyers, regulators, academics and practitioners were invited to evaluate and analyze the legal and regulatory challenges faced by the industry, and discuss new developments in the field, focusing in particular on standardization and transparency. A special session in the Seventh Forum was the “Governors and Institutions Roundtable,” which provided an opportunity for representatives of various central banks to discuss challenges they were facing in regulating this fast moving industry and ways to address them.⁷

Islamic Finance: Innovation and Authenticity (2008)

The Eighth Forum focused on four major themes: law, policy, and supervision; conceptual directions in *shari'a*; debt and equity modes of financing; and *shari'a* supervision of modern Islamic finance.⁸ It took place during a major junction in the history of Islamic finance. As the industry grows in popularity and breadth, the importance of analyzing what is truly *shari'a*-compliant was turning out to be a contentious issue for various stakeholders. Papers for this forum were chosen from a poll of submissions in response to a call for papers. There were over forty papers and speeches in the Forum, including those presented at the pre-forum on microfinance. Each reflected on some of the key issues that impacted Islamic finance’s relationship between innovation and authenticity as it interacts with the mainstream financial community. Lawyers, regulators, academics and practitioners analyzed the legal and regulatory challenges faced by the industry and discussed new developments in the field, focusing in particular on this relationship and striking a balance in being innovative yet authentic.

⁵http://ifp.law.harvard.edu/login/view_pdf/?file=forum5th.pdf&ctype=forums
⁶http://ifp.law.harvard.edu/login/view_pdf/?file=forum6th.pdf&ctype=forums

⁷http://ifp.law.harvard.edu/login/view_pdf/?file=forum7th.pdf&ctype=forums
⁸http://ifp.law.harvard.edu/login/view_pdf/?file=forum8th.pdf&ctype=forums



Building Bridges across Financial Communities (2010)

The Ninth Forum was the culmination of efforts over the past fourteen years to bring together scholars and practitioners from around the world to discuss Islamic finance's most important issues. Previous forums had taken up Islamic finance and economics in more depth to examine areas such as legal and regulatory issues, global challenges and opportunities for the industry, dynamics and development, as well as innovation and authenticity. The Ninth Forum sought to move forward from these introspective considerations by focusing on the broader issue of how Islamic finance can be used to build bridges across range of financial services and communities. Part of this global discussion focused on the need for greater and improved ethics, values, and social responsibility in modern finance. This included a lively discussion on how religious principles and moral teachings can assist in overcoming the trauma of financial crisis. The Forum stood out from past forums in its emphasis on interfaith dialogue. Speakers from different religious groups

shared their faith's perspectives on finance and how Islamic finance can take a broader multi-faith approach while industry practitioners explored the possibility of adopting Islamic finance values in countries serving non-Muslim populations. Together, the speakers' and audience's diverse group of perspectives contributed to a stimulating discussion on how Islamic finance should learn lessons from the past and address present challenges to continue its march in the future.⁹

Islamic Finance & Development (2012)

The Tenth Forum brought together experts, scholars, and practitioners from all over the world to discuss specific issues that underpin the need to reconsider the relationship between Islamic finance and economic development, particularly in the aftermath of the global financial crisis. The Forum featured three main plenary sessions, which reflected three major themes within the topic of economic

⁹http://ifp.law.harvard.edu/login/view_pdf/?file=Ninth%20Harvard%20Forum%20Short%20Report.pdf&type=Announcements

development. These include the Islamic financial industry's contribution to global economic development; Islamic finance and the development of Small and Medium-sized Enterprises (SMEs); and faith-based investment and social responsibility. Apart from these three main sessions, there were also parallel sessions on: Islamic finance and the Arab Spring movements; global perspectives on Islamic finance; Islamic finance and alternative economic thinking; and current academic research on product development in the Islamic finance industry. With over 50 speakers and 30 nationalities represented, the Forum attracted the leading academicians and the industry professionals to critically discuss the issues highlighted above with a view to propose sustainable developmental plans for the industry in general.¹⁰

Takaful and Alternative Cooperative Finance (2014)

The Eleventh Forum seeks to reassess and critically engage with issues of risk sharing, mutuality, solidarity, and socioeconomic welfare in the context of Islamic concept of *takaful* and cooperation. Islamic finance literature frequently refers to economic justice, equitable distribution of opportunity and wealth, ethics, morality, equity and fairness in business dealings.¹¹ Critics, however, contend that the current practice of Islamic finance is not adequately informed by such ideals. This Forum hopes to attract over 50 speakers from across the globe.

THE IFP AND POLICY SETTINGS

After launching and monitoring discussions and debates at the Harvard Forums for a decade, there was felt a need for an ongoing deeper scholarly and pragmatic conversation between the major proponents and stakeholders such as: economists, *shari'a* experts, key industry practitioners,

regulators and legal professionals. After serious consultation with several experts, the IFP came up with a discussion group representing participation from various stakeholders. This discussion group organized its first workshop in 2006 under the supervision of Frank Vogel at Harvard in which several prominent economists and *shari'a* experts joined together (for the first time in the history) to discuss some of the most pressing issues¹². The meeting was timely to advance the understanding of key issues and increased cooperation among economists and *shari'a* experts. The format was highly appreciated and the decision was made to continue with it. The next workshop was recommended to be held in Europe.

The IFP decided to collaborate with the LSE in co-hosting the workshop. Since 2007 this annual "Workshop" has become another landmark event under the banner of IFP. This workshop mainly picks up methodological issues confronting the Islamic finance industry and the primary aim is to fill the conversational void among various stakeholders; especially between *shari'a* scholars and Islamic economists. These workshops also attract participation from legal experts, regulators and industry leaders who are involved in day-to-day operations. So far eight workshops have been held on a variety of issues (Appendix 3).

In order to achieve its objectives and make the workshop really successful and unique, several norms were unanimously agreed upon and adopted:

- *Limit on number of participants*: Limited between 25 and 30 people, representing prominent economists, *shari'a* experts, industry professionals, regulators, and legal experts.

¹⁰http://ifp.law.harvard.edu/login/view_pdf/?file=10th_Forum_Short_Report.pdf&type=forums

¹¹http://ifp.law.harvard.edu/login/view_pdf/?file=Harvard_Forum_Call_for_Papers.pdf&type=Announcements

¹²http://ifp.law.harvard.edu/login/view_pdf/?file=select%20ethical.pdf&type=workshops



- *Close-door discussion:* To encourage all participants to share their thoughts freely, the workshop is held with a close-door policy. It is invitation-only and no sensitive matter discussed in the workshop is leaked or attributed to any particular participants.
- *Workshop theme:* It is selected through preferential voting by workshop participants and key industry leaders and scholars. The theme normally deals with policy matters.
- *Modus Operandi:*
 - All workshop participants are required to send their comments on the chosen theme much before their arrival at the workshop and the same is distributed among all participants to help facilitate an engaging and insightful dialogue and reflection;
 - All participants are required to stay in the entire duration of the workshop and no networking from any outside person is allowed;
 - Workshop starts with a brief presentation on the agenda (prepared in the light of comments received from participants) and then each topic is picked up and discussed thoroughly one-by-one;
 - Conclusion and summary of workshop is prepared at the end of the workshop and

participants' concurrence received in their presence.

- Finally, a short report of the workshop is produced and published on IFP website for wider dissemination.

Workshop Themes

Tawarruq: Harvard-LSE partnership was started with this workshop in 2007. It turned out to be a hugely successful event for bringing together the two most important constituents of the Islamic finance industry (i.e. economists and *shari'a* experts). The economists represented in workshop included: Khurshid Ahmed; M Nejatullah Siddiqi, Anas Zarqa, and Mabid Al Jarhi whereas *shari'a* experts included: Hussain Hamed Hassan, Mohammed Elgari, Nizam Yaquby, M Imran Usmani, Abdulkadir Barkatullah, Esam Ishaq, and Daud Bakr. The position papers were presented by M Nejatullah Siddiqi representing economists' perspective and Mohammed Elgari presented *shari'a* position on the subject. Outcome of the debate is soon to come in public domain in the form of a book on Tawarruq under the editorship of Frank Vogel.

Sukuk: Economic and Jurisprudential Perspectives: This was the theme of the Workshop organized

in 2008. This was very timely and important because a controversy had arisen (after a prominent *shari'a* scholar questioning the authenticity) regarding *shari'a* compliance of *sukuk* issued by Islamic financial institutions. Consequently, AAOIFI¹³ had to revise its guidelines on *sukuk shari'a* standards.¹⁴

Risk Management was the theme of 2009 workshop in which the Citibank Chief Economist, Professor Willem Buiter made a thoughtful presentation on the financial crisis highlighting several regulatory shortcomings. In addition, a number of case studies were presented to understand the various issues associated with risk management.¹⁵

Islamic Financial Ethics and Ethical Governance: After the financial crisis, the Islamic finance industry was more concerned with ethics and regulations and therefore participants chose this theme for the 2010 workshop.¹⁶

Reappraising the Islamic Financial Sector: This topic was chosen (2011) in response to certain claims that the Islamic financial industry may have veered off-track.¹⁷ Many accused the industry of not being substantively different from conventional finance and failing to realize the original economic and social ideals espoused in Islamic finance literature.

Islamic Financial Intermediation: Revisiting the Value Proposition (2012): This topic was chosen in response to suggestions made in the preceding workshop. Rapid growth of Islamic finance has led to competing claims on the direction Islamic finance should take in the local and global economy. This workshop focused on analyzing the aim of Islamic finance in the light of the

maqasid al-shari'a, modern product offerings, and the current global financial malaise.¹⁸

*Insolvency and Debt Restructuring in Islamic Finance (2013):*¹⁹ The global economic and financial downturn had forced the Islamic finance industry to face unforeseen challenges that exposed them to many legal and regulatory issues. This workshop discussed and analyzed issues such as how to unwind, restructure and enforce *shari'a* compliance on structures and entities that had been innovated and developed over the last decade. Some of the more widely reported debt repayment failures were chosen for deeper scrutiny.

Use and Abuse of Limited Liability (2014): Following the previous year's workshop, the participants decided to focus their energies on this theme. The main purpose was to envisage various models or structures of organizing business that retain the beneficial aspects of limited liability while avoiding the misuse of the concept. The discussion also focused on the concepts of juridical person and limited liability and Islam's position on them, followed by issues emanating from them and potential solutions or alternatives.

All Harvard-LSE workshops so far have been moderated by Frank Vogel.

PUBLIC AWARENESS

The IFP has worked with the LSE in hosting public lectures on Islamic Finance since 2007. The purpose of these public lectures is to create a better understanding of Islamic Finance and to educate people about the misconceptions surrounding the Islamic finance industry. A total of eight public lectures have been held so far on various topics. Appendix 4 provides a complete

¹³ The Accounting & Auditing Organization for Islamic Financial Institutions

¹⁴ http://ifp.law.harvard.edu/login/view_pdf/?file=sukuk%20workshop%20short%20report.pdf&type=

¹⁵ http://ifp.law.harvard.edu/login/view_pdf/?file=Riskmangement.pdf&type=seminars

¹⁶ http://ifp.law.harvard.edu/login/view_pdf/?file=Harvard-LSE%20Workshop%202010.pdf&type=Announcements

¹⁷ http://ifp.law.harvard.edu/login/view_pdf/?file=Reappraising_the_Islamic_Financial_Sector.pdf&type=workshops

¹⁸ http://ifp.law.harvard.edu/login/view_pdf/?file=LSE_Workshop_2012_Report.pdf&type=workshops

¹⁹ http://ifp.law.harvard.edu/login/view_pdf/?file=HLS_LSE_WORKSHOP_2012_REPORT.pdf&type=workshops



list of these lectures whereas Reports of these lectures are available at the IFP Website:

<http://ifp.law.harvard.edu/login/conference>

Information Sessions with Islamic Finance Student Groups

Since 1998, the IFP has regularly organized one or two information sessions for members of the Harvard community interested in Islamic banking and finance in general and in the IFP in particular. At its office, the IFP holds regular discussions with students from Harvard College, the Graduate School of Arts and Sciences, the Business School, the Law School, and other Harvard institutions. The IFP also organizes workshops introducing newcomers to the basics of Islamic finance.

IFP RELATIONSHIPS

Harvard Community Support

The IFP has extended assistance to various faculty members at the Faculty of Arts and Sciences, Law, Business, and Kennedy Schools in completing their research and teaching assignments. The Program has also provided

information access, informal advices, and guidance on thesis research to students from the Law and Business Schools and the Departments of Economics, Government, and History. Under the auspices of the ILSP, the IFP has hosted fellows on a yearly basis who have found the IFP to be a valuable resource in their research.

At the Business School, several faculty members have taken part in the biennial Islamic Finance Forums, especially Samuel L. Hayes, III, Professor Emeritus. Several seminars have been sponsored and organized by the Business School Islamic Club on Islamic finance as a subject of academic interest and a field offering a number of career opportunities for MBA students. The IFP has assisted the Islamic Club at the Harvard Business School (HBS) to organize many seminars since 2000. These seminars are intended to introduce Islamic finance as a subject of academic interest as well as to provide an opportunity for HBS students to conduct researches on Islamic finance and allied fields to share their ideas. Various case studies and research projects in the field of Islamic finance have been developed at HBS. These research projects and case studies have explored a range of

issues facing the industry. A list of these publications may be found in the Appendix 2. In the Winter 2010 term, a seminar course on Islamic Finance Principle was offered. In this seminar students were introduced to the theory and practice of Islamic finance, including the set of financial concepts, solutions and service providers that conform to the principles of *shari'a*.

The Project has also worked with various libraries including Langdell at the HLS, Widener Library, and Baker Library in building their collections. These libraries have largely viewed the IFP DataBank as an invaluable research tool and have featured the DataBank as part of their research and information services.

Theses and Dissertations at Harvard

Several students at the HLS have written their doctoral dissertations on topics related to Islamic finance. Four such students include Ayesha Khan, Kristin Smith, Walid Hegazy, Fatimah Iliasu, and Aida Othman. A selected list of original contributions by Harvard students at various departments at Harvard may be found in Appendix 3.

IFP and the Regulators

The Project has worked to bridge the gap between institutions and governmental regulatory bodies by encouraging their engagement in the Islamic finance industry through various seminars and workshops. The Project has answered inquiries relating to Islamic finance from the U.S. Treasury, and has conducted two seminars at the Treasury for its staff, members of the executive branch, and Congressional staff. United States Treasury Undersecretary, John Taylor, was invited as the keynote speaker for the Sixth Harvard University Forum on Islamic Finance in 2004 on "Understanding and Supporting Islamic Finance: Product Differentiation and International Standards."

In March 2005 the IFP hosted a workshop on the Supervision and Regulation of Islamic Financial Institutions in the United States. This workshop played a key role in arranging a get-together of Islamic financial institutions with relevant U.S. regulators. More than forty representatives from various government agencies such as the Securities and Exchange Commission (SEC), the Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Board (FRB), and the Office of the Comptroller of the Currency (OCC) had an intense interaction with almost all institutions providing Islamic finance products and services in the U.S. and abroad. A full report of the event may be found online at:

<http://ifptest.law.harvard.edu/ifphtml/index.php?module=WorkshopReport01>.

In March 2006 the IFP worked with the Federal Reserve Bank of New York (FRBN) to organize an interagency forum on Islamic banking in the United States. This meeting was organized to advance the discussion of regulatory issues relating to Islamic banking.

Governors of various central banks are invited by IFP to its biennial events to discuss relevant issues and regional advancement.

The IFP has close contact with most of the institutions involved in research on Islamic finance. These include departments and programs within formal academic institutions, research and legal advisory departments of commercial financial institutions, and non-governmental organizations (NGOs) such as the Islamic Development Bank (IDB), Organization of Islamic Cooperation (OIC), Accounting & Auditing Organization for Islamic Financial Institutions (AAOIFI), the Islamic Finance Services Board (IFSB), the International Islamic Financial Market (IIFM), the International Islamic Liquidity Market (IILM), the International Monetary Fund (IMF), and the World Bank.



The IFP has coordinated with various research bodies and information service providers within the Islamic finance community at the International Research Roundtable in an effort to increase coordination, avoid duplication, and enhance the efficiency and synergy of the industry's research and development.

The IFP and Islamic Finance Industry

The IFP has taken a proactive role in collaborative research and industry-building efforts with other institutions. By interacting with regulators and connecting them to Islamic financial institutions, bringing together senior *shari'a* scholars and Muslim economists for a constructive engagement on critical issues, and cosponsoring events with other universities wherever possible, the IFP has sought to bring diverse constituencies and institutions together in the larger interest of the industry. The IFP's one of the greatest assets has been the involvement

and support it enjoys from individuals in the Islamic finance industry. The Program has further interacted with the Islamic finance community through its involvement with specific research projects, seminars, committee representations, the IFP Endowment drive, other IFP fundraising events, and the industry recruitment of Harvard students.

The Program maintains a balance between academic and industry-related interactions. Its links with the greater financial world have also increased the number of financial resources available to the Program. The IFP's position in the academic community has allowed the Program to participate in the creation of new products and services in the Islamic finance industry, while introducing the industry to original academic research.

The IFP's extensive research network and industry-building efforts have positioned it as a

key resource to help industry institutions identify promising candidates. In addition to informal career guidance, the IFP has also organized career seminars at both the HLS and HBS to supply talent to the industry.

Several IFP affiliates have developed competence in a variety of relevant fields – business, corporate law and *shari'a* compliance – and have gone on to work with some of the most prominent institutions in the Islamic finance industry, including the Islamic Development Bank, Al Baraka, HSBC Amanah, Citibank, Kuwait Finance House, AlRajih Group, Abu Dhabi Islamic Bank, Khazanah, Saudi Hollandi, Deutsche Bank, J.P.Morgan etc. A few of the IFP affiliates have established their own consultancies.

THE FUTURE: COORDINATING NEW DEVELOPMENTS

The IFP sees an important role for itself in the coordination of new initiatives primarily in two areas: research and information technology. Many research centers around the world are doing important work but in the process a lot of research is duplicated due to lack of any proper coordination among various research centers. The Islamic finance industry could benefit immensely if research and developments in conventional economics and financial fields could be adapted and applied to Islamic economics and finance. The IFP is ideally placed to coordinate such efforts in Islamic finance and to serve as a contact point for researchers from around the world. The academic richness of Harvard affords the Program credibility that will be vital in such coordination.

Training the Leaders of the Future

Every year, Harvard attracts many of the brightest students from around the world, a number of whom, through IFP, come to learn and develop interest in pursuing careers in Islamic finance. For many of these students the Program has procured internship and recruitment opportunities in the Islamic finance industry.

The IFP has sought to train future leaders in the field of Islamic finance. It has assumed the role of creating courses, arranging internships, and fellowships, at Harvard and beyond. The IFP has connected interested young students with scholars and practitioners to facilitate mentoring and guidance.

Friends of the IFP

The IFP has crossed paths with innumerable students and scholars at Harvard. After their departure from Harvard, many of these individuals have retained their interest in Islamic finance and have served as ambassadors of the IFP. And many IFP student associates have continued their association with the IFP. They have prepared program reports, edited papers of the proceedings, suggested topics for the Forums, given advices on the Program's strategy, answered industry-related inquiries, collected information, and acted as liaisons between the Program and the Islamic finance industry at large. Regular communication and periodic face-to-face meetings have kept their interest in the Program intact.

Appendix 1: Harvard University Forum on Islamic Finance (1997-2014)

| Forum (Year) | Main Theme of The Forum | Some Important Personalities at the Forum | Remarks |
|-------------------------|---|---|----------------------|
| 11 th (2014) | Takaful and Alternative Cooperative Finance | | Papers Shortlisted |
| 10 th (2012) | Islamic Finance and Development | Noah Feldman Rashad Hussain Mahmoud Mohieldin | Under Publication |
| 9 th (2010) | Building Bridges across Financial Communities | Thomas C. Baxter, Jr. Bambang P. Brodjonegoro Seamus Finn | Book Published |
| 8 th (2008) | Islamic Finance: Innovation and Authenticity | Robert Merton William Graham Shamshad Akhtar | Book Published |
| 7 th (2006) | Integrating Islamic Finance into the Mainstream: Regulation, Standardisation and Transparency | Anwar Ibrahim Fahad Faisal Al-Thani William L. Rutledge | Book Published |
| 6 th (2004) | Islamic Finance: Current Legal and Regulatory issues | John B. Taylor Ahmad Mohmed Ali Nurcholish Madjid | Book Published |
| 5 th (2002) | Islamic Finance: Dynamics and Development | Ahmed Mohammed Al-Khalifa Mahmoud El-Gamal Ibrahim Warde | Proceeding Published |
| 4 th (2000) | Islamic Finance: The Task Ahead | Stephen Green David G. Mitten Samuel Hayes | Proceeding Published |
| 3 rd (1999) | Islamic Finance: Local Challenges, Global Opportunities | Mohamed Al Faisal Al Saud Ishaq Dar David G. Moran | Proceeding Published |
| 2 nd (1998) | Islamic Finance into the 21 st Century | Shaukat Aziz Rifaat Ahmed Abdel-Karim Frank E. Vogel | Proceeding Published |
| 1 st (1997) | Islamic Finance in the Global Market | Thomas D. Mullins Amr Alfaisal Al Saud Iqbal Khan | No Publication |

Appendix 2: Harvard Business School Case Studies

| S. No. | Project Title | Project By | At |
|--------|---|---|--|
| 1 | Aluminium Bahrain (Alba): The Pot Line 5 Expansion Project (TN) | Benjamin C. Esty and Aldo Sesia | Harvard Business School Teaching Note, 2004 |
| 2 | Aluminium Bahrain (Alba): The Pot Line 5 Expansion Project (CW) | Esty, Benjamin C., and Aldo Sesia | Harvard Business School Spreadsheet Supplement 205-708, 2004 |
| 3 | Aluminium Bahrain (ALBA): The Pot Line 5 Expansion Project | Benjamin C. Esty, and Aldo Sesia | Harvard Business School Case 205-027, 2004 |
| 4 | International Investor: Islamic Finance and the Equate Project | Benjamin C. Esty, and Mathew M Millett | Harvard Business School Case 200-012, 1999 |
| 5 | International Investor, Islamic Finance and the Equate Project TN | Benjamin C. Esty and Mathew M Millett | Harvard Business School Teaching Note 200-013, 1999 |
| 6 | An Introduction to Islamic Finance | Benjamin C. Esty, Mathew M Millett, and Fuaad Qureshi | Harvard Business School Note 200-002, 1999 |

Articles and papers published by Harvard magazines

| | | | |
|---|--|---------------------------------|--|
| 7 | Islamic Finance: The New Global Player | Rehman, Aamir and Ali, S. Nazim | <i>Harvard Business Review</i> , February 2008, pp. 43 |
| 8 | Risk Mitigation at Hubco: Conventional vs. Islamic Finance Contracts | Chirag Vasawada | Unpublished course paper, Harvard Business School, Supervised by Benjamin C. Esty), 2001 |

Appendix 3: IFP-London School of Economics Workshop

| Year | Theme |
|------|---|
| 2014 | Use and Abuse of Limited Liability |
| 2013 | Insolvency and Debt Restructuring in Islamic Finance |
| 2012 | Islamic Financial Intermediation: Revisiting the Value Proposition |
| 2011 | Reappraising the Islamic Financial Sector |
| 2010 | Islamic Financial Ethics and Ethical Governance |
| 2009 | Risk Management: Islamic Economic and Ethico-legal perspective on Risk Management |
| 2008 | <i>Sukuk</i> : Economic and Jurisprudential Perspective |
| 2007 | <i>Tawarruq</i> |

Appendix 4: IFP Organized Public Lectures at the London School of Economics

| Year | Chair | Industry Professional | Academician/Scholar | Theme of the Public Lecture |
|------|-----------------------|-----------------------|---------------------|--|
| 2014 | Prof David R Kershaw | Farmida Bi | Paul Mills | Risk sharing and Cooperative Finance |
| 2013 | Justice William Blair | Azman Mokhtar | Frank E. Vogel | Islamic Finance and <i>Shari'a</i> Compliance: Reality and Expectation |
| 2012 | Justice Ross Cranston | Mukhtar Hussain | Volker Nienhaus | Global Calls for Economic Justice: The Potential for Islamic Finance |
| 2011 | Sir Howard Davies | Iqbal Khan | Haytham Tamimi | Building Bridges Across Financial Communities |
| 2010 | Sarah Worthington | Stephen Green | M Umer Chapra | Global Perspectives on Islamic Finance |
| 2009 | Sir Howard Davies | Ian Pearson | Esam Ishaq | Islamic Finance in the United Kingdom: Current Initiatives and Challenges |
| 2008 | Justice Ross Cranston | Usman Ahmed | Nizam Yaquby | Advancements in Contemporary Islamic Finance: From Practice to Scholarship |
| 2007 | Prof Baber Johansen | Michael Hanlon | Mohammed Elgari | Islamic Finance: Relevance and Growth in the Modern Financial Age |

Appendix 5: Theses Accepted by Various Harvard Schools on Islamic Finance/Banking/Economics

| S. No. | Author/Researcher | Title of Work | Year |
|--------|--------------------------------|--|------|
| 1 | Saffari, Said | On the rollercoaster of development: banking and economic growth in Iran under the Pahlavis and the Islamic Republic | 1997 |
| 2 | Tarik Mohamed, Yousef | Essays in twentieth century Middle Eastern economic development | 1997 |
| 3 | Mian, Kamal M. Amjad. | <i>Mudaraba</i> , theory and practice: a case study of the <i>Mudaraba</i> institution in Pakistan | 1997 |
| 4 | Montasser, Hashem Essam El Din | Financial innovation in Islamic finance | 1997 |
| 5 | Al-Mutairi, Mansour Z. | Necessity in Islamic law | 1997 |
| 6 | Rehman, Aamir Abdul. | al-Shatibi's Maqasid al-Shari'ah and the harm principle of Mill: comparing utilitarian and Islamic jurisprudential conceptions of harm | 1998 |
| 7 | Binladen, Abdullah M. | Negotiability of financial instruments in contemporary financial markets: an Islamic legal analysis | 2000 |
| 8 | Mohamed, Abdikadir Hussein | Islamic finance as a tool of microenterprise development in Sub-Saharan Africa | 2001 |
| 9 | Nazri Wan Osman | Limitation of incorporating charitable contract in a business transaction: the case of Tabarru' fund in the Takaful scheme | 2001 |
| 10 | Sattar, Babar | Islamization in Pakistan: investigating and explaining legal change | 2002 |
| 11 | Khalife, May | Islamic banking in Lebanon: remarks on the new law no. 575 dated February 11, 2004 on the establishment of Islamic banks | 2004 |
| 12 | Shakil, Mansoor | Islamic banking, risk analysis and the impact of Basel II on its future | 2004 |
| 13 | Othman, Aida | "And şulh is best": amicable settlement and dispute resolution in Islamic law | 2005 |
| 14 | Hegazy, Walid | The rules of Īmān and the contemporary practice of Islamic finance | 2007 |
| 15 | Iliasu, Fatima Binta Musa | International petroleum contracts: an Islamic contract law perspective | 2008 |
| 16 | Guité, Diane | From radical Islam to "smoke and mirrors": the trajectory of Islamic finance and its effects on religious belief | 2008 |
| 17 | Njogu, Roseline | Commercial bank of god?: an analysis of Islamic banking in the context of separation of church and state in Kenya | 2009 |
| 18 | Yasini, Anwar Sadat | <i>Mudaraba</i> as a mode of Islamic finance: challenges and opportunities | 2010 |
| 19 | Musa, Tariq A. | Islamic banking and the financial crisis: Shariah Compliance and bank stability in the Arab Gulf | 2010 |
| 20 | Khan, Ayesha Khalid | Essays on faith and finance | 2010 |
| 21 | Somane, Mahat | Corporate governance in Islamic finance: promises and pitfalls: an analysis of Islamic banking corporate governance vis-à-vis conventional banking | 2011 |
| 22 | Koleilat, Sara | Debt financing through <i>sukuk</i> : from structural inflation to practical dilemmas | 2012 |

Appendix 6: IFP Organized Specialized Seminars

| S. No. | Theme | Year |
|--------|--|------|
| 1 | Impact of Islamic Finance on Economic Development | 2010 |
| 2 | Islamic Finance: Creating an Enabling Environment | 2010 |
| 3 | Islamic Finance, Recycling Petrodollars, and Economic Development | 2009 |
| 4 | Microfinance: Toward a Sustainable Islamic Finance Model | 2008 |
| 5 | Financing the Poor: Promoting Micro-Finance the Islamic Way | 2007 |
| 6 | The Global Impact of Islamic Finance: Industry Overview and Implications | 2007 |
| 7 | Legal Careers in Islamic Finance | 2006 |
| 8 | Economic Development and the Muslim World | 2004 |

Appendix 7: IFP Organized Panel Discussions

| S. No. | Title | Year |
|--------|---|------|
| 1 | <i>Shari'a</i> -Compliant Home Financing in the U.S. | 2013 |
| 2 | Islamic Finance - Bankruptcy, Financial Distress and Debt Restructuring | 2011 |
| 3 | The Evolution of the Global Financial System from the Current Crisis | 2009 |
| 4 | Microfinance: Toward a Sustainable Islamic Finance Model | 2008 |
| 5 | Select Ethical and Methodological Issues in <i>Shari'a</i> -Compliant Finance | 2006 |
| 6 | The Supervision and Regulation of Islamic Financial Institutions in U.S. | 2005 |



CIVIL SOCIETY IN OIC MEMBER COUNTRIES: CHALLENGES AND OPPORTUNITIES

SESRIC*

INTRODUCTION



Civil Society (CS) refers to the voluntary formations of individuals that work for a common purpose. It is an area outside of the public and private sector. Civil society institutionalizes itself by forming civil society organizations such as charities, environmental organizations, human rights groups to trade unions, chambers and on a larger scale, international organizations. In a tolerant country each citizen has the right to form his or her choice of organization freely as a member of the civil society. Citizens also have the right to engage into any existing civil society organizations. They are also free to decide on to what extent they are going to be active in civil society organizations.

With the rise of globalization, the impact of civil society organizations on governments and citizens has become more significant in many open economies (Anherier, et al. 2001). Well-structured civil society organizations provide benefit to societies in different ways such as providing constructive criticisms to governments in reshaping their policies or being a platform for delivering the message of underrepresented citizens (such as women, elder people) on

different issues. Also in developing countries that are receiving international development aid, civil society organizations play another important role by being an agent between donor (aid sending) countries/institutions and aid receiving countries/institutions (such as the positive role of civil society institutions on aid effectiveness) (IOB, 2012). Therefore, the increasing interest of international institutions on civil society organizations has helped them in their growth in terms of numbers and effectiveness level on the society (Kaldor, 2003). From a political perspective, in our globalized world today both in developed and developing countries gaining the support of the civil society has become critical for governments to ensure their legitimacy. Therefore both at national and international level the overall environment for civil society organizations are more favourable compared with the 1980s and 1990s. Despite positive developments on the status and working programs, civil society organizations are also not free from flaws and weaknesses such as some of these groups do not often consult to their members and are isolated from their audience (Mendelson and Glenn, 2002). Many civil society organizations also suffer from the lack of transparency especially in their financial issues (Clark, et al. 2003).

In an ideal case, governments have the power to monitor activities of civil society organizations and audit their accounts but not much more that. Civil society organizations are supposed to be less influenced by governments and therefore they are sometimes labelled as the “third sector”. One of the main goals of these organizations is to deliver

* This report was prepared by Mr. Cem Tintin, Researcher at the Economic and Social Research Department, SESRIC.

views of citizens on different issues such as from trade protection to global warming to policy-makers.

In reality, at varying degrees, governments and governmental organizations have an influence power on civil society organizations both in developed and developing countries from their formation phase to their activity lists. However, there is a wide disparity between developed and developing countries in terms of the relationship between governmental organizations and civil society organizations.

In developed countries, the influence of governments is limited on civil society organizations and their activities. In these countries, governments often have the responsibility to provide an enabling environment for civil society organizations through legislation, monitoring and financing mechanisms. This is mainly stemming from the 'complementarity relationship' between governmental and civil society organizations, which means that governments in developed countries see the existence of strong civil society organizations as an opportunity. Governments or governmental organizations believe that civil society institutions can provide necessary input to governments that will help them to correct flaws in their policies. It is also evident that through civil society organizations, policy-makers can hear voices of its citizens on any kind of issue that is considered as 'important' by civil society.

In contrast, in developing countries, including OIC member countries, there is often an 'adversary' relationship between governmental organizations and civil society organizations. These two sides sometimes treat each other even as a rival in several issues. In other words, policy makers think that civil society organizations can substitute governmental ones in several policy areas, which is seen as a 'loss of power' from the governmental side. Additionally, in developing countries policy-makers attach relatively less

importance to different views on their particular policy fields or they are not tolerant enough for different views. Therefore in such developing countries policy makers tend to have less willingness to have strong platforms that can reflect views of civil society. To this end, they do not work for to create an environment that enables strong civil society organizations. In some developing countries, bureaucrats abuse their power (e.g. bribery) and work on how to restrict civil society activities or limit their capacities such as through taxation, auditing or delaying the issuance of permit documents. Therefore the environment for civil society organizations in developing countries is far from being 'enabling' in several respects.

Against this background, this outlook report examines the stance of civil society in OIC member countries in comparison with other developing, developed and the world by using the Enabling Environment Index (EEI) that is prepared by CIVICUS in 2013. The fundamental building block for CIVICUS: World Alliance for Citizen Participation was the 1991 decision of a group of civil society leaders from across the world to reinforce and support the virtual expansion of citizen participation in every region of the globe.

By mid-1993, the formative work was completed at Barcelona, marked by the first meeting of the founding Board of Directors of CIVICUS, which was composed of distinguished figures in civil society drawn from 18 countries on six continents. Since 1993, CIVICUS has built successively on important achievements. These include the preparation of regional reports on the status of civil society (1994); publication and global distribution of Citizens -Strengthening Global Civil Society (1995), the organization's first world report on the state of civil society.¹

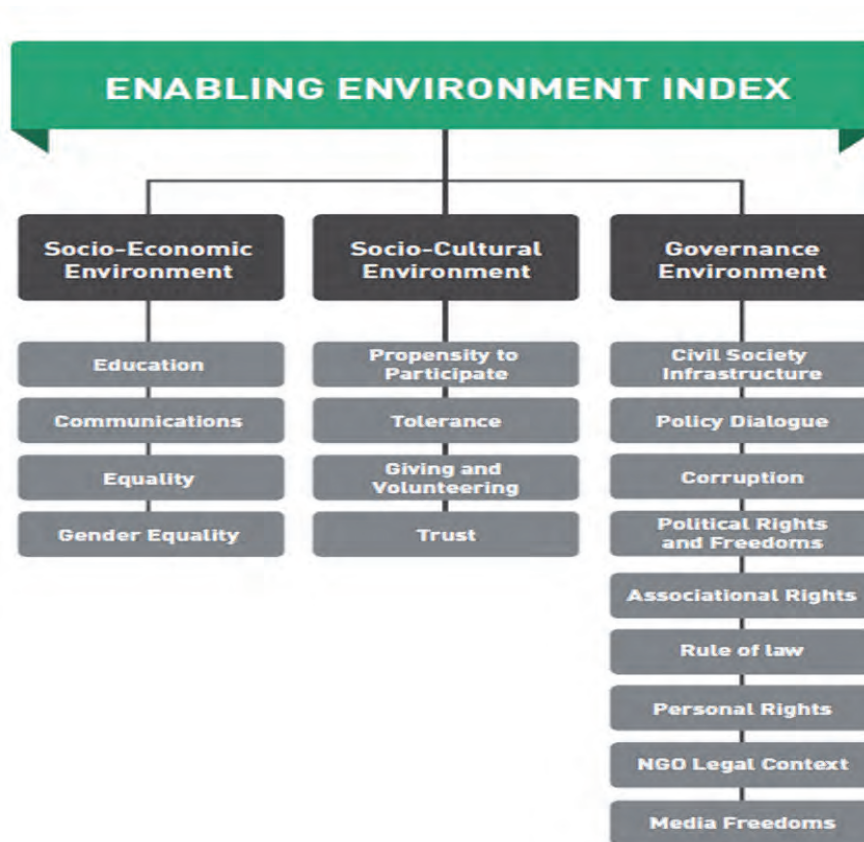
¹ CIVICUS established its global headquarters in Johannesburg, South Africa, in 2002.

THE ENABLING ENVIRONMENT INDEX (EEI)

The Enabling Environment Index (EEI) prepared by CIVICUS in 2013 defines the enabling environment as “a set of conditions that impact on the capacity of citizens (whether individually or in an organised fashion) to participate and engage in the civil society arena in a sustained and voluntary manner.” The EEI measures the stance of the civil society in a country by taking into account three dimensions: socio-economic, socio-cultural and governance. It is the first index that

attempts to measure long-term conditions that affect the potential of citizens to participate in civil society. Some previous projects of the CIVICUS (e.g. New Civic Atlas Project in 1997) attempted to measure the environment for civil society. However, these projects were subject to limitations both in terms of the number of countries covered in the index and the number of indicators included into the analysis.

Figure 1: Dimensions of the Enabling Environment Index (EEI)



Source: Adapted from the CIVICUS 2013 Enabling Environment Index Report.

In the EEI, which was developed in 2013, each of the dimensions encompasses a set of sub-dimensions that are constructed upon several selected indicators (Figure 1). CIVICUS developed these sub-dimensions by looking at the key academic literature on civil society and capabilities for civic action. In total the EEI is

made of 3 main dimensions, 17 sub-dimensions and 53 indicators. The EEI is calculated by taking the weighted average of three dimensions. The weight of the governance environment is 50% where socio-economic and socio-cultural environment equally get a weight of 25%. The socio-economic environment dimension covers

four sub-dimensions: education, communications, equality and gender equality. The socio-cultural environment dimension is composed of four sub-dimensions: propensity to participate, tolerance, giving and volunteering, and trust. The governance environment dimension is composed of four sub-dimensions: propensity to participate, tolerance, giving and volunteering, and trust.

The number of countries in the expanded version of the index is 223, of which 57 are OIC member

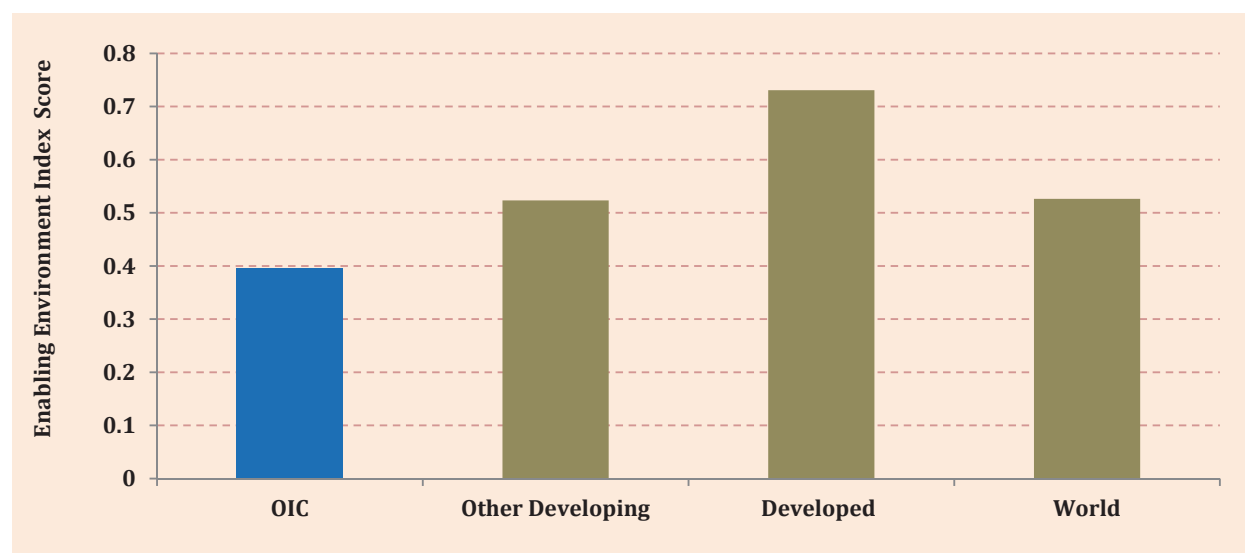
countries. The EEI was published in 2013 and made up of 71 secondary statistical data sources. For more than 70% of data sources cover the 2010-2011 period. In particular, for the socio-cultural dimension data from 2005 to 2011 are used due to slowly evolving trend in the data. Overall the index takes values between 0 and 1. A score of 1 represents a country that has a perfect environment that enables civil society from socio-economic, socio-cultural and governance aspects.

THE STANCE OF CIVIL SOCIETY IN OIC MEMBER COUNTRIES

This section provides an in depth analysis on the stance of civil society in OIC member countries in comparative perspective by examining the Enabling Environment Index (EEI) and its sub-dimensions. In 2013, the average EEI score of 223 countries is measured as 0.52 across the globe. New Zealand and Canada took the first two rows with scores of 0.87 and 0.85, respectively. Two OIC member countries, Yemen and Afghanistan were ranked at the bottom among 223 countries with the average EEI scores of 0.24 and 0.23, respectively. The average of 57 OIC member countries was calculated as 0.39 that is far below the world

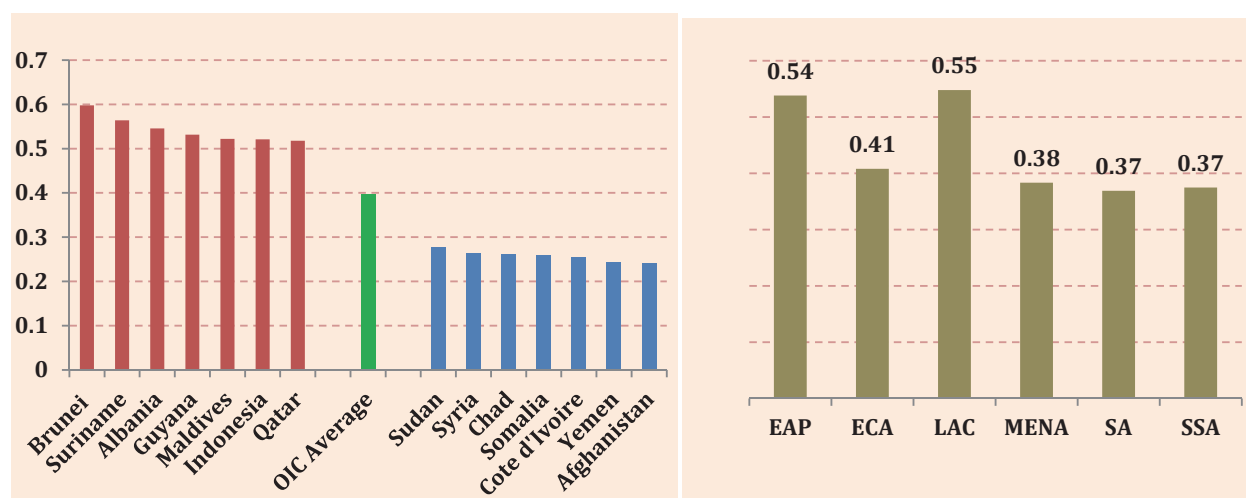
average (0.52) and the average of other developing countries (0.52) (Figure 2). On the other hand, developed countries obtained very high scores in several sub-dimensions of the EEI. As a result, the average EEI score of developed countries was measured as 0.73, which is 0.21 points higher than the world average. These figures indicate that the environment in developing countries, including OIC member countries, is not enabling the civil society to emerge. In contrast, developed countries provide a levelled-field for their citizens that enable them to participate and engage civil society activities to a higher extent.

Figure 2: The Enabling Environment Index Scores in the World, 2013



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

Figure 3: The Highest and Lowest Enabling Environment Index Scores in OIC Member Countries (left), and Averages of OIC Sub-Regions (right), 2013



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

A more detailed look at the OIC member countries' performance in terms of their EEI scores in 2013 reveals that there are remarkable disparities across OIC member countries. For example, Brunei (0.59), Suriname (0.56) and Albania (0.54) obtained the highest EEI scores, whereas Cote d'Ivoire (0.25), Yemen (0.24), and Afghanistan (0.23) ranked at the bottom among OIC member countries according to their EEI scores (Figure 3, left). Overall, only four OIC member countries (Brunei, Suriname, Albania and Guyana) had an average EEI score that was above the world average of 0.52. Among 57 OIC member countries, 31 countries surpassed the OIC average of 0.39. In terms of the regional disparities among OIC sub-regions, the most favourable environment for the civil society is provided in OIC member countries that are situated in LAC (Latin America and Caribbean) and EAP (East Asia and Pacific) regions. In LAC and EAP regions, EEI scores were calculated as 0.55 and 0.54, respectively. ECA (Europe and Central Asia) and MENA (Middle East and North Africa) regions follow LAC and EAP with EEI scores of 0.41 and 0.38. Among six sub-regions of OIC, on average SA (South Asia) and SSA (Sub-Saharan Africa) regions host member countries with the least-favourable environment

for the civil society and NGOs that the average EEI scores were measured as 0.37 in these two sub-regions (Figure 3, right).

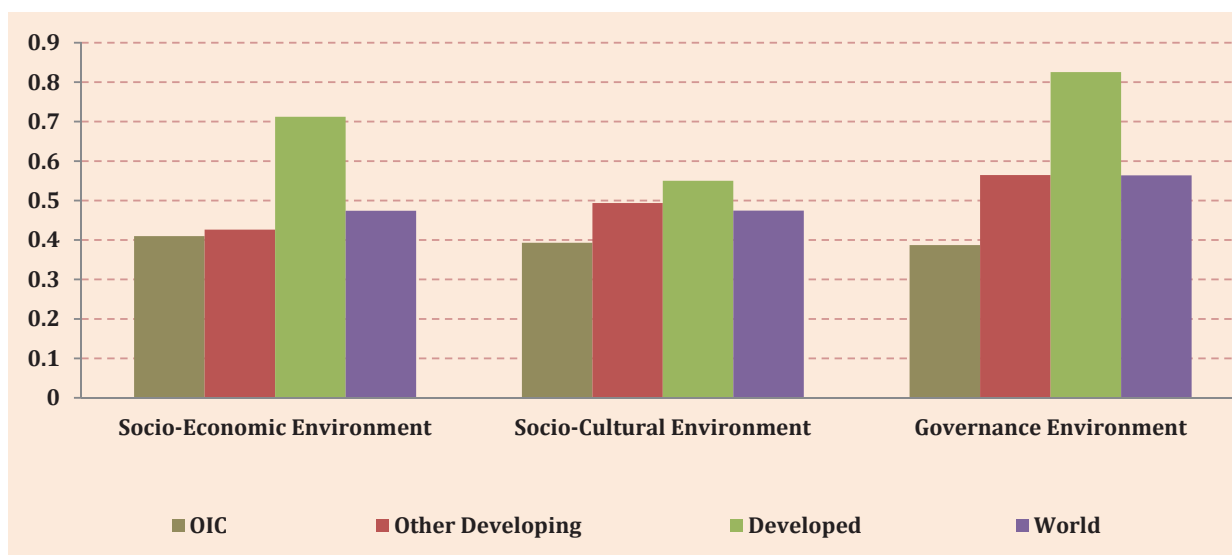
An in-depth analysis on the EEI dimensions also shows that, on average, OIC member countries obtained lower scores in all three dimensions of the EEI compared to the averages of the world and other developing countries. In terms of the socio-economic environment, OIC member countries got an average score of 0.40 that is slightly lower than the average of other developing countries (0.42) and the world average (0.47).

The socio-cultural environment that OIC member countries provide for the civil society is far from being perfect that is reflected by an index score of 0.39, which is 0.10 points lower than the average of other developing countries (Figure 4). In the third dimension of the EEI (i.e. governance environment), OIC member countries, on average, performed poorly both relative to other developing countries and the world average. As a reflection of this fact, the average governance environment score in OIC member countries was measured as 0.38, whereas it was calculated for other developing countries

as 0.56. Also, the world average of the governance environment is 0.18 points higher than the OIC average (Figure 5). Compared with the other two dimensions (socio-economic and socio-cultural environment), the governance environment seems to be most problematic or less-favourable one for the civil society in OIC member countries. Therefore, the highest gap between the world and OIC averages (0.18) is measured in this dimension.

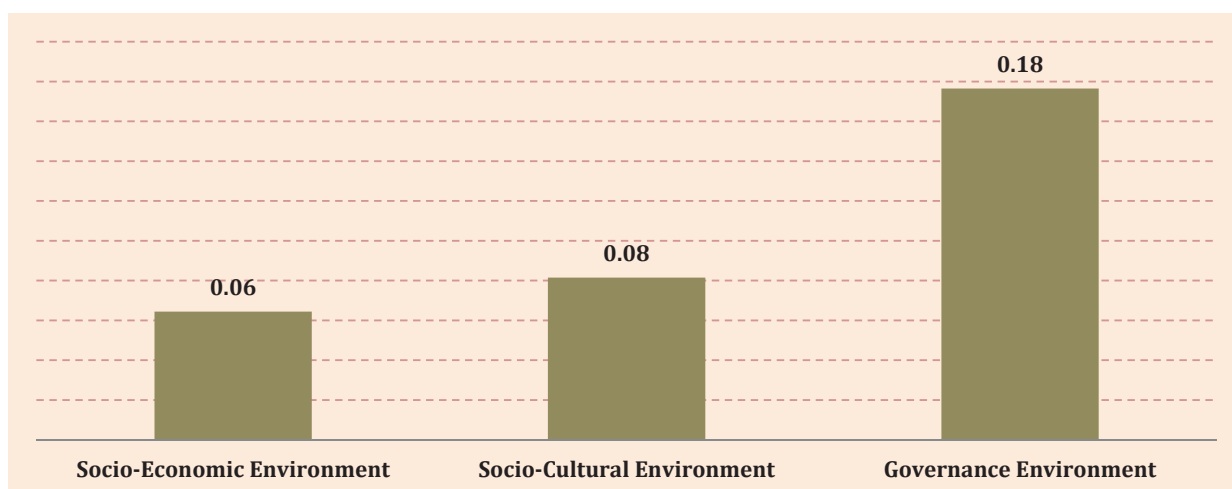
Overall, the analysis reveals that in all three dimensions, OIC member countries, on average, are lagging behind other developing countries and developed countries as well as the world average. Such an unfavourable environment in terms of socio-economic, socio-cultural and governance quality is one of the main explanations why civil society organizations are underdeveloped and citizens are less willing to engage into such organizations in OIC member countries.

Figure 4: The Performance of OIC Member Countries in the Main Dimensions of EEI in Comparative Perspective, 2013



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

Figure 5: The Value of the Gap between the World and OIC Averages in Three Dimensions of the EEI



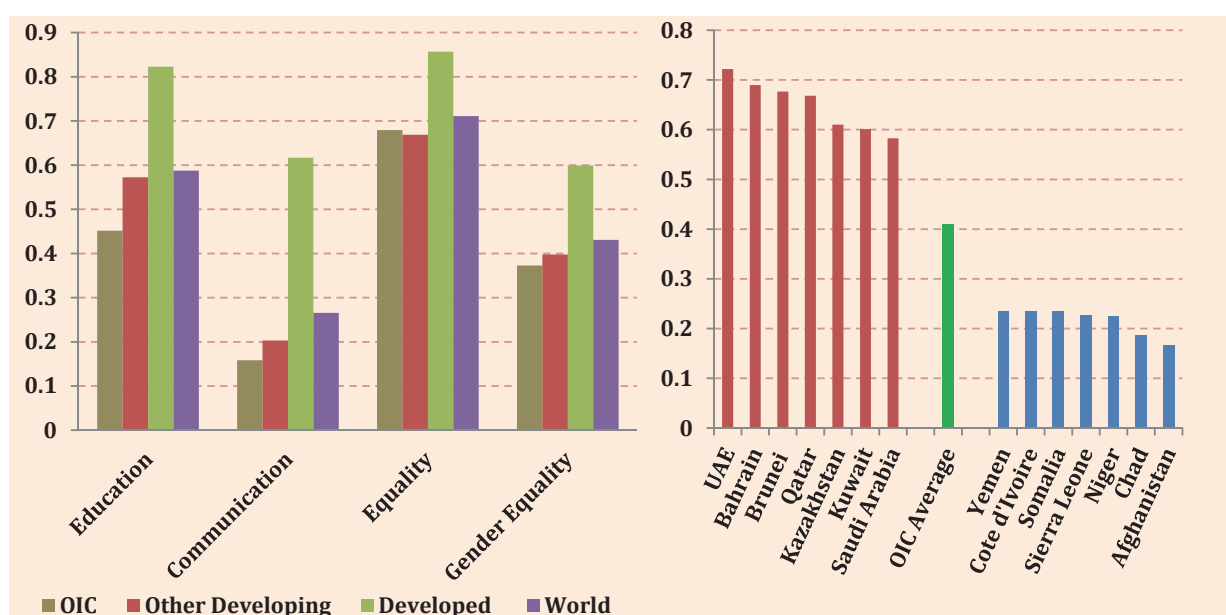
Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

Socio-Economic Environment

A comparative analysis on the sub-dimensions of the socio-economic environment indicates that OIC member countries, on average, have lower scores than other developing countries in three sub-dimensions out of four. Overall, OIC countries obtained the following scores: 0.45 in education, 0.15 in communication, 0.67 in equality, and 0.37 in gender equality (Figure 6,

left). Only in the equality dimension the OIC group got an average score of (0.67) that is 0.01 points higher than the average of other developing countries. In particular, countries like United Arab Emirates (0.72), Bahrain (0.68) and Brunei (0.67) placed at the first three rows among OIC members in terms of their socio-economic environment scores, whereas Niger (0.22), Chad (0.18), and Afghanistan (0.16) ranked at the bottom (Figure 6, right).

Figure 6: The Sub-Dimensions of the Socio-Economic Environment in OIC Member Countries (left), and the Best Performer vs. the Worst Performer OIC Member Countries in terms of the Socio-Economic Environment (right)



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

It becomes evident in Figure 6 (left) that communications and gender equality sub-dimensions are more problematic areas compared to education and equality in the OIC group. To give an insight on the gender equality issue and to provide a closer look to the relative performance of OIC member countries, Figure 7 examines the gender equality sub-dimension.

The gender equality is calculated by CIVICUS by using three indicators:

1. Seats in national parliament (% female) of United Nations Human Development Index.

2. Gender inequality index [0-1] of United Nations Human Development Index.

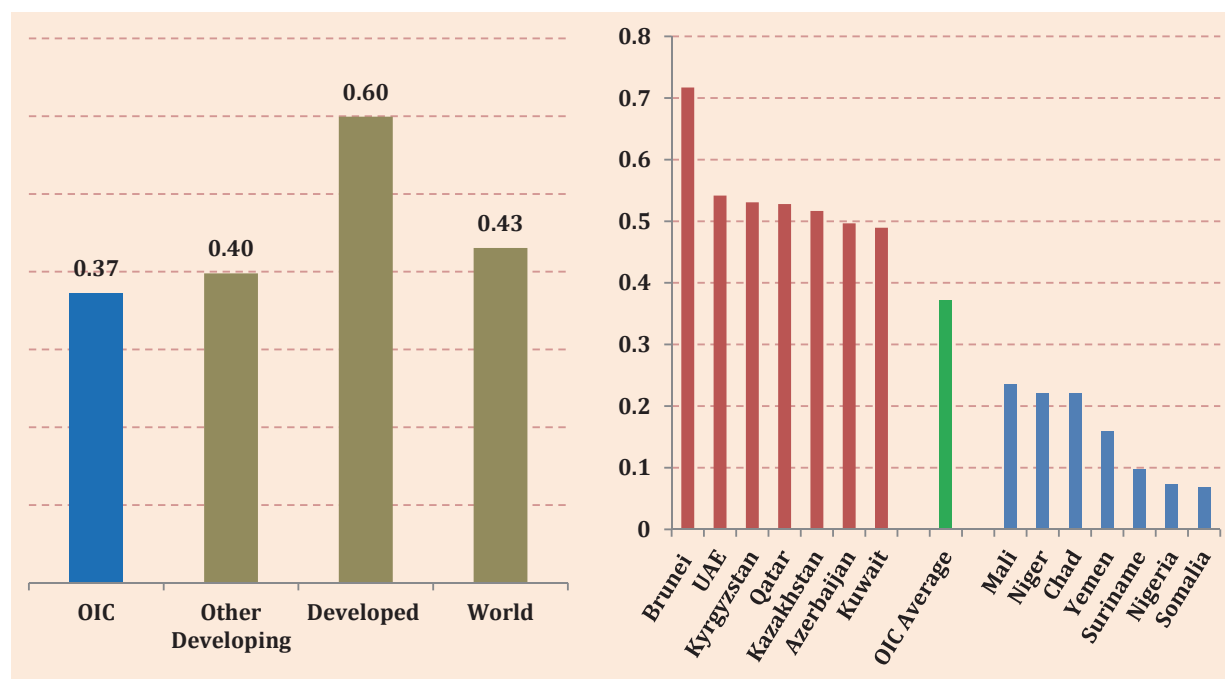
3. Gender equity index [1-0] of Social Watch.

The scores shown in Figure 7 (left) imply that the OIC group has an unsatisfactory performance on the gender equality sub-dimension compared with all three country groups (other developing, developed and world). On average, OIC member countries could only get 0.37 points, whereas other developing countries obtained 0.40 points. Another fact about the gender equality issue can be revealed by looking at the performance of individual

member countries of the OIC group. For instance, Brunei (0.71), United Arab Emirates (0.54) and Kyrgyzstan (0.53) have the highest gender equality scores in the OIC group. However, countries like Yemen (0.15), Suriname (0.09), Nigeria (0.07), and Somalia (0.06) are the OIC member countries with the lowest scores

on gender equality (Figure 7, right). In such poor performer OIC member countries, practicing positive discrimination towards women and designing gender equality sensitive policies (e.g. in education and politics) would build a society where men and women are treated more equally.

Figure 7: The Stance of the Gender Equality in the World (*left*), and the Best Performer vs. the Worst Performer OIC Member Countries in terms of the Gender Equality Score (*right*)



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

Finally, under the socio-economic dimension, the education sub-dimension is analysed in a detailed manner (Figure 8). A higher degree of education level tends to increase the level of awareness in the society. Moreover, educated people have a better knowledge on how to represent civil society in a more organized fashion. The education sub-dimension covers five indicators that are drawn from the United Nations and the World Bank. These are:

1. Inequality adjusted education index [1-0] of United Nations Human Development Index.
2. Population with at least secondary education at 25 and older [%] (females) of

United Nations Human Development Index.

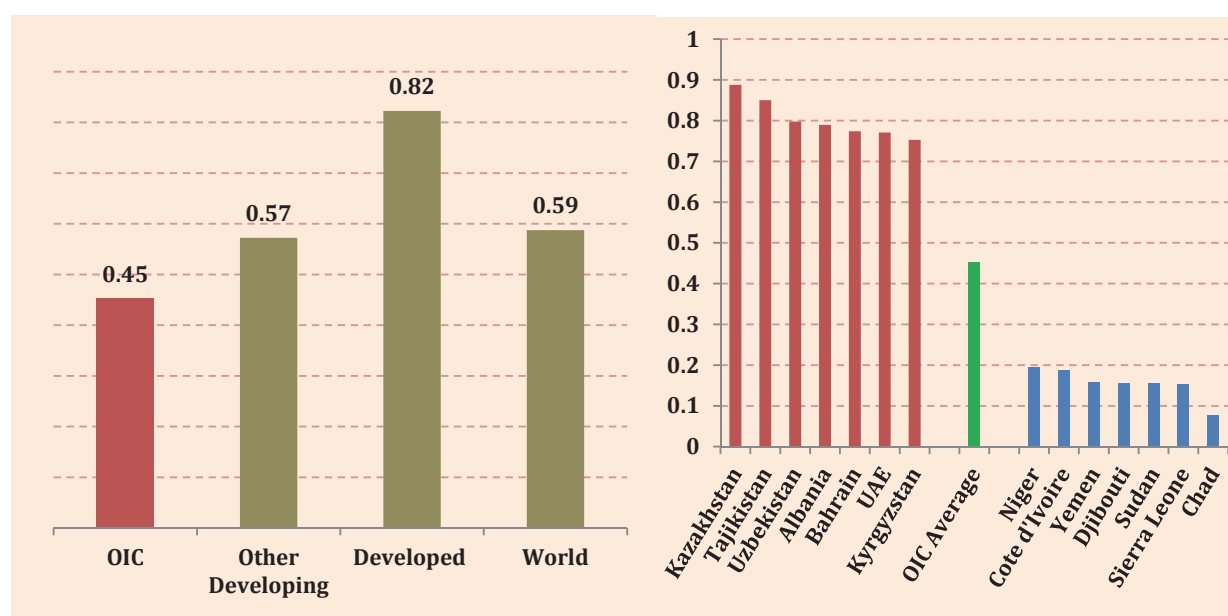
3. Population with at least secondary education at 25 and older [%] (males) of United Nations Human Development Index.
4. School enrolment, primary [% net] of the World Bank World Development Indicators.
5. School enrolment, secondary [% net] of the World Bank World Development Indicators.

Compared with the communication and gender equality sub-dimensions, OIC member countries obtained a relatively higher score (0.45) in the education sub-dimension as a result of positive developments and actions taken in the education area in OIC member countries (Figure 8, left). Despite the positive developments in education related indicators, the average of the OIC group still lags behind the average of other developing countries (0.57) and the world average (0.59).

In terms of the individual country performance in the education dimension, OIC member countries in the Central Asia such as Kazakhstan (0.88) and Tajikistan (0.85) obtained very high

scores that are comparable with the average of developed countries (0.82). In contrast, OIC member countries in Sub-Saharan Africa such as Sudan (0.16), Sierra-Leone (0.15) and Chad (0.08) had very low scores in the education dimension that put them to the bottom (Figure 8, right). Increasing the share of education in public budget and investing into educational infrastructure can be part of education policies in such poor performer countries. Other part of policies related to education would include awareness-raising programs on the importance of education that can help to change mind-sets of people.

Figure 8: The Stance of the Education in the World (*left*), and the Best Performer vs. the Worst Performer OIC Member Countries in terms of the Education Score (*right*)



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

Socio-Cultural Environment

A comparative analysis on the sub-dimensions of the socio-cultural environment shows that OIC member countries, on average, surpass the average of other developing countries in three sub-dimensions out of four, which can be seen as an opportunity for OIC member countries. The average of OIC member countries was measured as 0.60 in participation, 0.40 in trust, and 0.31 points in giving and volunteering (Figure 9, left).

Citizens in OIC member countries have high willingness to participate into civic actions such as signing petitions, joining boycotts, and attending peaceful demonstrations. It indicates that citizens in OIC member countries do not tend to stay inactive for the events or decisions that affect them. The average of the OIC group is slightly higher both than the average of other developing countries (0.59) and the world average (0.50) in this dimension.

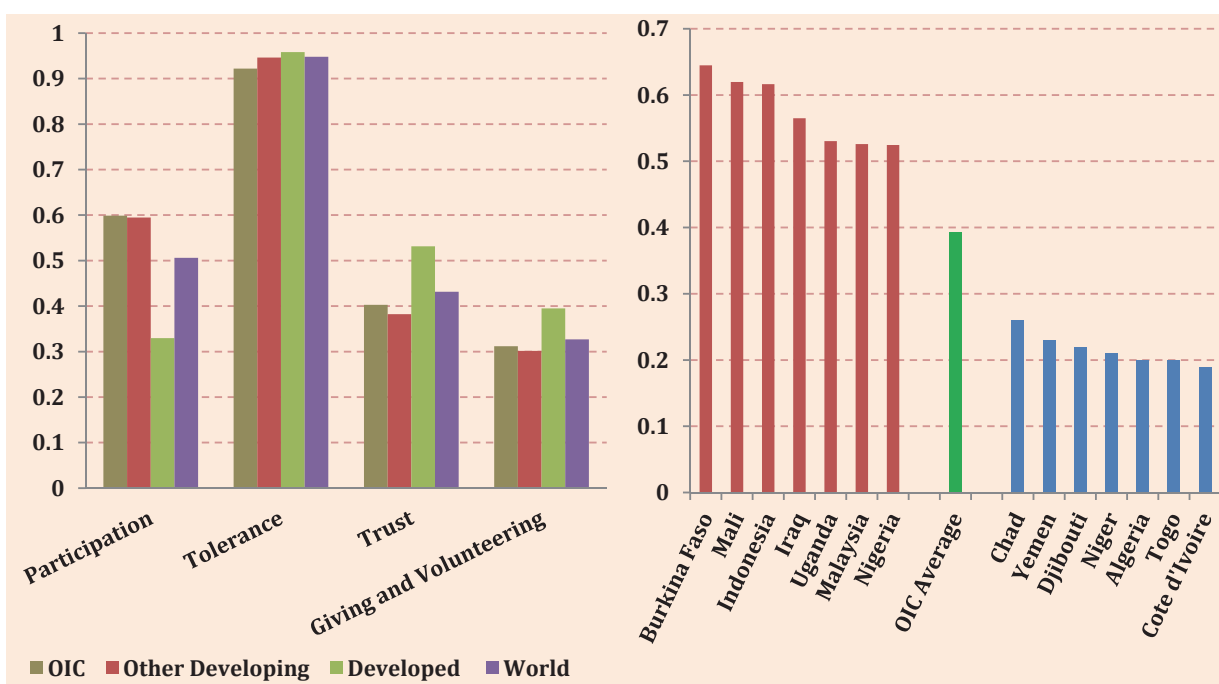
Research has shown that social capital is an important enabler for participation into civil society organizations. Citizens feel confident to join forces with other fellow citizens as the level of trust increases in the society. The level of trust in OIC member countries, on average, is found (0.40) to be higher compared with the average of other developing countries (0.38). However, the OIC group has a slightly lower trust level than the world average (0.43).

In a society with high degree of giving and volunteering motives, civil society organizations and citizens can relatively easily find financial and human resources, and support mechanisms for their activities. This indicator also measures citizens' level of involvement to formal charitable activities. In this dimension, it is found that the OIC group obtained a slightly higher score (0.31) than the average other developing countries (0.30) and a very close score to the world average (0.32). This implies that in the OIC group, on average, giving and

volunteering motives are slightly higher than the average of other developing countries.

The existence of tolerance is important to provide an enabling environment for civil society organizations and activities since the civil society term covers all layers of a society (e.g. different minorities). Compared with all three sub-dimensions (participation, trust, and giving and volunteering), all country groups, including the OIC group, obtained very high average scores in the tolerance sub-dimension. Nevertheless, in the tolerance sub-dimension the OIC group got a slightly lower score (0.92) than the other developing countries group (0.94). In terms of the socio-cultural environment score, the first three best performer countries became Burkina Faso (0.64), Mali (0.62) and Indonesia (0.61). On the other side of the spectrum, among OIC member countries Algeria (0.20), Togo (0.20), and Cote d'Ivoire (0.19) obtained the lowest scores in this dimension (Figure 9, right).

Figure 9: The Sub-Dimensions of the Socio-Cultural Environment in OIC Member Countries (*left*), and the Best Performer vs. the Worst Performer OIC Member Countries in terms of the Socio-Cultural Environment (*right*)



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

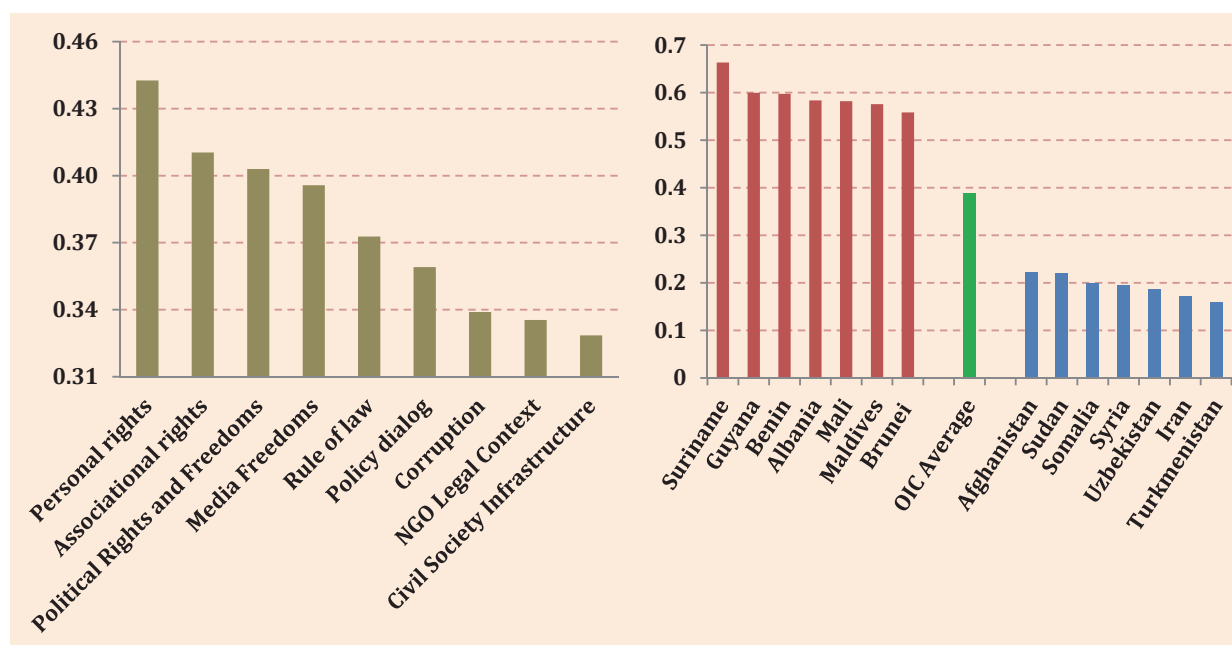
Governance Environment

The governance environment of the EEI covers nine sub-dimensions: civil society infrastructure, policy dialogue, corruption, political rights and freedoms, associational rights, rule of law, personal rights, NGO legal context, and media freedoms. Among these nine sub-dimensions, the highest scores are observed on the sub-dimensions of personal rights (0.44) and associational rights (0.41) for OIC member countries (Figure 10, left). This result implies that OIC member countries, on average, performed relatively better in these areas compared with the remaining seven sub-dimensions of the governance environment. On the other hand, the three most problematic areas under the governance dimension are identified as

the corruption (0.34), NGO legal context (0.34) and civil society infrastructure (0.33) for the OIC group.

Under the governance environment, it is found that there is wide disparity among OIC member countries, as observed in other dimensions of the EEI. OIC member countries like Suriname (0.66), Guyana (0.60) and Benin (0.59) provide a well-functioning governance environment that enables civil society (Figure 10, right). Nevertheless, the governance dimension scores of OIC member countries are found to be very low such as Uzbekistan (0.18), Iran (0.17) and Turkmenistan (0.15) that indicates the existence of important problems related to the governance quality.

Figure 10: The Sub-Dimensions of the Governance Environment in OIC Member Countries (*left*), and The Best Performer vs. the Worst Performer OIC Member Countries in terms of the Governance Environment (*right*)



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

Figure 11 presents the stance of the best and worst performer OIC member countries in two selected sub-dimensions of the governance environment: political rights and freedoms (which is a sub-dimension that OIC member countries perform relatively better) and civil

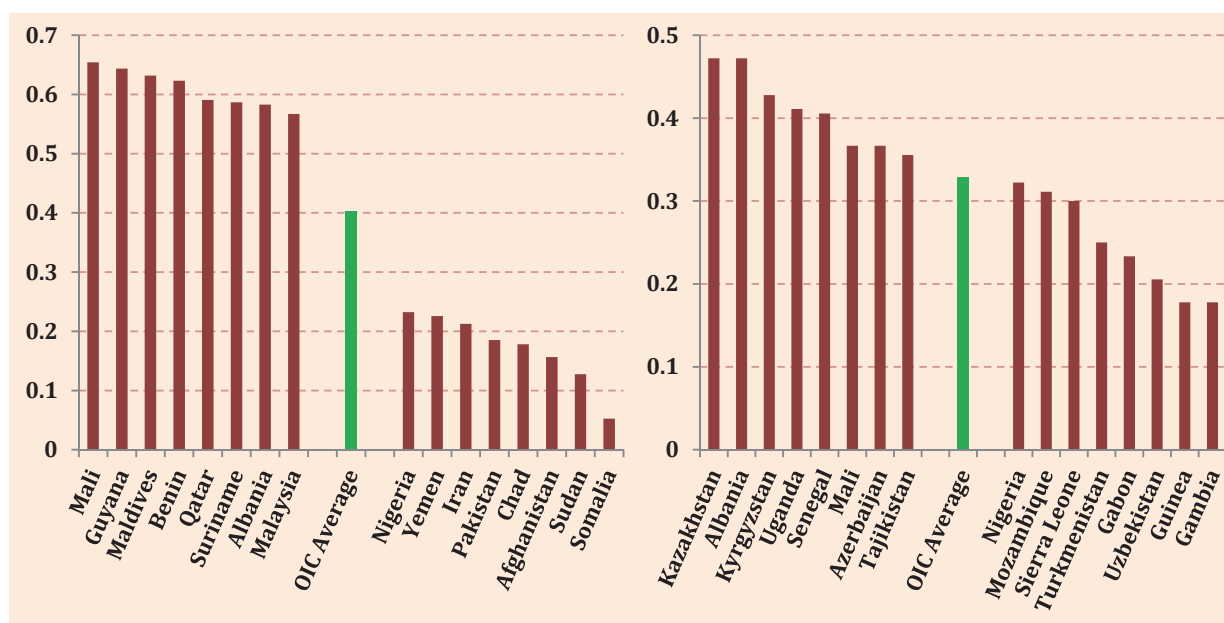
society infrastructure (which is a sub-dimension that OIC member countries perform relatively poorer). By doing this, it is aimed to provide a glimpse on the disparity among OIC member countries in these dimensions. Mali (0.65), Guyana (0.64) and Maldives (0.63) have the

highest level of political rights and freedoms among OIC member countries. Nevertheless, OIC member countries like Afghanistan (0.15), Sudan (0.12) and Somalia (0.05) provide relatively limited political rights and freedoms to their citizens, which constitute barrier for entrance into civil society activities (Figure 11, left).

The civil society infrastructure dimension assesses the strength of organization capacity,

financial resources and support mechanisms for civil society organizations. Many OIC member countries could not provide reliable data on this dimension. For the data available 16 OIC member countries, the average score is calculated as 0.32 (Figure 11, right). Kazakhstan (0.47), Albania (0.47) and Kyrgyzstan (0.42) placed at the first three rows among OIC member countries. Guinea (0.18) and Gambia (0.18) seem to provide a relatively less-developed civil society infrastructure in the OIC group.

Figure 11: The Stance of Political Rights and Freedoms in OIC Member Countries (*left*), and the Civil Society Infrastructure in OIC Member Countries (*right*)



Source: SESRIC Staff Calculations based on the CIVICUS 2013 Enabling Environment Index Dataset.

It is important to note that, as two graphs in Figure 11 have shown, an OIC member country would be one of the top performer countries in a sub-dimension, whereas the same country would show a relatively weaker performance in another sub-dimension at the same time. For instance, Albania is an OIC member country with a strong civil society infrastructure that obtained a score of 0.47 that puts Albania to the second row in the OIC group. However, in the political rights and freedoms sub-dimension, Albania only became the 7th best-performer OIC member country with a score of 0.58. In the final analysis, by taking all nine sub-dimensions of the

governance environment into account, Albania could get an average governance score of 0.58 that put it into the 4th place among OIC member countries. This analysis has shown that even OIC member countries that have a relatively more developed civil society infrastructure (e.g. Albania) need to identify their weaknesses related to governance quality that affect the environment for civil society. The identification of such poorly functioning areas under the governance sub-dimension would help policy-makers to design and implement reform packages in order to generate a more enabling environment for civil society.

CONCLUSION



This outlook report analysed the stance of the civil society in 57 OIC member countries by using the 2013 version of the Enabling Environment Index (EEI) of CIVICUS. According to the EEI, three main factors affect citizens' engagement on civil society activities and organizations: socio-economic environment, socio-cultural environment and governance environment.

A detailed analysis on each of these three main dimensions revealed that OIC member countries, on average, lag behind the average of other developing countries and the world average. Therefore, the EEI score (which is calculated by taking into account all three aspects) of the OIC group was measured at 0.39, which is an overall score far below the average of other developing countries and the world average. This implies that OIC member countries need to put an effort to improve their socio-economic, socio-cultural and governance environment.

The analysis also confirmed the existence of important disparities within the OIC group, both at the individual country and sub-regional levels. There are remarkable differences between the best and worst performer OIC member countries and regions in terms of the socio-economic, socio-cultural and governance environments that are provided to civil society. These disparities among

member countries and sub-OIC regions also continue as the analysis go into more sub-dimensional level.

Under the socio-economic environment, relatively lower scores that OIC member countries obtained especially concentrated on the communication and gender equality sub-dimensions. To this end, it is evident that reforms in these sub-dimensions need to be prioritized while improving the socio-economic environment in OIC member countries. Such policies would help to create a more enabling environment for the civil society. For instance, in OIC member countries women are usually underrepresented in politics that is one of the reasons behind low gender equality scores (under the socio-economic environment). Therefore policy-makers need to generate an enabling environment to encourage women to participate in political activities. Also political parties in OIC member countries should take this issue into their agenda. Higher representation of women in politics not only would lead to an increase in the number of women in the parliaments of OIC member countries but also would build an interest group that is defending women's rights more effectively and actively.

Under the socio-cultural environment, the most problematic part seems to be the existence of lower level of tolerance in OIC member countries compared with other developing countries. Therefore policy makers need to work for building up more tolerant societies in OIC member countries. In particular, Islam suggests Muslims to be tolerant persons. However, citizens live in OIC member countries suffer from intolerance at varying degrees in their respective societies due to education gaps and internal conflicts (stemming from differences in local cultures, development levels and languages spoken etc.). Therefore social and education

policies aiming to increase social coherence must be implemented.

The EEI indicated that citizens in OIC member countries suffer from the poor quality of governance extensively, which generates an unfavourable environment for the civil society and NGOs. Problems associated with the governance also slow down the overall development process of societies (Grindle, 2007). In particular, three sub-dimensions under the governance area need to be highlighted for OIC member countries: civil society infrastructure, NGO legal context and corruption. Among nine sub-dimensions, these three areas are the ones in which OIC member countries get the lowest scores. This indicates the necessity of urgent and effective reforms to improve the stance of OIC member countries in these specific areas.

For OIC member countries, one of the most problematic areas under the governance environment is the underdeveloped infrastructure for civil society organizations. According to the CIVICUS three factors constitute the infrastructure for the civil society organizations: organizational capacity, financial viability and support organizations. In all these areas OIC member countries perform poorly. Only in existence of strong organizational capacity and financial means along with support organizations, citizens would tend to go into activities related with civil society. Therefore providing the infrastructure for civil society only would be an initial step for building an enabling environment for the civil society. This step can also be labelled as “levelling the field”.

A second problematic area under the governance dimension is the NGO legal context for OIC member countries. This indicator measures the legal conditions allowing NGOs to operate. Many OIC member countries do not have a specific legislation on this item. The lack of legal context generates a remarkable hardship for the citizens who are willing to make a contribution



to the society through NGOs. Also, the lack of required legislation on civil society organizations allows public officials to abuse their authority on the civil society and NGOs related issues (e.g. bribery). Therefore, OIC member countries need to give priority to enact a legislation that allows their citizens to exercise the right of forming civil society organizations without any cost, hardship and in a transparent way.

A third problematic dimension under the governance environment in OIC member countries is corruption. Highly corrupt societies do not allow their citizens to benefit or exercise their rights fully and freely. In a society with a high level corruption level, informal and personal ties gain importance at the expense of collective action. Therefore, in such a society citizens have less willingness to be active in civil society activities and organizations. Moreover, in a highly corrupt economy there is little room for the existing NGOs and civil society organizations to stay far away from the corruption. Therefore, OIC member countries need to find ways to free their economies from corruption that negatively affects their civil society to reach their potential. Improvement in legislations and widening control mechanisms (i.e. monitoring) would be some important steps to achieve this objective. In a fully upgraded governmental institutional

context, corrupt authorities and parties would not survive. Therefore, policies to reduce corruption can also be seen as an integral part of the overall institutional reforms in OIC member countries.

According to the Future Role of Civil Society Report (2013), civil society has a brilliant and promising future both in developed and developing countries that will have a higher impact than today on all stakeholders in the society. However, the same report claims that the way how civil society organizations influence society and governments will also not stay intact in the upcoming decades. Over time, civil society will no longer be viewed as a “third sector” rather

it will be glue between society and government that works for the overall benefit of the society. Therefore both policy makers in OIC member countries and their civil society institutions need to prepare their selves for such a future by adopting a strategic reform agenda on the status of the civil society. The result of a collective and coordinated understanding along with well-designed governance reform packages would encourage citizens to engage into civil society activities and help them to find their unique ways to influence politicians and decision-makers through civil society organizations.

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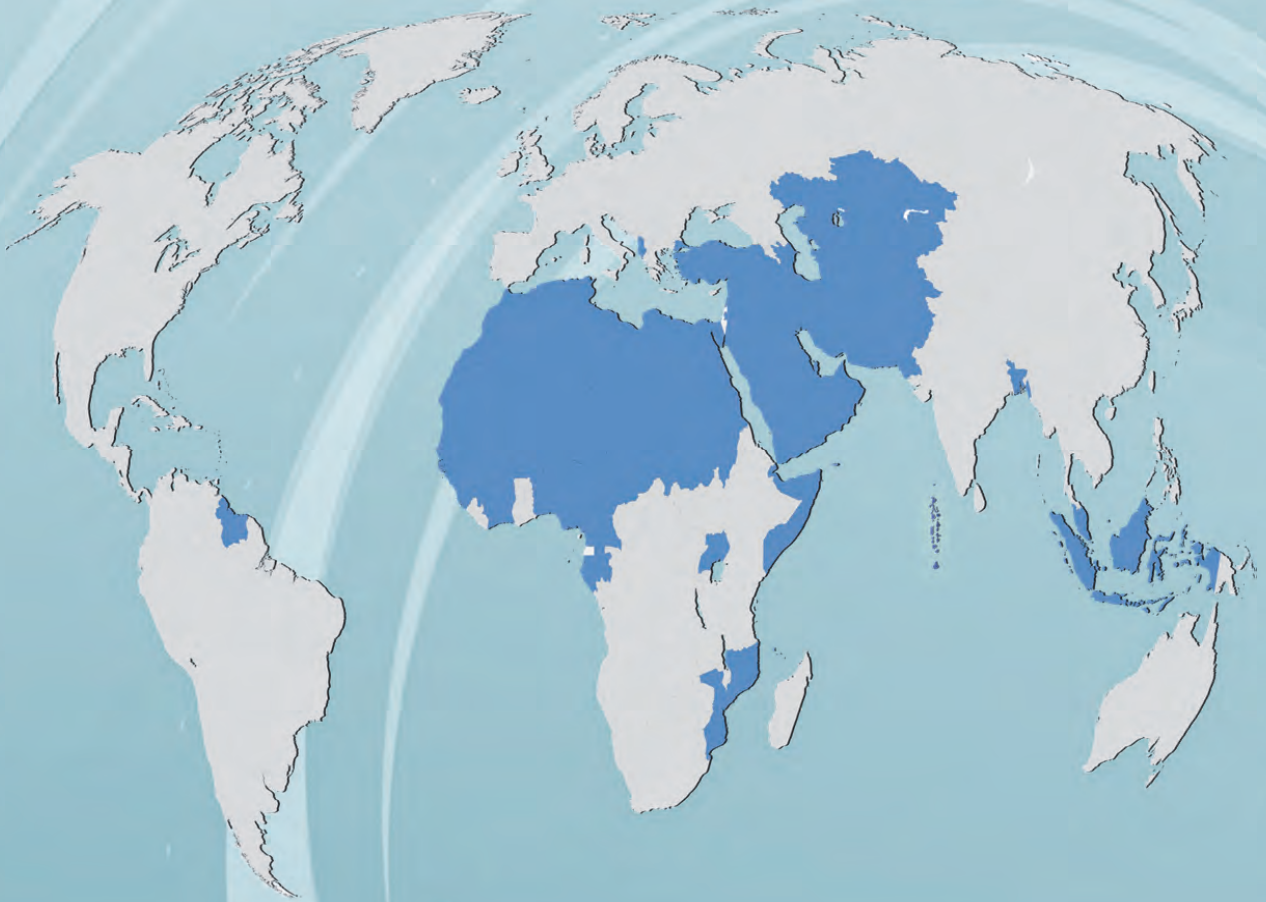
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O I C



NEWS

H.E. IYAD AMEEN MADANI, SECRETARY GENERAL OF THE ORGANISATION OF ISLAMIC COOPERATION (OIC), PAID A SPECIAL VISIT TO SESRIC

14-15 JANUARY 2014, ANKARA TURKEY



H.E. Iyad Ameen Madani, Secretary General of the OIC, paid an official visit to the Republic of Turkey on 14-15 January 2014. During his two-day official visit to Ankara, H.E. the Secretary General was received by H.E. Abdullah Gül, President of the Republic of Turkey, and H.E. Recep Tayyip Erdoğan, Prime Minister. He also had meetings with H.E. Ali Babacan, Deputy Prime Minister, H.E. Ahmet Davutoğlu, Minister of Foreign Affairs and H.E. Cevdet Yılmaz, Minister of Development. The Secretary General was briefed by the COMCEC Coordination Office on its activities and COMCEC's new strategy. On 15th January, the Secretary General addressed the 6th Turkish Ambassadorial Conference, which was attended by Turkish ambassadors serving overseas.

During his official visit to Ankara, the Secretary General of the OIC, H.E. Iyad Ameen Madani, also paid a special visit to SESRIC on 15th January. He was welcomed by the Director General of the Centre, Prof. Savaş Alpay, and the SESRIC Staff. The Director General, Prof. Alpay, expressed his honour that SESRIC was the first OIC institution to be officially visited

by the Secretary General. He briefed the Secretary General on the latest developments regarding various activities of the Centre. A presentation was made for the Secretary General on the current challenges of the Palestinian people in Al-Quds city. The presentation was based on the document titled "Recommendations and Proposals for Supporting the Palestinian People in Al-Quds Al-Sharif City", which has been recently prepared by SESRIC as an input to the upcoming meeting of the OIC Al-Quds Committee. The presentation highlighted the socio-economic situation in Jerusalem in terms of population and land use, economy, labour force and employment, housing and living condition, tourism, education, health and civil society. It also provided a set of recommendations and proposals on various economic, social and general issues related to the Palestinian people living in Jerusalem. A fruitful discussion has been conducted during the presentation where H.E. the Secretary General provided valuable views and proposed new ideas to be included in the future research of the Centre on this issue.

ELEVENTH HARVARD UNIVERSITY FORUM ON ISLAMIC FINANCE

25-27 APRIL 2014, CAMBRIDGE, MASSACHUSETTS, USA



The Eleventh Harvard University Forum on Islamic Finance, organized by the Harvard University Islamic Finance Project, was held from April 25 to 27, 2014, in Austin Hall at Harvard Law School, Harvard University, under the theme “*Takaful* and Alternative Cooperative Finance.” The Eleventh Forum sought to reassess and critically engage with issues of risk sharing, mutuality, solidarity, and socioeconomic welfare in the context of a discussion about *Takaful* and other types of cooperative financial solutions. The Centre was represented at the Eleventh Forum by Prof. Savaş Alpay, Director-General, and Mr. Nadi Serhan Aydin, Senior Researcher.

The Eleventh Forum attracted some 70 speakers from a diverse geography. The two-day conference was structured around three plenary sessions and eight parallel academic sessions.

Prof. Savaş Alpay addressed the Eleventh Forum on its second day at the plenary session titled “*Takaful* and Cooperation: Socio-economic

Impact.” During the session, Prof. Alpay presented his comments and perspectives on the two discussion papers: namely, “Solidarity, Cooperation, and Mutuality in *Takaful*” by Prof. Volker Nienhaus, Reading University & INCEIF, and “Reimagining *Takaful*: A New



Model for Social Banking” by Hussam Sultan, HSBC Amanah, and Abdur-Rahman Syed, Fajir Capital. His speech covered some critical issues pertaining to the current practice of *Takaful* such as its value-proposal, major differences between *Takaful* and conventional insurance, main sources of discussion in the contemporary practice of *Takaful*, and the challenges and prospects for *Takaful* moving forward. Prof. Alpay reminded the audience that the losses absorbed by the conventional insurance industry during the financial crisis might have been in the excess of US\$ 250 billion, indicating an opportunity for *Takaful* industry to offer a more resilient alternative. He also note that as long as the spiritual and conscientious benefits of *Takaful* were not pronounced enough and it remained to be understood as a purely commercial concept, then, there was the risk that the monetary objectives resulting from the competition in the commercial arena would override supra-monetary objectives.

During the first day of the Forum, Prof. Alpay also chaired an academic session which was held under the theme “*Takaful*: The New Paradigm for Financial Protection” and included a number of high-quality research papers by renowned scholars.

The Harvard University Forum on Islamic Finance was introduced in 1997 to engage scholars, practitioners and regulators in productive dialogue about the then-nascent field. Previous forums have focused on recent economic and political developments in Muslim majority societies, innovation and authenticity, the global recession, and points of contact between Islamic finance and other types of ethical finance.

For further information on the Eleventh Forum, please visit <http://ifp.law.harvard.edu/>.

FOURTH SESSION OF OIC STATISTICAL COMMISSION (OIC-STATCOM)

21-23 APRIL 2014, ANKARA TURKEY

The Fourth Session of the Statistical Commission of Organisation of Islamic Cooperation (OIC-StatCom) was co-organised by the Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) and the Islamic Development Bank (IDB) at SESRIC Headquarters on 21-23 April 2014 in Ankara, Republic of Turkey.

The delegates of the National Statistical Offices (NSOs) from 38 OIC Member Countries including Afghanistan, Albania, Algeria, Bahrain, Bangladesh, Benin, Burkina Faso, Cameroon, Chad, Cote d’Ivoire, Comoros, Djibouti, Egypt, Indonesia, Iraq, Kazakhstan, Kuwait, Kyrgyzstan, Libya, Malaysia, Maldives, Mali, Mauritania, Niger, Oman, Palestine, Qatar, Saudi Arabia, Senegal, Sierra Leone, Sudan, Suriname, Tajikistan, Tunisia, Turkey,

UAE, Uganda and Yemen attended the Fourth Session of OIC-StatCom. Besides the General Secretariat of Organisation of Islamic Cooperation (OIC), the representatives of 9 international organisations including the Standing Committee for Economic and Commercial Cooperation of the Organisation of Islamic Cooperation (COMCEC), World Health Organization (WHO), United Nations Statistics Division (UNSD), United Nations Economic and Social Council for Western Asia (UNESCWA), Centers for Disease Control and Prevention (CDC), CDC Foundation, Oxford Poverty and Human Development Initiative (OPHI), Arab Institute for Training and Research in Statistics (AITRS), and Islamic Centre for Development of Trade (ICDT) took part in the Fourth Session of OIC-StatCom.



The Centre was represented thereat by Prof. Savaş Alpay, Director General; Mr. Hüseyin Hakan Eryetli, Director of Statistics and Information Department; Ms. Zehra Zümrüt Selçuk, Senior Researcher; Mr. Atilla Karaman, Senior Researcher; Mr. Syed Tahir Mahmud, Researcher; Mr. Abdulhamit Öztürk, Researcher; and Mr. Orxan Nadirov, Researcher.

After the recitation of the Holy Quran, the Fourth Session of OIC-StatCom commenced on 21 April 2014 with the welcome addresses by H.E. Mohanna al Mohanna (Chair of the OIC-StatCom and Director General of the Central Department of Statistics and Information (CDSI), Saudi Arabia), Mr. Selçuk Koç (Director, COMCEC Coordination Office), Mr. Jakhongir Khasanov on behalf of H.E. Iyad Ameen Madani (Secretary General of OIC).

Dr. Abdullateef Bello (Director, Economic Research and Policy Department, IDB) and Prof. Savaş Alpay (Director General, SESRIC) delivered the welcome speeches as co-organizers of the OIC-StatCom. The opening session continued with the opening remarks by Ms.

Khaledah Al-Kharraz on behalf of Dr. Abdullah Sahar (Director General, Central Statistical Bureau, Kuwait), and by Mr. Enver Taştı on behalf of Mr. Birol Aydemir (President of Turkish Statistical Institute (TurkStat), Turkey) representing Arab and Asian regions, respectively.

In his inaugural address, Prof. Savaş Alpay, Director General of SESRIC, enlightened the delegates on the successful conduct of the OIC-StatCom Executive Work Plan activities, especially the OIC Certification and Accreditation Programme for Official Statisticians (OIC-CPOS) and the OIC-StatCom Forum, an online knowledge and experience sharing platform. Prof. Alpay emphasized the key role of NSOs in generating reliable statistics to be used in the fight against poverty in the OIC Member Countries. Prof. Alpay also highlighted the need for better health statistics to implement sound health policies. While concluding his remarks, Prof. Alpay underlined the necessity of the involvement of NSOs in the global discussions concerning the Post-2015 Development Agenda.

During the session titled “Implemented Activities of the OIC-StatCom”, the presentations reporting the activities and initiatives which have been implemented based on the resolutions of the Third Session of OIC-StatCom have been delivered by Mr. Atilla Karaman (Senior Researcher, Statistics and Information Department, SESRIC) and Ms. Zehra Zümrüt Selçuk (Senior Researcher, Statistics and Information Department, SESRIC). The last presentation of the morning session was made by Mr. Mansour Kh. Damas (Director of Systems Programming, CDSI, Saudi Arabia) on a new project on establishing National Statistical Databank through the involvement of international stakeholders.

The Fourth Session of OIC-StatCom continued with the session titled “Enhancing National Capacities in Poverty Statistics”. During the session, Ms. Zehra Zümrüt Selçuk (Senior Researcher, Statistics and Information Department, SESRIC) informed the participants about the SESRIC-COMCEC joint project titled “Enhancing National Capacities of OIC Member Countries in Poverty Statistics” for which a grant has been entitled under the COMCEC Project Cycle Management (PCM) Programme for the period 2014. Dr. Suryamin (Director General, BPS-Statistics Indonesia), Mr. Mamadou Falou Mbengue (Deputy Director General, National Agency for Statistics and Demography (ANSD) of Senegal), Mr. Barış Uçar (Expert, TurkStat, Turkey), Dr. Fares Al-Gahmi (General Coordinator for Census, Central Statistical Organisation, Yemen), and Dr. Suman Seth (Research Officer, OPHI) also made presentations in this session. While the country case presentation of Indonesia



emphasised the role of statistics as a key tool in comprehensive planning, monitoring and evaluation for the successful implementation of development initiatives towards the alleviation of poverty in Indonesia, the presentations of Senegal, Turkey and Yemen gave an overview on the structure of poverty statistics in their respective countries. Besides, OPHI introduced the multidimensional approach to measure different forms of poverty, deprivation and inequality, and informed the participants about the Global Multidimensional Poverty Peer Network (MPPN), an international peer network for policymakers engaged in exploring or implementing multidimensional poverty measures. After the presentations, delegates exchanged views on the importance of the participation of member countries in the SESRIC-COMCEC joint project on poverty statistics and possible cooperation mechanisms in terms of sharing knowledge and expertise, and organising capacity building programmes on poverty statistics. Sudan, Palestine, Egypt and Djibouti shared with the delegates their experience concerning poverty measurement surveys. During the discussions; Saudi Arabia, Benin and AITRS emphasised the necessity of developing definitions of poverty for country-specific situations.



The last thematic session on first day was devoted to the “Post-2015 Development Agenda and Implications for NSOs”. Dr. Abdullateef Bello (Director, Economic Research and Policy Department, IDB) and Dr. Juraj Riecan (Director, Statistics Division, UNESCWA) briefed the delegates about the implications of the Post-2015 Development Agenda on the NSOs with particular focus on open data and data revolution initiatives. In his presentation, Mr. Abu Bakr Al Gendy (Director General, Central Agency for Public Mobilization and Statistics (CAPMAS), Egypt) gave information about the progress towards the Millennium Development Goals in Egypt and stated the strengths and weaknesses of the MDG framework. Mr. Al Gendy also focused on the role Egypt plays in the UN Open Working Group on Sustainable Development Goals (SDG) as one of the six Arab countries implementing country level SDG consultations. Following the presentations, the participants expressed their views concerning the need to have a common vision for the identification of SDGs and allocation of more resources to achieve them. Participants from the Sub-Saharan Africa (SSA) region drew attention to the lack of human resources in official statistics by pointing to the attractive benefits offered by the private sector firms, especially in the finance sector, to the official statisticians which eventually

causes the NSOs to lose their human resources and jeopardizes their role in the measurement of SDGs.

The second day of the Fourth Session of OIC-StatCom, 22 April 2014, started with the session titled “Towards a More Comprehensive System of Health Statistics”. Dr. Edouard Tursan D'Espaignet (Coordinator, Comprehensive Information Systems for Tobacco Control, WHO), enlightened the audience on “Prevention and Control of Non-Communicable Diseases (NCDs)” and underlined the need for global monitoring of NCDs. In his presentation, Mr. Mehmet Günel (Expert, TurkStat, Turkey) informed the participants about the implementation of the European Health Interview Surveys (EHIS) in Turkey whose questions are prepared by Eurostat. Mr. Günel stated that while Turkey conducts EHIS biannually, the member states of the European Union conduct it once every six years. Mr. Günel also briefed the participants about the EHIS modules on health. In the second part of the session titled “Global Tobacco Surveillance System in OIC Member Countries”, Dr. Samira Asma (CDC), Mr. Jeremy Morton (CDC), and Mr. Md. Baitul Amin Bhuiyan (Deputy Director General, Bureau of Statistics, Bangladesh) concentrated on Global Youth Tobacco Survey (GYTS), Global Adult Tobacco Survey (GATS), and Tobacco Questions for Surveys (TQS). During the discussion session, the participants gave examples from their respective countries on the monitoring of tobacco control and their cooperation with the relevant stakeholders on the implementation of GYTS and GATS. The participants also highlighted the need for reliable statistics in mortality causes and exemplified the alternative approaches to pathologic autopsies

which cannot be conducted in certain environments due to cultural reasons.

In the following thematic session titled “Integration of Statistical and Geospatial Information”, Mr. Amor Laaribi (GGIM Coordinator, UNSD) focused on how to link people and socio-economic information to a location and informed the roles of the UNSD and UN Initiative on Global Geospatial Information Management (UN-GGIM) in the integration of statistical and geospatial information. Dr. Mohamad Ahmad Al-Amer, (President, Central Informatics Organisation, Bahrain); Mr. Mohamad Saoud Al Boainain (Head of Population Statistics Section, Ministry of Development Planning and Statistics, Qatar), Ms. Samira Ouadday (Central Director, Geographic Information Systems, Institute of Statistics, Tunisia) and Mr. Reda Mohamad Al Sabbagh (Director of Information Technology Department, National Bureau of Statistics, UAE) also made presentations that mainly highlighted the national statistical activities concerning the utilisation of data, integration and establishment of Geospatial Information Systems by using new technologies. The following discussions focused on the integration of geospatial data in official statistics and possible collaboration between NSOs and the UN-GGIM.

The last thematic session titled “Improving Statistical Capacities in Tourism Sector” included the presentations by Mr. Atilla Karaman (Senior Researcher, Statistics and



Information Department, SESRIC), Mr. Abd Latib Talib (Director, Economic Indicators Division, Department of Statistics, Malaysia), Mr. Khalid Said Al Mudhaffar (Acting Director General of Economic Statistics, National Centre for Statistics and Information, Oman), and Ms. Emel Ural (Expert, TurkStat, Turkey). While the presentation by SESRIC focused on the capacity building activities in tourism statistics through the SESRIC-COMCEC joint project titled “Improving Statistical Capacities of Tourism Sector in Mediterranean and Gulf Regions” that received a grant under COMCEC PCM Programme, the presentation by country delegations briefed the participants on the respective country experiences regarding the tourism satellite accounts and the activities carried out in tourism statistics. In the discussion part, countries shared their practices and challenges that they face; such as, the lack of data in Palestine on tourist arrivals in East Al-Quds due to the illegal occupation.

The Fourth Session of the OIC-StatCom concluded with the adoption of the Resolutions.

FOURTH ISLAMIC CONFERENCE OF HEALTH MINISTERS: 'BETTER NUTRITION, BETTER HEALTH, BETTER UMMAH'

22-24 OCTOBER 2013, JAKARTA INDONESIA



The Fourth Islamic Conference of Health Ministers with the theme of “Better Nutrition, Better Health, Better Ummah” was held in Jakarta, Republic of Indonesia on 22-24 October 2013. The Conference was attended by the Ministers of Health and high-level representatives from 36 OIC Member States, various OIC institutions and international organizations and entities. The aim of the Conference was to adopt the OIC Strategic Health Programme of Action 2014-2023 (OIC-SHPA) along with its Implementation Plan and provide an opportunity for the Ministers and Representatives of the Member States to review the status of health in OIC, examine major health-related issues and identify concrete measures for strengthening cooperation among the OIC member countries with regard to health infrastructures, education, training, capacity building, disease surveillance, prevention and control as well as self-reliance in drugs and vaccine production. Prof. Savas Alpay, Director General, and Mr. Mazhar Hussain, Senior Researcher, represented the Centre thereat.

SESRIC actively participated in the Conference and presented the Draft OIC-SHPA 2014-2023

and its Implementation Plan to the Ministers, coordinated a panel discussion on Healthy Lifestyles and Non Communicable Diseases Control and delivered a presentation on Maternal, New-born and Child Health. The Centre also contributed to the Conference with two studies titled: “The OIC Health Report 2013”, and “Vaccines Need Assessment in OIC Member Countries”.

The inaugural session of the Conference was addressed by the OIC Assistant Secretary General, Ambassador Abdul Moiz Bokhari, His Excellency Dr. Erik Baizhunussov, Deputy Minister of Health of the Republic of Kazakhstan and the Chairperson of the 4th Islamic Conference of Health Ministers, Her Excellency Dr. Nafsiah Mboi, Minister of Health of Indonesia. Afterwards, the Chairperson briefed the Conference about the Strategic Health Programme of Action and invited the participants to adopt the document. The Conference adopted the Strategic Health Programme of Action (SHPA) along with its Implementation Plan.

Eight Panel Discussions were held during the 4th ICHM on i) Fight against Tuberculosis; ii) Eradication of Malaria; iii) Global Eradication of Polio; iv) Ending Preventable Maternal and Child Death – Accelerating Progress for 2015 and beyond; v) Self Reliance on supply and production of pharmaceuticals including vaccines; vi) Nutrition and Stunting; vii) Healthy Life Style and Non-Communicable Diseases Control; viii) OIC contribution to the post 2015 MDG document. The salient elements and recommendations of the Panel discussions

were summarized in the resolutions adopted by the Conference.

The Health Ministers and Representatives of the Member States adopted six resolutions covering a range of issues relevant to the OIC Health agenda. The conference also adopted the Jakarta Declaration which reaffirmed the centrality of the health issues for the socio-economic development of the OIC Member States and encouraged the commitment of the Member States to attach high priority to health issues, and foster intra-OIC and international health cooperation.

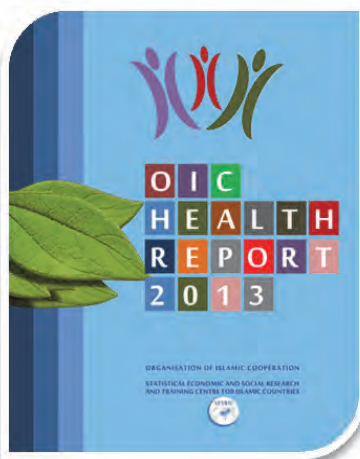


Turkey will host the 5th Session of the Islamic Conference of Health Ministers, to be held in 2015.

SESRIC LAUNCHES THE OIC HEALTH REPORT 2013 IN JAKARTA DURING THE 4TH ISLAMIC CONFERENCE OF HEALTH MINISTERS (ICHM)

The OIC Health Report 2013, which has been prepared by SESRIC, was officially launched during the 4th Session of the Islamic Conference of Health Ministers (ICHM) which was convened on 22–24 October 2013 in Jakarta, Republic of Indonesia.

The OIC Health Report 2013 provides a detailed analysis of the trends on major health indicators in the OIC Member Countries at the average OIC group level as well as at the individual country and OIC sub-regional levels. The report also highlights some health related issues in these countries such as health expenditures, the using of Information and Communication Technology (ICT) in health sector “e-Health” and the OIC cooperation efforts and initiatives in the domain of health. The report emphasizes the significant improvement in health care coverage across OIC countries. However, it also underscores that,



despite the positive trend, OIC member countries are still lagging behind the world and developing countries averages.

The report shows that the health care coverage situation remained significantly poor in member countries located in South Asia and Sub-Saharan Africa region mainly due to the lack of adequate and sustainable financial resource, poor

health infrastructure, insufficient trained health workforce and slow progress on health reforms. The report emphasizes that the nature and magnitude of these key challenges facing the health sector in many OIC member countries require a greater commitment from the governments to put health sector higher on their national development agendas and build health infrastructure and train workforce to meet the current and future demands for the health services.

8TH SESSION OF THE CONFERENCE OF MINISTERS OF TOURISM

4-6 DECEMBER 2013 IN BANJUL, THE GAMBIA



The 8th Session of the Islamic Conference of Tourism Ministers (ICTM) was hosted by the Ministry of Tourism of the Republic of TheGambia and held on 4-6 December 2013 in Banjul, the Gambia.

The meeting of the Senior Officials preparatory to the Ministerial Meeting was held on 4-5 December 2013. Senior officials from 25 member states and representatives of four OIC institutions, namely SESRIC, IRCICA, ICDT, and ISESCO, attended the meeting. The meeting considered the Report of the Secretary General, which embodied the Progress Report on the Implementation of the Framework for Development and Cooperation in the domain of Tourism between the OIC member states as well as its recommendations. It highlighted various activities accomplished under the Short Term Plan and Program, including recent bilateral activities and regional projects as well as the activities of the OIC institutions towards the implementation of the Framework for Development and Cooperation in the domain of Tourism.

The Meeting discussed various technical background reports by relevant OIC institutions. In this context, SESRIC submitted and presented its report titled “International Tourism in the OIC Countries: Prospects and

Challenges”. Dr. Kenan Bagci, Senior Researcher, representing the Centre thereat, made a presentation on the recent performance of the OIC member countries in the area of international tourism sector. The presentation also involved some issues and problems of OIC countries in the area of tourism development and cooperation and a set of recommendations. IRCICA, ICDT and ISESCO also presented their progress reports.

The Meeting subsequently discussed various issues of cooperation in the field of tourism in the OIC member countries. It considered the draft Mechanism and Criteria for the Selection of OIC City of Tourism and the draft Mechanism and Criteria for the Award of OIC Seal of Excellence for Handicrafts, and after making several amendments, approved the both mechanisms. The Meeting also reviewed the proposal by the Islamic Republic of Iran on the Establishment of the Heritage Centre for Islamic Countries and the proposal has been decided to be considered by existing OIC institutions IRCICA and ISESCO within their respective mandates.

The Ministerial Meeting was held on 6 December 2013 with participation of the guest of honour Vice President of The Gambia. The meeting approved the mechanisms and criteria for the Selection of OIC City of Tourism as well as for the Award of OIC Seal of Excellence for Handicrafts. The meeting also agreed on the members of the Coordination Committee for the implementation of the Framework on Tourism, which consists of Gambia, Iraq, Malaysia, Niger, Palestine, Saudi Arabia, Senegal, Turkey and Uganda. The Meeting also welcomed the offer by the Government of the Republic of Niger to host the 9th Session of ICTM in 2015.

29TH SESSION OF THE COMCEC

18-21 NOVEMBER 2013, ISTANBUL, REPUBLIC OF TURKEY



The 29th Session of the COMCEC was held in Istanbul on 18-21 November 2013 with the participation of the OIC Member States and relevant OIC, regional and international institutions. The Meeting of the Senior Officials of the 29th Session of the COMCEC was held on 18-19 November, where the delegations of the Member States and the OIC institutions considered and deliberated on a number of agenda items related to various issues of enhancing economic and commercial cooperation among the Member States.

The issues included: Review of the implementation of the OIC Ten-Year Program of Action and the Plan of Action to Strengthen Economic and Commercial Cooperation among the OIC Member States; World economic developments with special reference to the OIC member countries; Recent developments in intra-OIC trade, the Trade Preferential System among the OIC Member States (TPS-OIC), Priority Sectors (agriculture, tourism and

transportation) and exchange of views on the theme “Increasing FDI Flows to OIC Member Countries”; Financial cooperation among the OIC member countries: cooperation among Stock Exchanges, Central Banks and Capital Markets’ Regulatory Bodies of the OIC member countries; Poverty alleviation: Islamic Solidarity Fund for Development (ISFD), Special Program for Development of Africa (SPDA), OIC-Cotton and OIC-VET programs; Enhancing relations with the private sector. In their deliberations on all these issues, the Senior Officials discussed and considered the recommendations and policy implications of many technical and background reports prepared and presented by various relevant OIC institutions as well as those of some related international and regional organizations. They also prepared the Draft Resolutions on these issues for consideration by the Ministerial Meeting, which was held on 20-21 November 2013 under the Chairmanship of H.E. Abdullah Gül, President of Turkey and Chairman of COMCEC

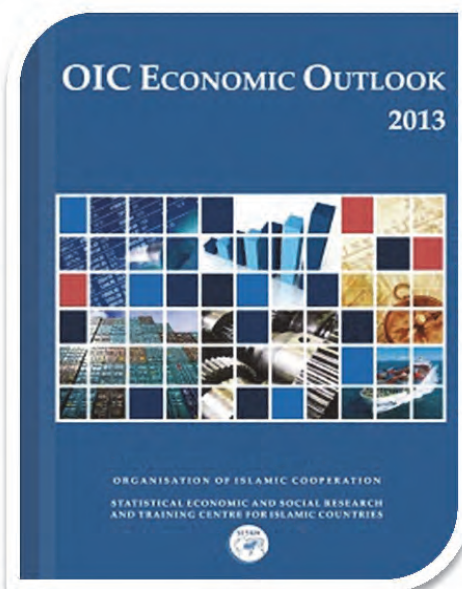
SESRIC LAUNCHED OIC ECONOMIC OUTLOOK 2013

The OIC Economic Outlook 2013, which has been prepared by SESRIC, was launched during the Senior Officials Meeting of the 29th Session of COMCEC, which was convened on 18-21 November 2013 in Istanbul, Republic of Turkey. Main highlights of the Report are presented by Prof. Savaş Alpay during the meeting and the presentation attracted significant attention from the representatives of the participating member countries and international institutions.

In light of the recent global and regional economic developments, the OIC Economic Outlook analyses the trends in major economic indicators for the OIC member countries, as a group, during the latest five-year period (2008-2012). It investigates these trends in a comparative manner with their counterparts in the groups of the developed and other developing countries as well as with the world economy as a whole and highlights a number of constraints and challenges confronting the OIC member countries in their efforts to enhance their economic development and progress.

The OIC Economic Outlook 2013 highlights that with 22.6% of the world total population in 2012, the 57 OIC member countries produced only 11.3% of the world total GDP in terms of current USD and based on PPP. Moreover, the share of the OIC countries in the total GDP of the group of other developing countries has declined steadily during the period covered by the report to reach 22.6% in 2012 compared to 23.6% in 2007. The report also states that Unemployment remained one of the most serious problems facing the OIC countries.

According to the latest available data during the period 2007-2011, the average unemployment rates in the OIC countries were significantly higher than the world average and the averages of the developed and other developing countries. During this period, total unemployment rate in OIC countries increased from a level of 9.4% in 2007 to 9.9% in 2011.



According to the Report, total merchandise exports of the OIC countries in 2012 reached to its historically highest level of \$2.2 trillion and surpassed the pre-crisis peak of \$1.9 trillion in 2008. This has been resulted in a slight increase in their share in total world exports, which has been recorded at 12.5% in 2012 compared to the pre-crisis level of 11.9% in 2008 and the level of 12.1% in 2011. Unlike the trade in goods, the volume

of trade in services remained significantly lower in the OIC countries and even demonstrated a falling trend since 2008. The report also indicates that the share of intra-OIC trade in the total trade of OIC countries showed an increasing trend during the period 2007-2012. Intra-OIC trade accounted for 18% of total OIC trade in 2012; the highest level it reached so far.

As a major observation throughout the analysis in the report, it has been observed that the overall performance of the group of the OIC countries is still highly influenced by the performance of a few member countries. For example, in 2012, only 10 member countries produced or generated 72.9% of the total OIC countries output (GDP). Almost the same 10 countries accounted for 76.6% of the total merchandise exports, and, similarly, only 10 member countries accounted for more than 72%

of the total FDI flows to all OIC countries in the same year.

Finally, this year's report also includes a special section which highlights an important issue of

concern to our member countries, namely private sector participation in infrastructure investment in OIC countries.

2013 MEETING OF THE CENTRAL BANKS AND MONETARY AUTHORITIES OF THE OIC MEMBER COUNTRIES

27-28 November 2013, Jeddah, Kingdom of Saudi Arabia



Organized jointly by the SESRIC, the Saudi Arabian Monetary Agency (SAMA) and General Secretariat of Organisation of Islamic Cooperation, the 2013 Annual Meeting of the Central Banks and Monetary Authorities of the OIC Member Countries was held on 27-28 November 2013 in Jeddah, Kingdom of Saudi Arabia, under the hospitality of the SAMA. Delegates from OIC member countries – including governors, deputy governors and central bank experts – and representatives of international organizations such as Islamic Financial Services Board, Financial Stability Board and Basel Committee attended the Meeting. Themed “Impact of Recent International Financial Regulatory Reforms on OIC Countries”, the two-day Meeting was comprised of an Expert Group Workshop (EGW) on the first day and a Governors Meeting on the second. The Centre was represented by Prof. Savas Alpay, Director General; Mr. Nabil Dabour, Director of Economic and Social Research Department and Dr. Umut Unal, Researcher.

During the EGW, experts from the central banks and monetary authorities of the OIC member countries reviewed the recent

developments in the international financial regulatory reforms and their expected impacts at both the national and international levels, particularly on the Islamic financial industry in the member countries. Featuring various lead speakers, the EGW covered issues related to Basel III capital and liquidity frameworks. The experts discussed the impacts of the recent global financial reforms on the development, stability and growth of Shariah-compliant institutions and the challenges facing the future growth of the Islamic financial industry. Country experiences and perspectives on the prospects and challenges brought about by the recent global regulatory reforms for the Islamic financial industry were also presented by experts from Malaysia, Sudan, United Arab Emirates and Saudi Arabia.

The Governors Meeting started by opening remarks by the Heads of the organizing institutions. Following the welcoming and opening remarks made by H.E. Dr. Fahad Alzubair, Governor of the SAMA, in his opening speech, Prof. Alpay, Director General of SESRIC, welcomed the participants and made some statements on the impact of recent international financial regulatory reforms on



OIC countries. Prof. Alpay indicates that the central banks in OIC countries should play a wider role beyond the traditional monetary and financial stability mandate. He mentioned that there is still an increasing risk of another global financial crisis and that reforms alone are unlikely to eliminate all of the faults and weakness in the international financial system. Prof. Alpay underscores that the global Islamic finance industry continues to experience double digit growth of around 17%, with global Islamic banking assets in commercial banks are now estimated at USD1.8 trillion. He indicated that high capital levels should leave Islamic banks well placed under Basel III, and that sovereign and quasi-sovereign sukuk would help mop-up the excess liquidity problems of Islamic banks.

Following the welcoming and opening remarks, the Meeting continued with two presentations on the theme of the Meeting made by two lead speakers, Mr. Svein Andresen, Secretary General of Financial Stability Board, and Mr. Karl Cordewener, Deputy Secretary General of Basel Committee. This was followed by an open discussion by governors and Head of Delegations of the OIC central banks and

monetary authorities. They discussed and exchanged their views and experiences related to the recent developments in the global financial reform agenda and the possible future repercussions on the financial and monetary policies of OIC member countries, and possible intra-OIC cooperation areas in the domain of financial regulation. The governors then reviewed and adopted the Final Communiqué of the 2013 Annual Meeting.

As a separate agenda item in this year's meeting, the three working groups, which were established and initiated their work pursuant to the recommendations of the 2012 Meeting of the Central Banks and Monetary Authorities of the OIC Member Countries, presented the main findings of their Technical Background Reports prepared by each of them in their respective subject areas, namely, Liquidity Management in Islamic Finance, Macro-Prudential Regulations, and Payment Systems.

The Governors welcomed the offer of the Republic of Indonesia and Republic of Suriname to host the meetings in 2014 and 2015, respectively.

H.E. DR. CEVDET YILMAZ, MINISTER OF DEVELOPMENT OF THE REPUBLIC OF TURKEY, PAID A COURTESY VISIT TO SESRIC



H.E. Dr. Cevdet Yılmaz, Minister of Development of the Republic of Turkey, paid a courtesy visit to SESRIC on 24th January 2014. H.E. the Minister was accompanied by Mr. Ahmet Yaman, Deputy Undersecretary of the Ministry of Development, and Mr. Metin Eker, Director General of the COMCEC Coordination Office. H.E. the Minister was welcomed by the Director General of the Centre, Prof. Savaş Alpay, where he expressed his gratitude to the Minister for designating his valuable time for this honourable visit to SESRIC.

Following the welcoming, H.E. the Minister was briefed by the heads of the technical departments at the Centre on the activities of their respective departments. The presentations on the activities of the Centre were made by Mr. Hüseyin Hakan Eryetli, Director of Statistics and Information Department, Mr. Nabil M. Dabour, Director of Economic and Social Research Department, and Mr. Mehmet F. Serenli, Director of Training and Technical Cooperation Department. Following the presentations on the activities of the three technical departments of the Centre, a presentation titled “Critical Perspectives on the Socio-Economic Development and

Transformation in the Islamic World” has been made, which provides a SWOT profile on OIC Member Countries as a group in terms of some critical examples regarding their Strengths, Weaknesses, Opportunities and Threats in a comparative manner with the group of other developing countries, developed countries, as

well as the world average.

Following the presentations, H.E. Dr. Cevdet Yılmaz, expressed his appreciation to the Director General of the Centre, Prof. Savaş Alpay, and the SESRIC staff and lauded them for the volume and high quality of the work that has been accomplished in the three areas of the Centre’s mandate: statistics, research and training. H.E. the Minister also commended and encouraged the Centre’s efforts in building constructive and close relations with the relevant national institutions in Turkey, the host country of the Centre, with a view to facilitate and increase the quality of the activities of the Centre for more benefit to the member countries. In particular, he drew attention to the effective cooperation between the Centre and Turkish Statistical Institute (TURKSTAT) in organizing statistical capacity building programmes for the benefit of the National Statistical Organizations (NSOs) of the Member Countries, as well as the cooperation between the Centre and COMCEC Coordination Office, particularly the involvement of the Centre in the implementation mechanism of the new COMCEC Strategy through the participation in the Working Groups and the Project Cycle Management mechanism of the Strategy.

H.E. Dr. Cevdet Yılmaz, provided valuable views and proposed and emphasised specific issues to be taken into consideration by the Centre in the implementation of its various activities in the areas of statistics, research and training. Among others, he emphasised the importance of enhancing the capacities and quality of human resources in OIC Member Countries through appropriate investing, particularly in the young population, and drew attention to the importance of SESRIC's ongoing OIC Vocational Education and Training Programme (OIC-VET) in this regard. He mentioned that research priority should be given to critical and important social issues. He

emphasised the need to conducting policy-oriented research on social issues of interest and challenging the OIC Member Countries. H.E. the Minister also highlighted the importance of the new Sustainable Development Goals (SDGs or post 2015 Agenda) and the challenges facing the member countries and international organizations in setting up and monitoring the measurable objectives of these goals. Moreover, he highlighted the importance of research and development in terms of developing the human capital in the OIC Member Countries. In this respect, he emphasized the significance of the cooperation among the think-tank institutions in OIC Member Countries.

DEPUTY MINISTER OF HUMAN RESOURCES OF MALAYSIA VISITS SESRIC

H.E. Dato Haji Ismail bin Haji Abdulmuttalib, Deputy Minister of Human Resources of Malaysia, visited SESRIC Headquarters on 17 February 2014, together with a delegation from the Ministry of Human Resources of Malaysia, and accompanied by H.E. Mr. Amran Mohamed Zin, Ambassador of Malaysia to Turkey. Also present were Mr. Kasım Özer, the Director General of General Directorate of Occupational Health and Safety of Turkey, together with managers and experts from the Ministry of Labour and Social Security of Turkey.

At the outset, Prof. Dr. Savaş Alpay, Director General of SESRIC, welcomed the delegation and expressed his thanks for their visit to SESRIC Headquarters, noting that the visit would be a significant step towards enhancing the current level of cooperation and collaboration among OIC Member Countries in the area of occupational health and safety. For this, he expressed his desire for a more structured framework of cooperation that covers



a long reaching master plan to increase collaboration and bring forth concrete projects and programmes among the member states by employing relevant practical initiatives within the context of training courses, study visits and workshops.

Following a corporate presentation on the activities and programmes of SESRIC by the heads of three technical departments, namely statistics, research and training and technical cooperation, H.E. Dato Haji Ismail bin Haji Abdulmuttalib, Deputy Minister of Human Resources of Malaysia thanked the Director

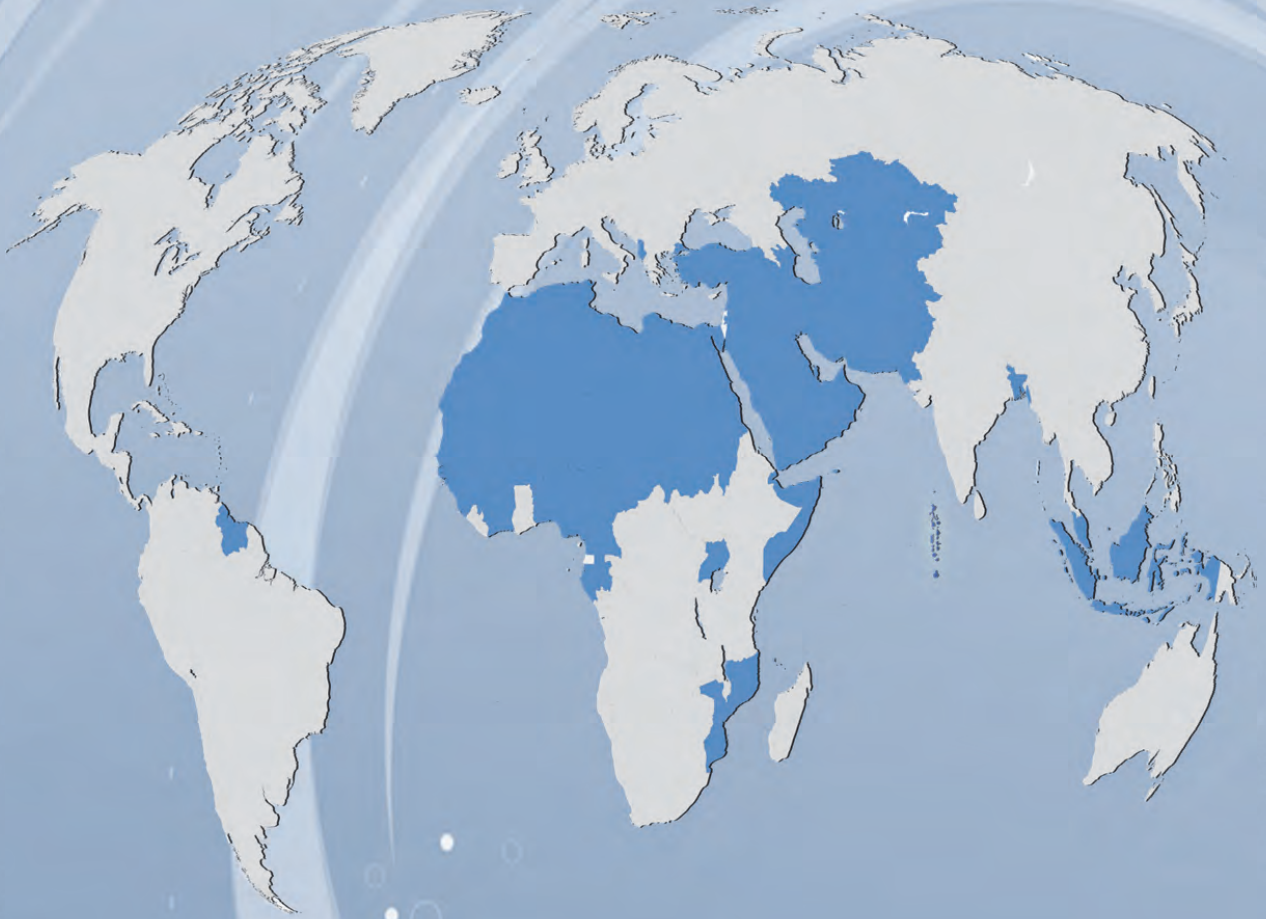
General for the hospitality exerted during their visit and expressed his satisfaction about the wide range of activities in socio-economic areas undertaken by the Centre. In this connection, he offered to provide technical support and share knowledge, experience and expertise of the Ministry of Human Resources of Malaysia under the framework of the Capacity Building Programmes of SESRIC for the benefit of OIC Member Countries.

H.E. Mr. Amran Mohamed Zin, Ambassador of Malaysia to Turkey, also thanked SESRIC for its tireless exertions in keeping the ties of collaboration among the OIC Member Countries, and expressed his pleasure for observing close partnership among Ministry of

Human Resources of Malaysia, General Directorate of Occupational Health and Safety of Turkey and SESRIC.

The visit was followed by a high level technical meeting on discussing the relevant items within the context of OIC Occupational Safety and Health Network (OIC-OSHNET), including the blueprint for terms of reference of the OIC-OSHNET, vision and the five years plan of action for the period of 2015-2020 for systematic sharing of information and experience in occupational safety and health, being prepared by a Working Group under the supervision of Malaysia and with the support of Kuwait, Mauritania, Turkey and Yemen.

COUNTRY



NEWS

AZERBAIJAN TO COMMISSION NEW POWER PLANTS IN 2014

Azerbaijan will increase the number of its power plants this year. A modular power station with a 16.5 megawatt capacity is planned to be commissioned in the southern region of Lerik in the first half of the year, report of the Azerbaijani government for 2013 said. The power plant will be built to provide reliable and stable electricity for Azerbaijan's southern regions, the report shows. The construction work on ten small hydropower plants with a total capacity of 14.3 MW was conducted in the country in 2013. Moreover, the construction of two small hydropower plants in Goychay-1 (3.3 MW) and Ismayilli-1(1.6 MW) was completed. The document states that the second combined-cycle plant (409 MW) is planned to be commissioned in the Shimal power plant in Azerbaijan in late 2014.

Azerbaijan's energy capacity grew by 12.9% and reached 7,100 MW last year, the report said. The power grid allows for the production of 22-24 billion kWh of electricity, and ensures the export of 2.1 billion kWh. Azerenergy generated



more than 21.5 billion kWh of electricity in 2013, compared to about 21.3 billion kWh over the same period in 2012. The capacity of power stations owned by Azerenergy exceeds 6,500 MW. It has over 200 substations with a capacity of 500, 330, 220, and 110 kilovolt amperes, as well as eight hydro and 13 thermo power stations.

Source: Azernews

TUNISIA EXPECTS NEW POLITICAL STABILITY TO ATTRACT RECORD NUMBERS OF TOURISTS IN 2014



Tunisia is expecting a record seven million tourists to visit the country in 2014 after three years of political unrest sparked by the Arab

Spring uprising. Tourism minister Amel Karboul called for Western tourists to visit the North African country once more following the signing of the new Constitution in January. 'If everything goes well, our forecasts indicate that we could receive seven million tourists in 2014.' Tunisia has long been a major destination for European tourism, and relies heavily on European tourism to its Mediterranean beaches. But the country suffered a catastrophic drop in visitors following the country's 2011 revolution when holidaymakers stayed away amid political unrest. In 2010, a few months before the revolution, Tunisia received 6.9 million tourists. But visitors fell to 4.8 million in 2011, while

revenues were down by 33%. A caretaker government filled with technocrats and the signing of a new Constitution has renewed optimism in a recovery for the tourism industry which makes up 8% of the country's GDP and

employs 400,000 people directly or indirectly. The ministry hopes to see annual tourist arrivals topping the pre-uprising levels in 2013.

Source: Daily Mail

UZBEKISTAN IS THE FASTEST GROWING MARKET FOR INTERNATIONAL PASSENGER TRAFFIC

The International Air Transport Association (IATA) released the IATA Airline Industry Forecast 2013-2017 showing that airlines expect to see a 31% increase in passenger numbers between 2012 and 2017. By 2017 total passenger numbers are expected to rise to 3.91 billion—an increase of 930 million passengers over the 2.98 billion carried in 2012.

Uzbekistan (10.3% CAGR) has displaced Kazakhstan (9.0% CAGR) as the fastest growing market for international passenger traffic. The remaining eight are Russia (7.7% CAGR), Turkey (7.6% CAGR), Oman (7.5% CAGR), China (7.1% CAGR), Vietnam (6.9% CAGR), Saudi Arabia (6.9%), Azerbaijan (6.8% CAGR), and Pakistan (6.7% CAGR). No Latin American or African countries are among the fastest growing markets. With 677.8 million domestic passengers in 2017, the United States will continue to be the largest single market for domestic passengers, although it will add only 70



million passengers over the forecast period (2.2% CAGR). This reflects the market's maturity. China is firmly established in second place (487.9 million passengers in 2017, 10.2% CAGR.). Brazil will firmly establish itself as the third-largest domestic market after the US and China, with 122.4 million passengers in 2017, an increase of 32 million passengers from the 90 million 2012 (6.3% CAGR).

Source: UzReport

BENIN EYES RETURN TO OIL PRODUCTION IN 2014 AFTER LOST DECADES



Benin's government expects to restart oil production by July 2014 in blocks controlled by South Atlantic Petroleum (SAPETRO) of Nigeria. Benin started producing oil in the 1970s but output remained low and stopped by the end of the 1990s when funds for operations dried up. SAPETRO was sitting on 87 million barrels of oil in Benin's onshore Block 1 and output could start at 7,500 barrels per day. SAPETRO has a further 110 million barrels of oil in the Seme offshore block to the east of Cotonou but production from there was not be expected before 2015. Benin's economy depends heavily

on cotton, which provides a livelihood for some 500,000 families in a country of around 10 million people.

Source: Reuters

WORLD'S LARGEST BIOMETRIC CENTRE PLANNED IN SAUDI ARABIA

Saudi Arabia plans to build one of the biggest biometric centres in the world, which will contain the eye, facial and finger imprints of almost 30 million people, a biometric expert told local media. Adil Al-Aid, an expert on biometric identification systems, said the Kingdom is embarking on this initiative ahead of most countries, notably Arab and Islamic countries. "The Ministry of Interior is seeking to build a world-class and highly efficient database containing the biometric features of both citizens and residents through representation by the National Information Centre (NIC)," Al-Aid said.

The system will be able to secure the Saudis, Kingdom's and regions security. Since the event of Sept. 11, 2001 security programs have been widely used between regional groupings, such as the European Union and the Gulf Cooperation Council, with the intent to exchange information and track down suspicious individuals, the expert said. In 2013, the Kingdom announced its plans to create the first



Saudi biometric centre in the UAE to carry out biometric identification procedures before issuing visas to visitors and pilgrims. Prince Khaled bin Saud bin Khaled, assistant minister of foreign affairs, said at the time that the centres would be initially opened on an experimental basis in the UAE, South Korea and Germany. He said the centres were aimed at preventing criminals and individuals banned from entering the Kingdom from obtaining visas.

Source: ARAB NEWS

KUWAIT TO RAISE OIL OUTPUT CAPACITY TO 3.4M BPD BY 2015



Kuwait plans to raise its current oil production capacity of 3.25m bpd to 3.4 million bpd by

mid-2015. "We plan to add another 150,000 bpd by mid-2015," said Hashim Hashim, the chief executive officer of Kuwait Oil Company, which is responsible for exploration and production. The company also plans to add between 400,000 and 500,000 bpd to the country's production capacity to fulfil Kuwait's aim to raise output capacity to 4 million bpd by 2020. "Currently Kuwait pumps around 3.0 million bpd and could increase production depending on market conditions", Hashim said.

Source: Gulf News

TURKEY SAYS BUDGET SUPPORT TO SOMALIA WILL CONTINUE



Turkey has pledged to maintain direct budget support this year for war-ravaged Somalia, contradicting an earlier report that it had cut off the assistance to the east African country. The Turkish foreign ministry said in February this year that Ankara planned to continue the aid payments, which are a major source of funding for Somalia's government as it struggles to rebuild the country after more than two decades

of chaos. "Within the framework of our comprehensive aid strategy to Somalia, work is underway to provide budget support to the Somali Federal Government in the year 2014, too," the ministry said in a statement.

Turkey is a key ally of the Somali government. Its vast humanitarian aid effort at the height of the 2011 famine endeared the country to many Somali people, especially as Ankara continues to build hospitals and dispatch aid across Somalia. Turkey's Prime Minister has taken a personal interest in Somalia, becoming the first non-African leader to visit in nearly 20 years when he travelled there in 2011. Since then Turkey has poured in aid, much of it from private companies. "Our government will continue operating in Somalia and standing next to the Somali people," the Turkish ministry said.

Source: Reuters

KUWAIT HOSTED ARAB LEAGUE SUMMIT FOR THE FIRST TIME

Kuwait hosted the 25th Arab Summit League in Kuwait City from 25-26 March 2014 for the first time. The Summit gathered the members of the Arab League and leaders from across the Arab world. This year's Summit "Solidarity for a Better Future", presided by HH the Amir Sheikh Sabah Al-Ahmad Al-Jaber Al Sabah, who focused on the core issues of Arab integration, cooperation and coordination, as well as the latest developments in the region, through a series of sessions and meetings over the two days. For the first time, a representative from the new nation of South Sudan attended the Summit. Following the Syria Donor Conference held in Kuwait in January, solving the conflict in Syria and alleviating suffering continued to be a key focus of the Summit. Kuwait has hosted several regional and international events over the past few months, reflecting Kuwait's pivotal role



in the promotion and consolidation of cooperation and solidarity among Arab states, including the Arab-Africa Summit and the GCC Annual Summit.

Source: ZAWYA

ALGERIA, QATAR INKED 2 BILLION USD STEEL PROJECT



Algeria and Qatar inked a 2-billion-U.S.-dollar contract for building a steel plant in Algeria during the visit of Qatari Foreign Minister Khalid bin Mohammad Al-Attiyah. Algeria's Sider and Qatari Steel International signed an

agreement for building a steel plant in the locality of Balara in Jijel province, some 360 km east of Algiers, Algerian Industry Development Minister Amara Benyounes. Benyounes said that it highlights the strong trust between Algeria and Qatar and represents a cornerstone for the strategic economic partnership between the two Arab nations. This plant is expected to produce 2 million tons of steel annually by 2017 and gradually scale up to an output of 5 million tons. After the plant starts operation, Algeria is able to cut back on its steel imports, which cost about 10 billion U.S. dollars per year, representing 20 per cent of its overall imports.

Source: Gulf Times, Xinhua News Agency

BRUNEI DARUSSALAM: FOCUS ON ACADEMIC IMPROVEMENT

Her Royal Highness Princess Hjh Rashidah Sa'adatul Bolkiaah, President of Girl Guides Association of Brunei Darussalam (PPPBD) called upon the PPPBD to place focus on improving educational achievements amongst its members, especially those that are still schooling. Members of the PPPBD along with Her Royal Highness Princess Hajah Majeedah Nuurul Bulqiah and Her Royal Highness Princess Hajah Masna, the Vice President of PPPBD celebrated World Thinking Day 2014 on 22nd February at the association's headquarters.

HRH Princess Hjh Rashidah, said that the organisation that comprises mainly of students and teachers are able to provide support to government initiatives to heighten the level of learning amongst the younger generation. "I hope that activities planned by the PPPBD will be focused on ways to improve the level of academic achievement amongst its members that are still schooling and subsequently improve their ability to continue their studies at a higher



level. I am truly confident that with the experience and expertise of the educators in the PPPBD where the association will be able to reap success and excellence in formulating programmes that are suitable to increase the level of learning for its members" said HRH Princess Rashidah. Themed, 'Girls Worldwide Say: "Education opens for all girls and boys", the World Thinking Day 2014 is celebrated globally and annually on February 22.

Source: The Brunei Times

IRAN TO SUPPLY OIL ENGINEERING SERVICES TO SUDAN



Iran Oil Ministry has signed an agreement with a North Sudanese oil company to provide the oil-rich African country with technical and engineering services. The agreement has been signed between Iran's Research Institute of Petroleum Industry (RIPI) and Sudan's PLRS Company.

Ezzatollah Kazemzadeh, head of the Petroleum Engineering Department of RIPI, said Iran has

already dispatched specialists to train North Sudanese petroleum engineers. He added that the RIPI conducted studies on the sandstone petroleum cores of Abu Gabra Formation in Azraq oil field in North Sudan last June.

Last month, Sudanese Oil Minister Makkawi Mohamed Awad said his country's oil production stands at 130,000 barrels per day (bpd). Prior to the country's breakup in 2011, Sudan produced nearly 500,000 bpd while the rival South Sudan now sits atop more than three quarters of the total oil reserves.

Iran's oil deal with Sudan is the first since the January 20 implementation of Tehran's nuclear deal with world powers and the expected easing of sanctions against Iran's energy sector.

Source: PRESS TV

MOZAMBIQUE BRACES FOR MORE FLOODING

Mozambican officials warn that the country may suffer flooding in the central and southern parts of the country that could be worse than floods that ravaged large parts of

the southern African country in 2000. Mozambican Prime Minister Alberto Vaquina flew over central Mozambique to assess the situation and to urge people to avoid risky areas and to move to higher ground where possible. The flooding threatens to cut off the capital Maputo in the south from the rest of the former Portuguese colony. The Minister of State Administration Carmelita Namashulua said that so far the floods have claimed at least 17 lives and have destroyed thousands of acres of crops.



Source: News24, AP

GCC TO REMAIN STABLE IN 2014 DESPITE OIL PRICE DECLINE



In the GCC, economic growth will remain firm overall in 2014 despite gradual decline in oil prices. The growth will be largely driven by the non-oil sector, but inflation is expected to rise, according to the latest macro-economic forecast from Economists and analysts at Moody's Investors Service. Moody's forecast for 2014-15 shows that oil prices will gradually decline but is expected to remain above \$100 per barrel (pb) for Brent crude. The outlook for 2014 points to diminishing fiscal space, with actual and fiscal breakeven oil prices converging. Although fiscal space is being squeezed because of increased government spending and decline in oil prices, all GCC countries except Bahrain is forecast to record fiscal surpluses and stable debt ratios amid manageable contingent risks from public-sector corporate debt. The breakeven oil price range is around \$10-\$20 per barrel below the

fiscal breakeven price range, provides further credit support.

In addition, significant sovereign wealth fund (SWF) assets are a large multiple of annual government expenditure and public debt. So far, GCC countries except for Bahrain, have maintained fiscal surpluses, and GCC governments have reinforced their creditor position with an estimated \$1.9 trillion in sovereign wealth fund (SWF) assets, up from \$1.3 trillion in 2010. GCC countries account for approximately 24 per cent of the world's oil production and 11 per cent of the world's gas production. Moody's economists see no immediate threat to GCC countries' external positions. "A slow decline in oil prices would not threaten the GCC countries' external positions, with current account balances likely to remain in surplus", said Thomas J. Byrne, Senior Vice President of Moody's.

Source: Gulf News

CREATING FAVOURABLE BUSINESS ENVIRONMENT FOR FOREIGN PARTNERSHIP IN CAMEROON

Cameroon creates favourable economic conditions for foreign partnership and investment in order to develop its infrastructure, energy sector, quality of life of citizens and overall for higher level of economic growth. On March 5, 2014 Swiss investment fund together with Deutsche Bank agreed to invest the construction of 40 thousand units of houses for the access of low income people. Actually this agreement was continuation of the contract signed between the Cameroonian State and Swiss investment fund in October 2013 in Yaoundé. These constructions aimed at the some regions where the estimated deficit to low-income housing is about 1 million units. This funding



project was initiated as a result of investment fund's founder's meeting at the President's office on March 19, 2013 where the fund announced

that it has half billion dollar line of credits available for funding projects in Sub-Saharan Africa. Furthermore, The Cameroonian Minister of Economy, Emmanuel Nganou Djoumessi projects announced the list of 14 projects, basically for development of infrastructure and energy sector, to be completed in the form of public-private

partnerships in 2014 within the framework of the government's investment programme. Both local and foreign investors are eligible to apply through the Support Council for Partnership Contracts (CARPA), located in Yaoundé until the March 31, 2014.

Source: Business in Cameroon

MALDIVES GOVERNMENT INTRODUCES ARABIC LESSONS AS PART OF ISLAMIC EDUCATION DRIVE



In February 2014, the Ministry of Education introduced Arabic language in 12 schools as an optional subject for grades 1 – 12. At an inaugural ceremony held in Hiriya School, Vice President Dr Mohamed Jameel Ahmed said the government will mainstream Arabic education in the Maldives, focusing particularly on Islamic education and the study of Quran. Jameel said the introduction of Arabic language will bring a 'special happiness' to the people of Maldives, will strengthen the Islamic faith, and will introduce good behaviour. Reading and writing of Arabic script have traditionally been taught in

the Maldives at a very young age, either at home or from private teachers. Most people, however, have little or no understanding of the meanings of Arabic language – an issue of concern often raised by local religious scholars.

The ministry has said that the first twelve schools were chosen based on the fact that Arabic teachers were already present within the schools' staff, and that the subject would be introduced in all schools within the year. He added "Arabic language is very close to our hearts" and that learning the language is very important. The introduction of Arabic language in all schools of the Maldives is part of the government's stated education policies. The government has also pledged to prepare a scheme for the introduction 'economically beneficial' foreign languages within the first hundred days of the government and to choose two islands within this period for the establishment of Arabic medium schools.

Source: MINIVAN News

GCC NATIONALS RUSH TO BUY PROPERTY IN OMAN

Properties owned by Gulf citizens in various governorates of Oman totalled 3,521 in 2013, says a Ministry of Housing. Amid the booming realty market in Oman, there is a huge rush among the GCC nationals to buy real estate properties in the country. Experts believe that

Oman is a safe country for investment. The environment is also conducive for investment and the property prices are cheaper compared to other GCC neighbours. By acquiring 1,850 properties, Kuwaiti nationals come in first place, the Emiratis are second with 1,211, Qataris third

with 261, Bahrainis fourth with 117 and Saudi nationals with 82 properties appear last in the list, the official added. The official affirmed that the number of people wanting to own a property in Oman is going up due to good returns and cheaper market as compared to their neighbouring states.

The GCC citizens are allowed to purchase property in member states without restrictions, while expatriates can only buy in freehold areas in states that have such provisions. Ahmad Al Balsuhi, a real estate expert, told Gulf News that the realty sector in Oman is free of fluctuations due to stability and an ideal investment destination due to the government policies in Oman. Al Balushi added a series of mega projects across the country for diversifying income sources, especially Sohar Port, Sohar



Airport and other infrastructure and tourist projects, have all attracted GCC nationals to own property in Oman. The volume of real estate transactions in 2013 stood at more than 2 billion riyals, a 34% increase from 2012.

Source: Gulf News

WOMAN ACADEMIC PROMOTED TO UNIVERSITY PRESIDENT FIRST TIME IN IRAQ



Saba Adnan has become the first Iraqi woman academic to assume the post of president of university of Tikreet north of Baghdad. The

appointment of Dr. Adnan is seen as a sign of attempts to practice gender equality in appointment, particularly at higher levels of education in the country. "Saba Adnan is the first woman to assume such a post in Iraq," said Higher Education and Scientific Research Minister Ali Adeeb. "The appointment illustrates the ministry's pursuit to give women leading positions at Iraqi universities". The ministry has decided to give women their "right place" in higher education. There are currently 35 women working as college deans in Iraq while there were only 10 three years ago.

Source: Azzaman

SENEGAL AIMS FOR 7% ANNUAL GROWTH BY BOLSTERING MINING

Senegalese President Macky Sall said that his country will focus on luring more investment in mining to help its economy expand at an average rate of 7% for a decade. Senegalese President said

in an interview at the World Economic Forum in Davos, Switzerland on 24 January 2014 that mining will be one of Senegal's pillars of development and they are committed to putting

all the conditions in place to attract companies, have an adequate working environment, a renewed mining code.

Senegalese President, a geology engineer by training, has pledged to boost growth in the West African nation from an estimated 4.6% in 2013 after increasing investments in water and power projects, shutting or combining 59 state agencies and conducting an audit of state workers. Senegalese President said that he has launched an economic reform program that aims to have at least 7% over a period of 10 years.

The government said in October 2013 that it was seeking partners to develop the Faleme iron-ore deposit after it cancelled a 2007 contract with a multinational steel manufacturing corporation headquartered in Luxembourg. Faleme has estimated reserves of 750 million metric tons.



Production at the Grande Cote zircon mine is expected to begin by end-March 2014.

Also focusing on agriculture to support growth, the Senegalese President said that their goal is to make Senegal self-sufficient in rice production by 2017.

Source: Bloomberg

MALAYSIA'S FDI HIT RECORD HIGH IN 2013



Malaysia achieved its highest-ever foreign direct investment (FDI) last year at RM38.8 billion, surging 3.9 per cent past its previous record of RM37.3 billion in 2011, Datuk Seri Mustapa Mohamed, Minister of International Trade and Industry, announced. This is an increase of 24 per cent as compared to RM31.1 billion recorded in 2012, he said. According to Mustapa, the increase of FDI in Malaysia is favourable compared to the 11 per cent increase in global FDI, 6.2 per cent in developing nations, and 2.4

per cent in Southeast Asia as reported by UNCTAD in 2013.

The FDI inflows recorded in 2013 also showed increases in all sectors of the economy and is spread out throughout the nation. He said the investments recorded are mainly in the manufacturing sector (37.6 per cent), services sector (28.8 per cent) and mining sub-sectors (28.7 per cent). Financial and insurance activities along with information and communication sub-sectors contributed 55 per cent of the investments in the services sector last year. Malaysia was rated the 16th best investment destination by UNCTAD in 2013, improving on its 19th place from 2012 and drawing level with France and Canada. UNCTAD also ranked Malaysia 11th among the top 20 economies with the highest FDI rates of return — 17 per cent in 2011 — the same as Paraguay and Guatemala.

Source: The Malay Mail Online

COTE D'IVOIRE NEARS COMPLETION OF LNG DEAL WITH QATAR

Cote d'Ivoire is close to finalizing an agreement to get supplies of liquefied natural gas (LNG) from Qatar, the world's largest LNG exporter, after 2015, to cover an expected gap as demand outstrips its gas production. Cote d'Ivoire plans to build a regasification and storage unit and estimated its needs at least 37 billion cubic feet of LNG per year over a decade. Demand currently stands at 270 million cubic feet per day, while domestic offshore gas fields produce around 220 million cubic feet per day. Requirements for gas are due to rise to 400 million cubic feet per day by 2020, and new gas discoveries have so far failed to keep pace with the growing demand. Around 70 percent of Cote d'Ivoire's electricity is produced by gas-fuelled thermal power plants. Cote d'Ivoire has a reliable power supply by regional standards and already exports electricity



to Burkina Faso, Benin, Ghana, Mali and Togo. The country also plans to connect Guinea, Liberia and Sierra Leone to its grid and is pushing to develop a potentially lucrative, but power-needy mining industry.

Source: Reuters

ADB PROVIDES \$900 MILLION FOR JAMSHORO POWER PROJECT IN PAKISTAN



The Asian Development Bank (ADB) and the Government of Pakistan signed an agreement under which ADB will provide \$900 million for the 600 megawatt Jamshoro supercritical coal-fired power plant. The project will boost low-cost power supply and improve Pakistan's energy mix. Diversifying to coal will help the

country cut down its electricity generation cost, and reduce its oil import bill.

Chronic power shortages have often caused social unrest, and cost the country about 2% of its gross domestic product growth each year. The 600 megawatt (MW) supercritical coal-fired power generation plant, using an 80/20 blend of imported sub-bituminous coal and domestic lignite when available, will be in accordance with international and national environmental standards. A more efficient and sustainable energy mix can spur economic growth and create employment opportunities for millions. The Islamic Development Bank will provide \$220 million whereas \$380 million will be the government's contribution to meet the overall estimated project cost of \$1.5 billion.

Source: ADB

TURKEY, LIBYA SIGN HIGH-LEVEL STRATEGIC COOPERATION AGREEMENT

Turkey and Libya signed a high-level strategic cooperation agreement to boost bilateral relations, trade and military in particular. The strategic cooperation agreement was inked by the visiting Libya's Prime Minister Ali Zeidan and his Turkish counterpart Recep Tayyip Erdogan in Istanbul. The two countries also signed a trade agreement. During a joint press conference with his Turkish counterpart Recep Tayyip Erdogan, Libyan Prime Minister Ali Zeidan said that "Libya may increase the amount of oil it provides to Turkey and Turkish companies may start oil exploration in Libya." Turkey and Libya will enter into closer energy cooperation and Turkish companies will acquire the place they actually deserve in Libya, Zeidan added. Currently there are 31 Turkish companies operating in Libya, Zeidan said, "more will be welcomed," Libya is very eager to increase its cooperation in these fields as well. "No visa is required between the two countries. This is a very important factor that would facilitate our cooperation in all the fields," Zeidan said.

The two countries also agreed to boost cooperation between the two central banks



and facilitate the banking affairs. Turkey's trade volume with Libya is currently 3.5 billion dollars, but the target for the near future would be 4 billion dollars, according to Turkish Prime Minister Erdogan. Erdogan assured his Libyan counterpart that Turkey could have an immense contribution to Libya's defence industry, adding that the two countries also aimed to increase their cooperation on military projects. Erdogan, saying that he also exchanged ideas with Zeidan on cultural relations, stated that a Yunus Emre Institute, a Turkish organization with over 30 cultural centers around the world offering cultural and social programs, may be opened in Libya soon.

Source: Anatolia News Agency (AA)

EU GRANTS LEBANON \$3.8M TO REORGANIZE FINANCE MINISTRY



The European Union launched a 2.8 million euro (\$3.84 million) twinning project aimed at reorganizing the Lebanese Finance Ministry and developing its institutional capacity. Finance Ministry Director General Alain Bifani, who represented Finance Minister Ali Hassan Khalil at the launch, emphasized the project's importance, saying it draws on expertise from the finance and economy ministries of Italy and

France. “The twinning project launched today is the first of its kind in terms of budget implementation and it is different than previous ones because it adds the expertise of Italy and not only that of France particularly in the field of training and information technology,” he said. Bifani cited the main objectives of the twinning project, which will be implemented over a period of 28 months. “This twinning project will contribute to developing a reform strategy for the management of public finance in

addition to strengthening institutional capacity for macroeconomic analysis and forecasts,” he said. Bifani explained that the project aims at evaluating financial control according to international standards and developing budget preparation methodology, in addition to strengthening solvency management and public debt.

Source: The Daily Star

GABON STILL SEEKS PARTNER TO EXPLOIT RICH BELINGA DEPOSIT

According to the Ministry of Mines of Gabon, the country is still looking for a partner to help to develop the Belinga iron-ore deposit, after ending an agreement with a Chinese company in December 2013. In line with the new vision of President Ali Bongo Ondimba to develop the mining sector, the National Agency for Major Works is starting to select a port to export Belinga’s ore. Gabon said in December 2013 it would reimburse about \$36 million to China Machinery Engineering Corp. after cancelling an agreement with the Beijing-based company to develop Belinga over a lack of progress. China Machinery had estimated the project could produce 30 million metric tons of the steelmaking raw materials each year. China Machinery said in 2009 that it had signed a 25-year contract to build and operate the mine, near Gabon’s north-eastern border with the Republic of Congo. As part of the accord, the company



said it would build a 500-kilometer railway, a port and a hydropower station. In early 2012, Gabon said it was close to handing the project to BHP Billiton (BHP) Ltd. for development. Gabon state media reported in March 2013 that the Melbourne-based company was set to halt operations in the country.

Source: Bloomberg

TUNISIA GETS \$1.2 BILLION FROM WORLD BANK



Tunisia has secured \$1.2 billion in loans from the World Bank to support its democratic transition in 2014. It is the biggest loan package Tunisia has received since the 2011 revolution that toppled autocratic president Zine El-Abidine Ben Ali. The International Monetary Fund approved a \$507 million loan tranche on January 29. The World Bank package includes

\$750 million to support the economy by promoting growth and job creation while \$300 million will underpin moves towards decentralization stipulated by the new constitution.

The North African country's economy relies heavily on European tourism and is still recovering from the aftermath of its political

upheaval three years ago. A caretaker government has taken over to run the country until elections later this year. But despite political progress, high living costs and a lack of economic opportunities remain the major concerns for many Tunisians.

Source: Reuters

MAURITANIA: A NEW INVESTMENT HUB FOR ARAB FDI

About 500 entrepreneurs from the Gulf States, the Maghreb, Europe, and Mauritania, as well as officers of a number of different international organizations, attended the first Mauritania Investment Forum that took place in the Nouadhibou Free Zone. The event that was opened by Mauritania's President Mohamed Ould Abdel Aziz, was later crowned by signing of five investment agreements worth about 625 million euros. The country also signed an agreement of understanding with the Arab Organization for Agricultural Development.

The main objective of the investment forum was to make Mauritania benefit economically through the foundation of a free zone as well as its political stability and security in recent years. President Ould Abdel Aziz saw the presence of many international investors as a proof that the government is instrumental in consolidation and strengthening of investment environment such as protection of FDI, their continuity, and freedom including reduction of red tape and review of tax systems.



Some believe that Mauritania serves as a good example of a country promoting investment, providing security, and seeking to attract new investors especially from the Maghreb and Arab countries. Although the country is still less economically developed than other Maghreb countries, it has the potential to significantly contribute to the Maghreb economic integration.

Source: North Africa Post

INVESTMENTS IN ALGERIA HAVE MORE THAN DOUBLED IN 2013

The investments declared in 2013 at the National Agency of Investment Development (ANDI) reached DZD1.716 billion (more than \$22.5 billion), against DZD 816 billion in 2012, an increase by 110%, the agency said. The investments declared during last year

“substantially” increased in terms of value, projects and jobs created comparatively with 2012, according to ANDI. The number of projects moved from 7,715 to 8,895, up 15%, underlined ANDI, which banks on the creation of 149,000 new job positions, up 63%.



Concerning the investment projects declared with foreign partners, their number has almost increased fourfold from 17 to 65 projects in 2013, up 282% in comparison with 2012 for an amount of DZD331,8 bn (\$4,5bn) and should create 17,082 new jobs.

Source: Algeria Press Service (APS)

BURKINA FASO AND COTE D'IVOIRE HAND CONTROL OF RAILWAY TO MINING FIRM

Burkina Faso and Cote d'Ivoire have decided to turn over operation of the Abidjan-Ouagadougou railway to mining company Pan African Minerals, and the line will be extended to its planned manganese mine. French conglomerate Bolloré's contract to operate the 1,260 km railway from Abidjan to Ouagadougou had expired. Pan African Minerals, which is developing a large manganese mine at Tambao in the northeast of Burkina Faso, will control 55 percent of the new operator. Bolloré will continue to hold 25% and the two governments will each control 10%. Tambao mine has an estimate of 100 million tonnes of manganese reserves and will produce 5 million tonnes per year. The start-up of production at Tambao is a priority for the government of Burkina Faso as it seeks to diversify its economy and tax revenue away from reliance on gold and cotton. Pan African Minerals is expected to start production



at its manganese mine in 2017 by which an extension of the rail link from Ouagadougou to Tambao is expected to be completed. The extension of the Abidjan-Ouagadougou railway is a part of regional plan to create a rail networking linking several capitals in West Africa.

Source: Reuters

OMAN TARGETS BIG RISE IN GAS OUTPUT



Oman expects a significant increase in its natural gas output over the next five years but little improvement in oil production. Oman aims to raise gas output to an average of 120 million cubic metres per day (mcm/d) over the five-year period from 2014 through 2018. In 2013, gas production rose to an average of 102 mcm/d, up 3.7% from the previous year. Oman's modest gas exports have been constrained over the last few

years as it has struggled to raise production quickly enough to keep pace with its own demand growth. Muscat hopes the planned start-up of BP's Khazzan tight gas project in 2017 will provide a big boost to supplies, with Khazzan alone expected to add about 28 mcm/d to gas output by 2018. Faced with a potential domestic gas supply crisis, Muscat has been trying for year to import gas from neighbouring Iran, the

world's largest gas reserves holder. Those efforts have proved unsuccessful, largely because of tight Western sanctions over Iran's nuclear programme, and there are rising doubts on whether Iran too can pump enough to meet its own gas needs.

Source: The Peninsula/ Reuters

MALAYSIA'S HEALTHCARE IS NO. 3 WORLDWIDE

A study by the American publication International Living rates Malaysia's healthcare system as the third best out of 24 countries in its 2014 Global Retirement Index - beating out Spain, Italy, Ireland and New Zealand, among other countries. The index, which was recently released, praised Malaysia's healthcare, which scored 95 out of a possible 100 points, as the medical expertise of Malaysian healthcare practitioners is "equal to or better than what it is in most Western countries", according to International Living.com's Asia correspondent Keith Hockton.

"At this time, foreigners cannot access the public healthcare system here, but the low cost of healthcare and the range of health insurance options mean that paying for healthcare is no hardship. Healthcare costs are so low that you can pay out of pocket for many standard procedures. A regular doctor's visit costs (US)\$16 and a dental check-up costs (US)\$9," he



said. On the methodology of the index's ratings, the publication said both the cost and quality of healthcare were evaluated. "Also considered are the number of people per doctor, the number of hospital beds per 1,000 people, the percentage of the population with access to safe water, the infant mortality rate, life expectancy, and public health expenditure as a percentage of a country's GDP," it said.

Source: The Star

MOROCCO, GABON SIGN DEAL FOR \$2.3 BILLION FERTILIZER JOINT-VENTURE

Morocco and Gabon have signed a \$2.3 billion joint-venture deal to construct fertilizer factories to serve Africa's growing agricultural market. The deal, signed during a three-day visit by Moroccan King Mohamed VI to Libreville during a tour of the region, envisages the construction of two factories in each country, making use of Moroccan phosphates and Gabonese natural gas.

Morocco's Trade Minister Moulay Hafid Alamy said the project's production capacity would reach 2 million tons of fertilizer a year by 2018, all destined for the sub-Saharan African market. It would create a total of 5,000 jobs in the two countries. "This deal confirms the friendly relations between Morocco and Gabon," he said at the signing.



Morocco, which has long had strong ties with Libreville, is one of the largest African investors in the oil-rich central African country, present in the telecoms, banking, mining and shipping sectors. The deal foresees the construction of a plant in Gabon to produce ammonia from natural gas—the first of its kind in the region—and a factory to turn this into fertilizer in the oil hub of Port Gentil.

Source: Reuters

QATAR GETS REGION'S LARGEST BUSINESS INCUBATOR

Aiming at encouraging entrepreneurship to achieve industrial diversification in the energy-rich economy, a 20,000 square meter “Qatar Business Incubation Centre” (QBIC) — the largest business incubator facility in the Middle East — was launched in March 10, 2014 in the industrial field. QBIC has been set up with a budget that exceeds QR100m. It has been designed by implementing a modern and scientific benchmark to fulfil entrepreneurs’ demands, office place, industrial workshops, and administrative and expert backing. This qualifies QBIC to play an essential role to develop Qatar business sector. QBIC was founded by two of Qatar’s leading governmental institutions supporting local entrepreneurs: Qatar Development Bank (QDB) and the social Development Centre (SDC), a member of Qatar Foundation.

QBIC will empower entrepreneurs to start and grow companies through training, mentorship, incubation, networking and investment. “QDB believes that with the launch of QBIC comes a new milestone for entrepreneurship and the Qatari economy. I think we are witnessing a transformation, providing entrepreneurs the



resources required to turn dreams into reality” said Abdulaziz bin Nasser Al Khalifa, the Chairman of QBIC and CEO of QDB. Amal Al Mannai, Executive Director of SDC, added: “It was SDC’s honour to have the initiative to adopt the entrepreneurship programme within the youth and women societies towards encouraging them into production and business development, particularly start-up and scale-up projects”. “Our mission is to develop Qatari companies valued at QR100. QBIC provides incubator space for entrepreneurs and scale-ups to carry out their work with their teams,” said Raed Al Emadi, CEO of QBIC.

Source: THE PENINSULA

IMF EXECUTIVE BOARD APPROVES €330.9 MILLION EXTENDED ARRANGEMENT FOR ALBANIA



The Executive Board of IMF approved a 36-month SDR 295.42 million (about €330.9 million, or about US\$457.1 million; 492.4% of country's quota in the Fund) arrangement under EFF for Albania in support of the authorities' reform program. The approval allows for immediate disbursement of SDR 23.55 million (about €26.4 million, or about US\$36.4 million). The World Bank and the EU are also likely to provide assistance to the authorities' reform program.

Following the Executive Board's discussion on Albania, Mr. David Lipton, First Deputy Managing Director and Acting Chair, stated: "Albania's economic outlook is expected to improve in 2014, spurred by the planned reduction of underlying risks in the fiscal area, clearance of arrears, tackling of high nonperforming loans (NPLs), and the launch of structural reforms. However, risks are significant and refinancing needs are large. The Extended-Fund Facility (EFF) will help Albania meet its external financing needs while providing the necessary support to strengthen fiscal and debt sustainability, lower public financing risks, and put the economy on a sustained medium-term growth path." "The authorities' plans to reform pensions, energy, local government finances, public administration, and the business environment are welcome. If implemented properly, these reforms should strengthen Albania's ability to attract investment, improve prospects for sustained medium-term growth, and reduce fiscal risks," Mr. Lipton stated.

Source: IMF, Reuters

LIBYA AIMS TO RUN ECONOMY, BANKING SYSTEM ON ISLAMIC LINES

Libya will transform its banking and economic system to comply fully with Islamic law that bans interest payments, the economy minister and other officials said, but they gave scant details on how the plans would be implemented. Under Muammar Gaddafi, who was overthrown in 2011, the growth of Islamic banking was not encouraged and four state-controlled institutions dominated the relatively undeveloped financial sector of the OPEC oil producer.

Prime Minister Ali Zeidan's government says it wants to attract foreign investment and develop the non-oil sector of the economy but is



struggling to assert its authority against heavily-armed tribesmen and militias and parts of the country remain outside its control. Economy Minister Mustafa Abu Fanas said experts would now study how best to apply Islamic Sharia law in the economy. "Regarding a starting date, this

will need studies to see how and when we will transform," he told reporters on the sidelines of a conference organized by his ministry to explore ways to introduce Islamic law. "I can't give an exact start date," Fanas said. When asked whether banks could retain conventional business models, he said: "Many researchers say there could be a gradual transformation by the Islamic and other banks towards an Islamic system, but in the long-term it is in our interest to have it ... to build up a strong economy." Fanas said the General National Congress

(GNC) had given the government time to ban interest payments, with the change to be in force by the start of 2015. Libya has about 16 mostly conventional banks, which have few ties with the outside world, a legacy of its long isolation under Gaddafi. Fanas said Libya had become too dependent on its oil sector and said the government wanted to boost investment to upgrade infrastructure including hospitals and universities. It is also overhauling a foreign investment law from the Gaddafi era.

Source: Reuters

A NEW UN-SUPPORTED INITIATIVE TO EMPOWER SOMALIS LOCAL FARMERS



Farmers "grain basket" in south-central Somalia has been badly affected by conflict and drought in recent years- are for the first time growing and selling grain for other Somalis as part of a United Nations-backed initiative. The initiative assisted by the European Union, the government of of Austria and two United Nations food security agencies. The government of Austria, backed the initiative by funding and allowing the UN to buy 200 metric tons of high-quality maize from the farmers, for redistribution in other regions of the state. "This initiative shows that Somali farmers are not helpless. With minimal assistance, including agricultural inputs, instruments, expert skills in storage, marking and marketing, they can establish a big

difference," said Luca Alinovi, outgoing representative in Somalia for the UN Food and Agricultural Organization's (FAO), one of the two UN agencies backing the project. World Food Programme (WFP) Country Representative Stefano Porretti described the initiative as a substantial achievement for the participating farmers and a milestone for WFP's operations in Somalia. He said that "WFP will continue to support small-scale farmers in Somalia by empowering them to produce and sell more food, so as to become competitive players in local markets." With the support of EU, experts from FAO and WFP have gone for the past 12 years with the communities to increase the calibre of their yield to match international standard. Farmers were also trained to limit losses by keeping the grain free of contamination and pests, and how to direct, depot and mange grain in warehouses.

Source: All Africans

DUBAI LAUNCHED DH 1.1BN 'SILICON PARK'

Dubai has launched a Silicon Park city project on 10 March 2014. The Project, costing AED 1.1 billion, will be finished by the final quarter of 2017, said Sheikh Ahmed Bin Saeed Al Maktoum, president of Dubai Silicon Oasis

Authority (DSOA). We are convinced that this labour will succeed in providing a modern lifestyle for residents, workers and visitors. The project's standards are aligned to the Dubai Government's strategic directions for smart

cities that focus on six pillars — life, society, mobility, economy, governance and environment,” Sheikh Ahmed added.

The project will be built within DSOA and will span 150,000 square meters, comprises 97,000 square meter office space, 25,000 square meter commercial space, 20,000 square meters residential areas, and a 115-room business hotel in addition to value-added facilities that suit contemporary living such as restaurants, cafes, health and fitness centres as well as running tracks, biking trails, a shopping centre, prayer rooms and underground parking for 2,500 cars. “Silicon Park is characterized by its building topped with green roofs, which will include plants and trees that require minimal irrigation



and utilise the direct sunlight on the buildings.’ said Sheikh Ahmed. The project will be devoid of vehicles; instead, electricity-powered vehicles will serve as the main form of transportation.

Source: Arab News

GUINEA BISSAU SIGNED AGREEMENT WITH EU AND WFP TO ENHANCE FOOD AND NUTRITION



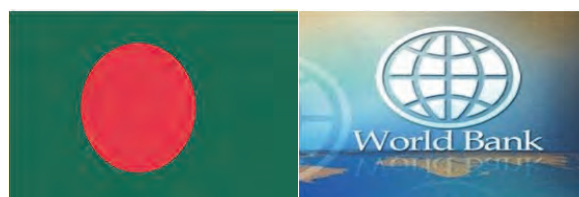
On 28 February 2014, Ambassador Joaquín González-Ducay, Head of the Delegation of the European Union to the Republic of Guinea-Bissau, and Mr. Ussama Osman, Country Director and Representative of the World Food Programme (WFP), took part in a signing ceremony to recognize a contribution agreement for the sum of 5 billion Euro in the framework of the execution of the programme "Integrated Actions in Nutrition and Agricultural

Development" (UE-AINDA). WFP will use the donation that got from the European Union to offer food during three years to about 56,000 beneficiaries, mainly malnourished children, pregnant and nursing women, tuberculosis patients and their families countrywide. Additionally, the European Union will fund an effective monitoring system and an early warning mechanism for food crises. Activities will be carried on in partnership with NGOs, Community-Based Organizations and partners of the Food Security and Nutrition Group (GSAN) of Guinea-Bissau.

Source: All Africans

BANGLADESH SIGNED \$265 MILLION DEAL WITH WORLD BANK

Bangladesh Economic Relations Division Secretary Mohammed Mejbahuddin and World Bank Country Director Johannes Zutt has signed a \$265 million ‘additional’ financing agreement for an ongoing secondary education



project in February, 2014. The global lender said financing the “Secondary Education Quality and Access Enhancement Project” would help 4.5 million poor rural children in 215 Upazilas across Bangladesh so that they can continue secondary level education each year. Secretary Mejbahuddin during the signing said the project reflects “the country’s dedication to heighten chances for deprived kids, taking them into the productive force so they can play an active part in the country’s economic future”. Zutt, the Country Director, said the additional funding

would continue “to assure that rural poor children are not allowed out of the secondary school system, and it will raise the performance of the instructors and pupils”. World Bank is the largest external funder in the education sector in Bangladesh. Currently its commitment stands at \$1.1 billion in principal, secondary, tertiary, and vocational education as well as in supporting out-of school-children.

Source: BdNews24

KAZAKHSTAN AND TURKEY TURNOVER REACHED \$ 3.8 BILLION IN 2013



Kazakh Ambassador to Turkey Zhanseit Tuymebayev and Turkish Economy Minister Nihat Zeybekci have discussed future plans for the implementation of the memorandum on the establishment of joint Kazakh-Turkish industrial zones in Kazakhstan. "The parties noted the importance of the adoption of "New Synergies" 2012-2015 joint economic program which

provides for an increase in mutual trade to USD 10 billion and mutual investment to USD 500 million", the press-release of the Embassy of Kazakhstan in Turkey reads. According to a diplomatic mission, the volume of Turkish direct investment in Kazakhstan since 1993 has reached about USD 2 billion, Kazakhstan's investment to Turkey - USD 1 billion. The volume of trade in 2013 amounted to USD 3.8 billion, USD 2.7 billion of which are exports from Kazakhstan, and USD 1.04 billion are imports. Moreover, Kazakhstan has registered more than two thousand companies with Turkish capital.

Source: KAZINFORM

17 AGREEMENTS SIGNED BETWEEN MOROCCO AND MALI TO PROMOTE HUMAN DEVELOPMENT AND ECONOMIC PROSPERITY IN MALI

King Mohammed VI and Malian president Ibrahim Boubacar Keita presided over the signing ceremony of 17 bilateral cooperation agreements mainly in the fields of investment protection, livestock, industry, trade promotion, health, mining, oil and gas, finance, telecommunications, and vocational training. The agreements aim at strengthening cooperation between the two countries.



In a statement to MAP, Minister of Economy and Finance, Mohamed Boussaid, highlighted

the extreme importance of the agreements which accompany and complement the vision of Morocco for this region that is in need of significant investments in many sectors. For his part, Minister of Health, El Hussein El Ouardi, highlighted the depth of relations of friendship

and brotherhood that bind Morocco and Mali, adding that South-South partnership will have a positive impact on the two countries.

Source: Morocco World News, Eurasia Review

UAE NEEDS 75,000 TEACHERS BY 2015



A study launched by Dubai International Academic City (DIAC) and conducted by Deloitte revealed that around 75,000 educators need to be hired in the UAE by 2015 to fill the current manpower gap in the education sector. “The study found that the education sector is expected to have a manpower gap of 200,000 by 2015 in the Gulf. The UAE requires more than a quarter of this, around 57,000 educators, and they include teachers and professors,” Dr Ayoub Kazim, managing director of DIAC and Dubai Knowledge Village. The study, which included 2,415 respondents across 17 markets in the

Middle East, Africa and Asia, found that the sector needs professors and lecturers in management, accounting and vocational training.

As part of the national agenda for education, His Highness Shaikh Mohammad Bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, put forward two main objectives regarding the UAE’s ranking in international assessments: The UAE will be among the 15 highest performing countries in Trends in International Mathematics and Science Study (Timss). The UAE will be among the 20 highest performing countries in the Programme for International Student Assessment. Currently the UAE ranks 48 (434 points) in maths, 44 (442 points) in reading and 46 (448 points) in science out of the 65 participating countries in the last Pisa tests, which were conducted in 2012. The UAE is below the international average of 500 in points in all of the subjects.

Source: Gulf News

INDONESIA PLEDGES \$1.5M FOR PALESTINE DEVELOPMENT

Indonesia promised US\$1.5 million to assist in the development of Palestine under the framework of East-Asian countries’ cooperation this year. During the second meeting of the Conference on Cooperation among East Asian Countries for Palestinian Development (CEAPAD II) in Jakarta, President Susilo Bambang Yudhoyono said: “Indonesia has been and will remain consistent in supporting Palestine to be an independent and sovereign



country with not only political support but also economic and development assistance.” ASEAN’s 10 member countries as well as Japan, China, South Korea, South Africa and five international organizations attended the conference. CEAPAD was established under a Japanese initiative to back up the realization of peace through the “two-state solution” to Middle East peace, which is the core of challenges in the Middle East and North African region. The first CEAPAD was held in Tokyo last year.

The funds will be focused on capacity building in the sector of infrastructure, information communication and technology (ICT), tourism, light manufacture and agriculture. In a joint statement, the participants reaffirmed their

commitment to support Palestine’s development, including capacity development, and strengthen its business environment. Yudhoyono said that unrest in Middle Eastern countries still existed but he wanted to see peace and stability prevail in the struggling countries. Palestinian Prime Minister Rami Hamdallah said that the meeting, which was held amid a very complicated political and economic landscape, renewed his hope in a better future for Palestine. “We still believe in hope and we count on your assistance, you are our genuine partners, we count on your assistance for providing more political support in the international arena,” he said.

Source: The Jakarta Post

BILATERAL COOPERATION BETWEEN YEMEN AND TURKEY IN HIGHER EDUCATION



The Minister of Higher Education and Scientific Research of Yemen, Hisham Sharaf, met with Turkish ambassador to Yemen Fazli Çorman. During the meeting, they discussed a number of topics related to bilateral cooperation between the two countries, including the results of the recent visit paid by Sharaf and rectors of several Yemeni universities, their talks with the Board of Higher Education in Turkey and mechanisms of activating twinning agreements

between Yemeni and Turkish universities. Sharaf and Çorman also reviewed the procedures required to establish a Turkish university in Yemen in partnership between the two sides or by the Turkish side only, as well as its rare scientific disciplines. The Minister praised the depth of the cooperation relations between the two peoples and the great development of the two countries’ cooperation relations witnessed in recent years, stressing Yemen’s desire to promote them. On his part, the Turkish Ambassador hailed the level of cooperation between the two countries in the field of higher education and scientific research, expressing his country’s keenness to expand the horizons of cooperation with Yemen.

Source: Saba

GIRLS’ EDUCATION IMPROVED IN BURKINA FASO

Just a decade ago in Burkina Faso, only a few girls could be seen as sitting in a primary school classroom alongside 50 or 60 boys.

Through its five-year, \$480.9 million compact with Burkina Faso, the Millennium Challenge Corporation (MCC), USAID and other partners

are working together to find solutions to this problem.

The compact's \$29 million BRIGHT II Schools Project increased primary school enrollment, attendance and completion rates for girls in 10 of the country's 45 provinces. Over a 20-year period, the BRIGHT II Schools Project is expected to benefit more than 272,000 students, parents and community leaders. The compact builds upon the successes of the Burkina Faso Threshold Program's Burkinabé Response to Improve Girls' Chances to Succeed (BRIGHT) Project, which improved access to and quality of primary education in 10 provinces during its implementation. Education successes at the BRIGHT schools were bolstered by social



mobilization campaigns in adult literacy and technical skills necessary to better equip parents to support their children's academic aspirations.

Source: AllAfrica.com

SENEGAL REVIVES \$200 MILLION SUKUK PLAN TO LAUNCH IN 2014



Senegal is reviving plans to issue its first Islamic bond through a 100 billion CFA franc (\$200 million) sukuk programme that would be launched in 2014. The Senegalese government would sell the sukuk in cooperation with Islamic Corporation for the Development of the Private Sector (ICD), an affiliate of the Islamic

Development Bank. The Senegalese sukuk would be first of a series of regional programs that would be offered to West African countries. This project is the beginning of an ambitious programme which could lead to the financing of innovative infrastructure and energy projects through sukuk issuances. The Central Bank of West African States (BCEAO) has in principle agreed to allow banks in its eight member countries to use Senegalese sukuk in their repurchase operations. A sovereign sukuk from Senegal would be an important step in developing Islamic finance in sub-Saharan Africa where sukuk issuance has been small. Other countries such as Kenya, Mauritania, Nigeria, and South Africa have also plans to issue Islamic securities.

Source: Reuters

DUBAI TO HAVE SUSTAINABLE RESIDENTIAL CITY FOR EMIRATIS

Dubai has announced a new residential city for Emiratis which will be self-sufficient in terms of resources, transport and energy, said to be the first of its kind in the world. The 'Dubai Smart

Sustainable City' was one of many Dubai Municipality projects worth Dh20 billion that were approved by His Highness Shaikh Mohammed bin Rashid Al Maktoum, Vice-

President and Prime Minister of the UAE and Ruler of Dubai, on Monday. An estimated 160,000 people will live in this self-reliant city that will come up near Al Aweer Roundabout, by the time Dubai hosts the World Expo in 2020.

The Director-General of the Dubai Municipality, Hussain Nasser Lootah, and senior officials briefed Shaikh Mohammed on various projects aimed at providing the essence of good life for citizens and residents, and quality facilities and smart services to the public in all areas of the emirate. The most important of the new plans was the project titled 'Dubai Smart Sustainable City' which will be spread across a total area of 14,000 hectares and will be built in the shape of a desert flower. Surrounded by a green belt, the city will provide 20,000 plots for Emiratis. The roofs of the homes and buildings



will be covered with solar panels which will provide 200 megawatts of electricity. The city will also recycle over 40,000 cubic metres of waste water. In line with the directives of Shaikh Mohammed, work on the project will commence immediately and is expected to be completed in 2020, the state news agency Wam reported.

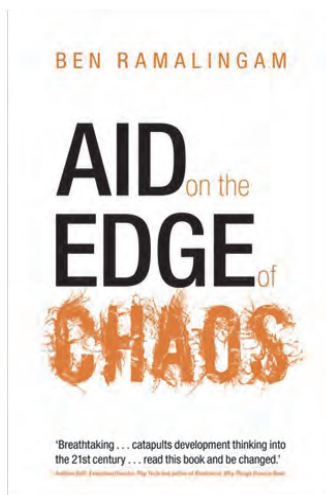
Source: Khaleej Times

BOOK REVIEWS – RECENT TITLES

Aid on the Edge of Chaos: Rethinking International Cooperation in a Complex World

Ben Ramalingam, 480 pages, Oxford University Press, 2014

It is widely recognized that the foreign aid system - of which every country in the world is a part - is in need of drastic overhaul. There are conflicting opinions as to what should be done. Some call for dramatic increases to achieve longstanding promises. Others bang the drum for cutting it altogether, and suggest putting the fate of poor and vulnerable people in the hands of markets or business. A few argue that what is needed is creative, innovative transformation. The arguments in *Aid on the Edge of Chaos* are firmly in the third of these categories. In this book, Ben Ramalingam shows that the linear, mechanistic models and assumptions that foreign aid is built on are more at home in early 20th century industry than in the dynamic, complex world we face today. The reality is that economies and



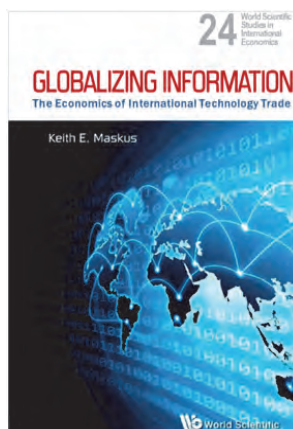
societies are less like machines and more like ecosystems. *Aid on the Edge of Chaos* explores how thinkers and practitioners in economics, business, and public policy have started to embrace new, ecologically literate approaches to thinking and acting, informed by the ideas of complex adaptive systems research. It showcases insights, experiences, and dramatic results of a growing network of practitioners, researchers, and policy makers who

are applying a complexity-informed approach to aid challenges. From transforming approaches to child malnutrition, to rethinking process of macro-economic growth, *Aid on the Edge of Chaos* shows how embracing the ideas of complex systems thinking can help make foreign aid more relevant, more appropriate, more innovative, and more catalytic.

Globalizing Information: The Economics of International Technology Trade

Keith E Maskus, 508 pages, World Scientific Publishing Company, 2014

This volume presents important analyses of international trade, technology transfer and the global economics of intellectual property rights through selected and key works of Keith E Maskus, spanning his long career. The book includes 17 chapters, ranging from theoretical modeling to empirical and statistical analysis, and policy contributions.

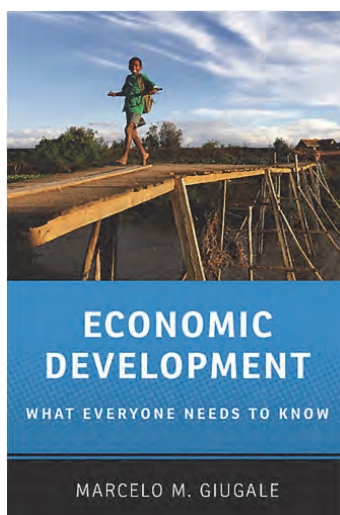


Readers will find significant questions addressed in the determinants of trade, foreign direct investment, patents and trade, licensing, parallel imports, innovation, and climate change. These chapters span the scope of economic analysis of the globalization of intellectual property and technology transfer, a field in which the author has been a pre-eminent presence.

Economic Development: What Everyone Needs to Know

Marcelo M. Giugale, 176 pages, Oxford University Press, 2014

There is much discussion about global poverty and the billions of people living with almost nothing. Why is it that governments, development banks, think-tanks, academics, NGOs and many others can't just fix the problem? Why is it that seemingly obvious reforms never happen? Why are prosperity and equity so elusive? *Economic Development: What Everyone Needs to Know*[®] brings readers right into the trenches of economic development to show what practitioners are actually doing and explains the issues, dilemmas, options, frustrations and opportunities they face, day in and day out. In straightforward language and a question-and-answer format, Marcelo M. Giugale outlines the

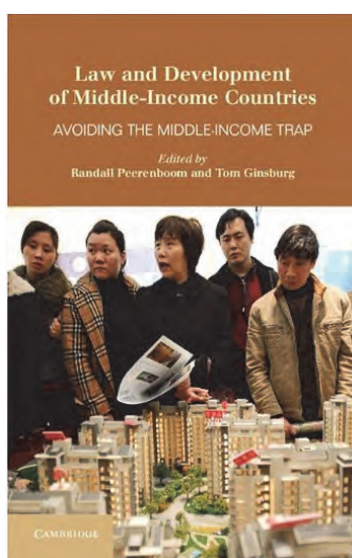


frontier of the development practice or, as he puts it, "...the point at which knowledge stops and ignorance begins." He takes readers from why it is so difficult to get governments to function, to the basic policies that economies need to work well, the powerful new tools for social assistance, and the challenges of inclusion, education, health, infrastructure, technology, data, and foreign aid. The book draws examples from the world over, but pays particular attention to the region that represents development, and the need for it, better than any other: Africa. Giugale highlights what works, what doesn't, and what's promising in his book.

Law and Development of Middle-Income Countries: Avoiding the Middle-Income Trap

Randall Peerenboom, Tom Ginsburg, 408 pages, Cambridge University Press, 2014

In 1960, there were 101 middle-income countries. By 2008, only 13 of these had become high-income countries. Why do so many middle-income countries fail to develop after a promising start, becoming mired in the so-called middle-income trap? This interdisciplinary volume addresses the special challenges that middle-income countries confront from both a theoretical and a practical perspective. It is the first volume that addresses law and development issues in middle-income countries from the

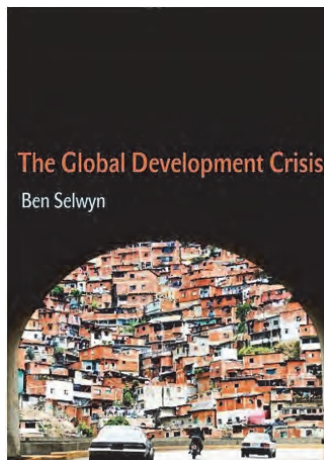


perspective of political, administrative, and legal institutions and policies. The goal is to provide international development agencies and domestic policy makers with feasible recommendations to address the wide range of technically, politically, and socially complex issues middle-income countries face. Most chapters are explicitly comparative, with authors drawing on the experiences of countries in Europe, the Latin America and Asia, while others are case studies of one or two countries

The Global Development Crisis

Ben Selwyn, 224 pages, Polity, 2014

The central paradox of the contemporary world is the simultaneous presence of wealth on an unprecedented scale, and mass poverty. Liberal theory explains the relationship between capitalism and poverty as one based around the dichotomy of inclusion (into capitalism) versus exclusion (from capitalism). Within this discourse, the global capitalist system is portrayed as a sphere of economic dynamism and as a source of developmental opportunities for less developed countries and their populations. Development policy should, therefore, seek to integrate the poor into the global capitalist system. *The Global Development Crisis* challenges this way of

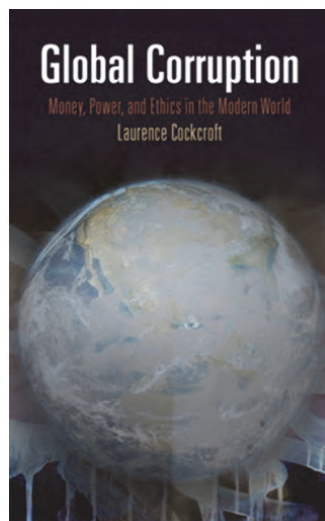


thinking. Through an interrogation of some of the most important political economists of the last two centuries - Friedrich List, Karl Marx, Leon Trotsky, Joseph Schumpeter, Alexander Gerschenkron, Karl Polanyi and Amartya Sen - Selwyn argues that class relations are the central cause of poverty and inequality, within and between countries. In contrast to much development thinking, which portrays 'the poor' as reliant upon benign assistance, this book advocates the concept of labour-centred development. Here 'the poor' are the global labouring classes, and their own collective actions and struggles constitute the basis of an alternative form of non-elitist, bottom-up human development.

Global Corruption: Money, Power, and Ethics in the Modern World

Laurence Cockcroft, 288 pages, University of Pennsylvania Press, 2014

Corruption has played a pivotal role in sustaining appallingly high levels of poverty in many developing countries, particularly in relation to the deficient provision of basic services such as education and health care. It is also a major reason why growth-rate increases in Africa and South Asia have failed to benefit large segments of the population. Corruption drives the over-exploitation of natural resources, capturing their value for a small elite. In the developed world, corrupt funding undermines political systems



and lays policy open to heavy financial lobbying. Cockcroft argues that corruption has to be seen as the result of the interplay between elite "embedded networks", greed, and organized crime. The growth of corruption has been facilitated by globalization, the integration of new and expanding markets into the world economy, and the rapid expansion of offshore financial facilities, which provide a home to largely unregulated pools of money derived from personal fortunes, organized crime, and pricing

malpractice in international trade. This book shows how the current international interest in corruption follows the fifty years of the Cold War in which efforts to rein in corruption were regarded in international policymaking circles as off the table. Cockcroft describes the change of attitude from the 1990s onward and the initiatives that have been designed to combat corruption over the past twenty years – from

individual prosecutors, to governments, to civil society, and to progressive business – and assesses their impact to date. By identifying the main drivers of corruption worldwide and analysing current efforts to control them, *Global Corruption: Money, Power, and Ethics in the Modern World* suggests ways in which the problems caused by corruption can be addressed and ultimately prevented.

Profiting Without Producing: How Finance Exploits Us All

Costas Lapavitsas, 416 pages, Verso, 2014

Financialisation is one of the most innovative concepts to emerge in the field of political economy in the last three decades, although there is no agreement on what exactly it is. *Profiting Without Producing* defines financialisation in terms of the fundamental conduct of non-financial enterprises, banks and households. Its most prominent feature is the rise of financial profit, in part extracted directly from households through financial

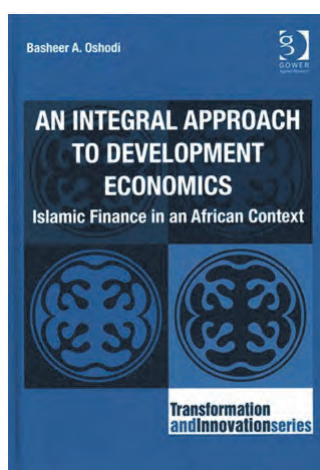


expropriation. Financialised capitalism is prone to crises, none greater than the gigantic turmoil that began in 2007. The book establishes the causes of the crisis and discusses the options broadly available for controlling finance. Lapavitsas convincingly argues that the growth and increased importance of the financial sector, built on a system of super-exploitation, generates macro-economic instability and vast potential for financial catastrophe.

An Integral Approach to Development Economics: Islamic Finance in an African Context

Basheer A. Oshodi, 270 pages, Gower Pub Co, 2014

Developing economies such as those in Sub-Saharan Africa are searching for realistic economic policy prescriptions. Despite economic growth in countries like Nigeria, poverty and unemployment blight the lives of many, in the midst of plenty. Simultaneously, much neo-classical economic thought is being questioned against the backdrop of global economic meltdown, giving rise to inquiry about more integral approaches to sustainable



development. In *An Integral Approach to Development Economics*, Basheer Oshodi examines modernization theories, dependency theories, world system theories and emerging 21st century economic theories and links a neo-modern mix of economic thought with the practicalities of finance in parts of the World where poverty is rife. In a specifically African setting –over half of the population are Muslims–

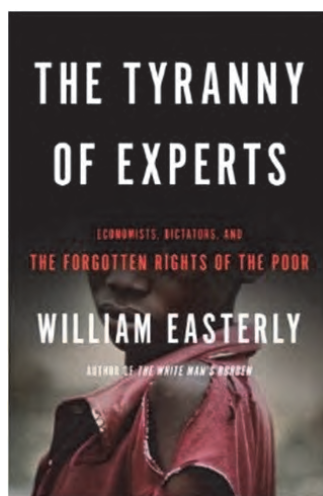
Oshodi considers Islamic finance in the context of the triple heritage of indigenous culture, Westernized Christianity, and Islam. He argues that the principles of Islamic banking and finance can be integrated with other elements of that heritage, focusing on meeting the challenges

of poverty and unemployment. Islamic finance is not just a religiously-oriented, Sharia-compliant, alternative financial model. It can contribute to overall socio-economic transformation and a wider, people-centred approach to economic development.

The Tyranny of Experts: Economists, Dictators, and the Forgotten Rights of the Poor

William Easterly, 416 pages, Basic Books, 2014

Over the last century, global poverty has largely been viewed as a technical problem that merely requires the right “expert” solutions. Yet all too often, experts recommend solutions that fix immediate problems without addressing the systemic political factors that created them in the first place. Further, they produce an accidental collusion with “benevolent autocrats,” leaving dictators with yet more power to violate the rights of the poor. In *The Tyranny of Experts*, economist William Easterly, bestselling author of *The White Man’s Burden*, traces the history of the fight against



global poverty, showing not only how these tactics have trampled the individual freedom of the world’s poor, but how in doing so have suppressed a vital debate about an alternative approach to solving poverty: freedom. Presenting a wealth of cutting-edge economic research, Easterly argues that only a new model of development – one predicated on respect for the individual rights of people in developing countries, that understands that unchecked state power is the problem and not the solution – will be capable of ending global poverty once and for all.

ECONOMIC and FINANCIAL INDICATORS

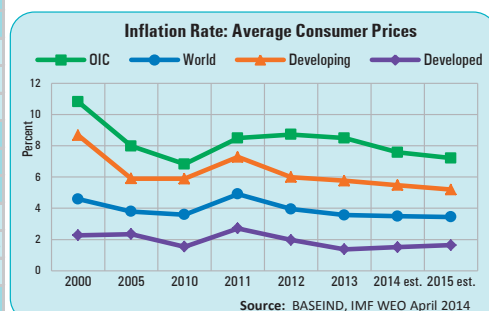
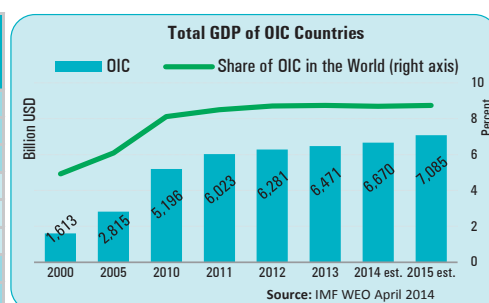
| Country | GDP: 2013 (Billion USD) | GDP: 2014 Est. (Billion USD) | GDP: 2015 Est. (Billion USD) | GDP Growth 2013 | GDP Growth 2014 Est. | GDP Growth 2015 Est. | Inflation Rate (CPI*) 2013 | Inflation Rate (CPI*) 2014 Est. | Inflation Rate (CPI*) 2015 Est. |
|--------------------------|----------------------------|---------------------------------|---------------------------------|--------------------|-------------------------|-------------------------|-------------------------------|---------------------------------------|---------------------------------------|
| Afghanistan | 20.7 | 21.7 | 23.2 | 3.60 | 3.24 | 4.49 | 7.39 | 6.11 | 5.45 |
| Albania | 12.9 | 13.9 | 14.7 | 0.70 | 2.10 | 3.30 | 1.94 | 2.69 | 2.81 |
| Algeria | 206.1 | 219.5 | 227.6 | 2.70 | 4.34 | 4.14 | 3.26 | 4.00 | 4.00 |
| Azerbaijan | 73.5 | 79.4 | 87.8 | 5.80 | 4.96 | 4.61 | 2.43 | 3.51 | 3.95 |
| Bahrain | 32.2 | 33.5 | 34.4 | 4.87 | 4.69 | 3.26 | 3.31 | 2.50 | 2.39 |
| Bangladesh | 141.3 | 160.3 | 175.5 | 5.76 | 6.01 | 6.50 | 7.54 | 7.27 | 6.73 |
| Benin | 8.3 | 9.2 | 10.1 | 5.65 | 5.48 | 5.20 | 0.97 | 1.65 | 2.80 |
| Brunei | 16.2 | 16.8 | 16.7 | -1.24 | 5.38 | 3.01 | 0.38 | 0.50 | 0.52 |
| Burkina Faso | 12.2 | 13.6 | 15.1 | 6.79 | 6.03 | 7.04 | 2.00 | 2.00 | 2.00 |
| Cameroon | 28.0 | 30.9 | 33.7 | 4.65 | 4.77 | 5.06 | 2.05 | 2.50 | 2.50 |
| Chad | 13.4 | 16.0 | 17.8 | 3.63 | 10.80 | 7.33 | 0.22 | 2.38 | 3.00 |
| Comoros | 0.7 | 0.7 | 0.8 | 3.52 | 3.96 | 3.96 | 2.30 | 3.20 | 3.23 |
| Côte d'Ivoire | 28.3 | 32.3 | 36.1 | 8.08 | 8.16 | 7.65 | 2.58 | 1.17 | 2.50 |
| Djibouti | 1.5 | 1.6 | 1.7 | 5.00 | 5.99 | 6.45 | 2.52 | 2.50 | 2.50 |
| Egypt | 271.4 | 286.1 | 328.2 | 2.10 | 2.26 | 4.09 | 6.92 | 10.65 | 11.17 |
| Gabon | 19.2 | 20.7 | 21.5 | 5.89 | 5.74 | 6.33 | 0.48 | 5.60 | 2.50 |
| Gambia | 0.9 | 0.9 | 1.0 | 6.35 | 7.37 | 6.99 | 5.24 | 5.29 | 5.00 |
| Guinea | 6.3 | 6.9 | 7.5 | 2.55 | 4.48 | 4.98 | 11.96 | 10.23 | 8.50 |
| Guinea-Bissau | 0.8 | 0.9 | 1.0 | 0.30 | 3.00 | 3.86 | 0.64 | 2.50 | 2.00 |
| Guyana | 3.0 | 3.1 | 3.3 | 4.80 | 4.28 | 3.99 | 3.48 | 3.89 | 4.28 |
| Indonesia | 870.3 | 859.3 | 900.3 | 5.78 | 5.36 | 5.80 | 6.41 | 6.27 | 5.49 |
| Iran | 366.3 | 405.5 | 419.6 | -1.67 | 1.51 | 2.35 | 35.20 | 23.00 | 22.00 |
| Iraq | 229.3 | 248.3 | 261.7 | 4.21 | 5.88 | 6.73 | 1.88 | 1.89 | 3.00 |
| Jordan | 33.9 | 36.5 | 39.0 | 3.25 | 3.50 | 4.00 | 5.46 | 2.96 | 2.36 |
| Kazakhstan | 220.3 | 216.8 | 233.5 | 5.95 | 5.67 | 6.15 | 5.83 | 9.22 | 7.52 |
| Kuwait | 185.3 | 185.3 | 186.4 | 0.82 | 2.56 | 2.96 | 2.71 | 3.36 | 3.96 |
| Kyrgyzstan | 7.2 | 7.5 | 7.9 | 10.53 | 4.42 | 4.94 | 6.61 | 6.09 | 6.59 |
| Lebanon | 44.3 | 45.5 | 47.5 | 1.00 | 1.00 | 2.50 | 3.16 | 2.02 | 2.00 |
| Libya | 67.6 | 58.6 | 83.8 | -9.39 | -7.81 | 29.81 | 2.59 | 4.82 | 6.34 |
| Malaysia | 312.4 | 343.0 | 380.5 | 4.69 | 5.20 | 5.00 | 2.11 | 3.30 | 3.90 |
| Maldives | 2.3 | 2.5 | 2.9 | 3.74 | 4.19 | 4.46 | 4.00 | 3.30 | 4.37 |
| Mali | 11.1 | 12.5 | 13.6 | 1.73 | 6.46 | 4.99 | -0.60 | 3.90 | 2.45 |
| Mauritania | 4.2 | 4.5 | 4.7 | 6.66 | 6.83 | 6.55 | 4.13 | 4.71 | 5.24 |
| Morocco | 105.1 | 114.7 | 124.8 | 4.54 | 3.91 | 4.89 | 1.88 | 2.50 | 2.50 |
| Mozambique | 15.3 | 17.4 | 19.3 | 7.15 | 8.34 | 7.90 | 4.21 | 5.60 | 5.60 |
| Niger | 7.4 | 8.4 | 9.3 | 3.55 | 6.53 | 5.93 | 2.29 | 2.50 | 2.10 |
| Nigeria | 286.5 | 316.0 | 338.7 | 6.27 | 7.13 | 7.02 | 8.48 | 7.26 | 7.00 |
| Oman | 80.6 | 82.3 | 83.4 | 5.07 | 3.40 | 3.36 | 1.25 | 2.69 | 3.07 |
| Pakistan | 238.7 | 241.4 | 249.5 | 3.62 | 3.10 | 3.70 | 7.36 | 8.83 | 9.00 |
| Palestine ^{1,2} | 10.3 | n.a | n.a | 5.90 | n.a | n.a | 1.72 | n.a. | n.a. |
| Qatar | 202.6 | 213.8 | 225.2 | 6.13 | 5.87 | 7.08 | 3.07 | 3.57 | 3.49 |
| Saudi Arabia | 745.3 | 772.6 | 790.9 | 3.80 | 4.09 | 4.21 | 3.51 | 3.01 | 3.25 |
| Senegal | 15.2 | 16.8 | 18.3 | 4.05 | 4.57 | 4.82 | 0.82 | 1.44 | 1.70 |
| Sierra Leone | 4.8 | 5.7 | 6.4 | 16.32 | 13.87 | 10.81 | 9.80 | 7.81 | 6.68 |
| Somalia | n.a | n.a | n.a | n.a | n.a | n.a | n.a | n.a. | n.a. |
| Sudan | 70.1 | 63.3 | 65.8 | 3.35 | 2.67 | 4.63 | 36.52 | 20.40 | 14.30 |
| Suriname | 5.1 | 5.3 | 5.7 | 4.69 | 3.97 | 4.03 | 1.92 | 1.70 | 3.06 |
| Syria | n.a | n.a | n.a | n.a | n.a | n.a | n.a. | n.a. | n.a. |
| Tajikistan | 8.5 | 9.2 | 9.9 | 7.40 | 6.20 | 5.75 | 5.04 | 5.42 | 5.95 |
| Togo | 4.4 | 4.9 | 5.4 | 5.63 | 5.99 | 6.00 | 2.00 | 3.00 | 2.70 |
| Tunisia | 47.4 | 46.7 | 48.1 | 2.70 | 3.00 | 4.50 | 6.10 | 5.49 | 5.01 |
| Turkey | 827.2 | 767.1 | 820.9 | 4.29 | 2.27 | 3.06 | 7.49 | 7.77 | 6.53 |
| Turkmenistan | 40.6 | 47.4 | 54.3 | 10.15 | 10.70 | 12.46 | 6.65 | 5.73 | 6.00 |
| Uganda | 23.1 | 25.6 | 27.2 | 6.03 | 6.36 | 6.77 | 5.44 | 6.28 | 6.30 |
| UAE | 396.2 | 412.4 | 430.0 | 4.76 | 4.36 | 4.19 | 1.10 | 2.24 | 2.54 |
| Uzbekistan | 56.5 | 61.7 | 67.3 | 8.00 | 7.00 | 6.50 | 11.21 | 10.99 | 11.04 |
| Yemen | 39.2 | 43.2 | 45.1 | 4.40 | 5.08 | 4.44 | 11.12 | 10.36 | 9.76 |

* CPI: Average consumer prices

Source: BASEIND, IMF WEO April 2014

1. The available GDP related figures reflect the 2012 data (Palestinian Central Bureau of Statistics)

2. The 2013 CPI figure is provided as preliminary data (Palestinian Central Bureau of Statistics)



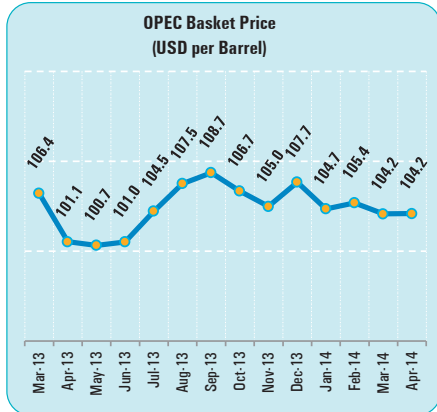
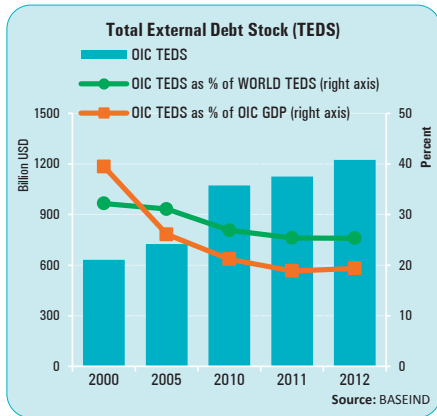
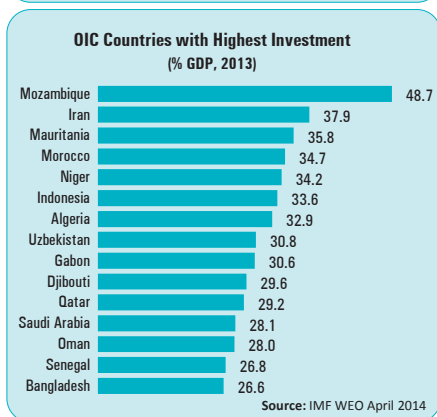
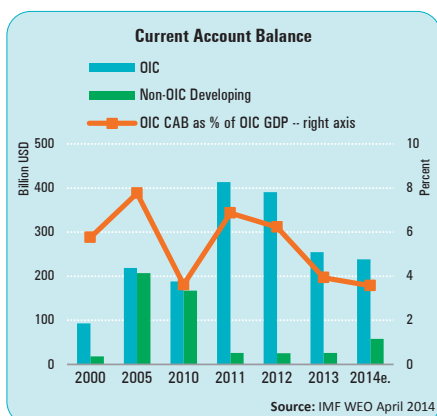
Stock Exchange Performance

| Country | Last 14.04.2014 | 3 Months to Date ¹ | Year to Date ² | 1 Year ² |
|---------------------------|--------------------|----------------------------------|---------------------------|---------------------|
| Bahrain | 143.88 | -7.88% | -7.82% | -16.90% |
| Bangladesh | 840.92 | 10.71% | 22.69% | 33.52% |
| Egypt | 745.34 | 4.06% | 10.32% | 32.05% |
| Indonesia | 826.18 | 19.08% | 24.15% | -17.11% |
| Jordan | 106.77 | -1.70% | 12.86% | 1.41% |
| Kazakhstan | 497.70 | -4.57% | -10.68% | -14.40% |
| Kuwait | 645.20 | 10.24% | 11.25% | 13.84% |
| Lebanon | 739.43 | -2.16% | 10.96% | -2.95% |
| Malaysia | 504.93 | 5.49% | -0.46% | 1.52% |
| Morocco | 312.88 | 8.61% | 7.59% | -2.36% |
| Nigeria | 544.63 | -5.91% | -12.29% | -3.57% |
| Oman | 764.04 | -4.59% | -2.53% | 1.70% |
| Pakistan | 146.29 | 13.86% | 15.28% | 39.52% |
| Qatar | 1,075.40 | 7.37% | 14.80% | 38.71% |
| Saudi Arabia ² | 601.69 | 5.96% | 8.95% | 30.24% |
| Tunisia | 1,059.00 | 4.06% | 8.29% | 2.18% |
| Turkey | 508.54 | 28.55% | 11.50% | -25.32% |
| UAE | 537.06 | 22.21% | 33.49% | 88.94% |
| Arabian Markets | 671.41 | 7.68% | 11.65% | 30.80% |
| Emerging Markets | 1,011.73 | 8.03% | 0.90% | -0.77% |
| Frontier Markets | 651.92 | 8.72% | 9.65% | 23.70% |
| GCC Countries | 622.51 | 7.92% | 11.81% | 32.43% |

Source: Morgan Stanley Capital International

1.in USD 2.Domestic

ECONOMIC and FINANCIAL INDICATORS



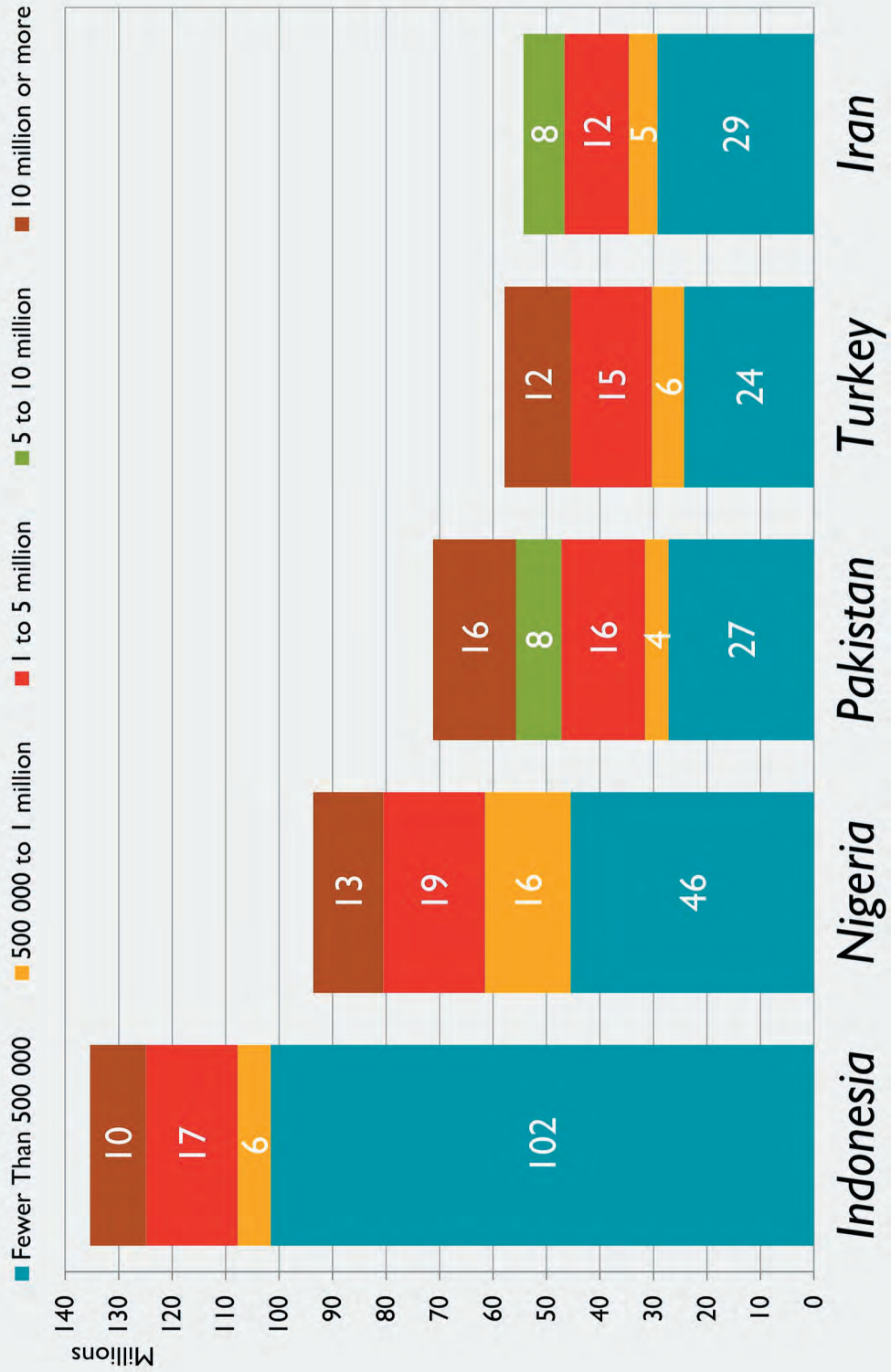
| Country | National Currency per USD: 2013 (Period Average) | Current Account Balance: 2013 (Million USD) | Current Account Balance: 2014 Est. (Million USD) | Gross National Savings: 2013 (% of GDP) | Total Investment: 2013 (% of GDP) | Trade: 2012 (% of GDP) | Total External Debt: 2012 (Million USD) |
|----------------------------|--|---|--|---|-----------------------------------|------------------------|---|
| Afghanistan ¹ | 50.92 | 591 | 725 | 20.85 | 18.00 | 44.68 | 2,709 |
| Albania | 105.67 | -1,163 | -1,431 | 15.18 | 24.22 | 80.41 | 6,934 |
| Algeria | 79.37 | 920 | 1,056 | 51.09 | 32.94 | 64.88 | 5,643 |
| Azerbaijan | 0.78 | 14,488 | 11,914 | 43.40 | 23.69 | 79.35 | 9,712 |
| Bahrain | 0.38 | 3,870 | 3,484 | 28.43 | 16.42 | 123.75 | n.a |
| Bangladesh | 78.10 | 2,585 | 737 | 28.15 | 26.56 | 55.29 | 26,130 |
| Benin ¹ | 494.04 | -1,203 | -846 | 11.13 | 25.61 | 41.94 | 2,055 |
| Brunei | 1.25 | 6,325 | 6,615 | n.a | 15.03 | 112.54 | n.a |
| Burkina Faso | 494.04 | -882 | -994 | 15.37 | 22.57 | 61.75 | 2,506 |
| Cameroon | 494.04 | -1,234 | -1,083 | 16.20 | 20.61 | 61.09 | 3,672 |
| Chad | 494.04 | -1,089 | -962 | 18.34 | 26.46 | 68.56 | 1,831 |
| Comoros ³ | 370.53 | -4 | -82 | 13.56 | 19.66 | 67.10 | 251 |
| Côte d'Ivoire ³ | 494.04 | -346 | -724 | 16.01 | 17.24 | 85.32 | 9,871 |
| Djibouti ³ | 177.72 | -193 | -258 | 16.33 | 29.55 | 134.24 | 808 |
| Egypt | 6.87 | -5,582 | -3,860 | 12.12 | 14.18 | 43.27 | 40,000 |
| Gabon | 494.04 | 2,043 | 1,420 | 41.27 | 30.64 | 88.27 | 2,870 |
| Gambia ^{1,3} | 32.08 | -145 | -131 | 1.77 | 18.02 | 79.30 | 513 |
| Guinea ¹ | 6,658.03 | -1,265 | -1,248 | -0.99 | 19.15 | 91.69 | 1,097 |
| Guinea-Bissau | 494.04 | -74 | -42 | -3.24 | 5.46 | 48.92 | 279 |
| Guyana ³ | 205.39 | -532 | -575 | 0.73 | 18.65 | 203.83 | 1,974 |
| Indonesia | 10,461.24 | -28,450 | -25,817 | 30.37 | 33.64 | 50.07 | 254,899 |
| Iran ³ | 18,414.45 | 29,727 | 20,909 | 45.97 | 37.86 | 53.72 | 11,477 |
| Iraq | 1,166.00 | n.a. | 2,483 | 22.56 | n.a | 80.29 | n.a |
| Jordan | 0.71 | -3,751 | -4,705 | 9.62 | 20.70 | 118.14 | 18,632 |
| Kazakhstan | 152.13 | 118 | 4,106 | 25.61 | 25.56 | 77.94 | 137,014 |
| Kuwait | 0.28 | 71,902 | 69,374 | 55.20 | 16.40 | 93.50 | n.a |
| Kyrgyzstan | 48.44 | -913 | -1,164 | 13.90 | 26.53 | 149.16 | 6,026 |
| Lebanon | 1,507.50 | -7,170 | -7,172 | 6.28 | 22.46 | 77.92 | 28,950 |
| Libya ^{1,3} | 1.26 | -1,863 | -16,250 | 18.37 | 21.12 | 94.85 | n.a |
| Malaysia | 3.15 | 11,829 | 13,890 | 30.09 | 26.31 | 162.41 | 103,950 |
| Maldives | 15.37 | -469 | -574 | -0.62 | 20.00 | 212.61 | 1,027 |
| Mali | 494.04 | -370 | -834 | 14.89 | 18.23 | 68.69 | 3,073 |
| Mauritania ¹ | 296.62 | -1,080 | -1,169 | 9.98 | 35.77 | 152.27 | 3,348 |
| Morocco | 8.41 | -7,815 | -7,595 | 27.22 | 34.65 | 86.59 | 33,816 |
| Mozambique | 30.10 | -6,426 | -7,423 | 6.82 | 48.74 | 101.06 | 4,788 |
| Niger | 494.04 | -1,264 | -1,829 | 17.03 | 34.21 | 68.45 | 2,340 |
| Nigeria ¹ | 156.81 | 13,447 | 15,398 | 29.27 | 24.57 | 78.25 | 10,077 |
| Oman ³ | 0.38 | 7,837 | 6,386 | 37.70 | 27.97 | 94.49 | n.a |
| Pakistan | 101.63 | -2,496 | -2,079 | 13.18 | 14.22 | 32.59 | 61,867 |
| Palestine ^{2,3} | n.a | -1,317 | n.a | -0.11 | 0.16 | 82.24 | n.a |
| Qatar | 3.64 | 59,171 | 54,303 | 58.43 | 29.22 | 103.09 | n.a |
| Saudi Arabia | 3.75 | 129,801 | 121,938 | 45.51 | 28.09 | 86.44 | n.a |
| Senegal | 494.04 | -1,415 | -1,264 | 17.48 | 28.82 | 66.62 | 4,900 |
| Sierra-Leone ³ | 4,332.50 | -679 | -533 | 0.65 | 14.83 | 69.92 | 1,121 |
| Somalia | n.a | n.a | n.a | n.a | n.a | n.a | 3,054 |
| Sudan | 4.75 | -7,415 | -5,191 | 9.42 | 19.99 | 24.08 | 21,840 |
| Suriname ³ | 3.30 | -238 | -238 | n.a | n.a | 75.58 | n.a |
| Syria | 11.23 | n.a | n.a | n.a | n.a | n.a | 4,736 |
| Tajikistan ¹ | 4.74 | -158 | -189 | 13.74 | 15.60 | 82.69 | 3,648 |
| Togo ³ | 494.04 | -524 | -535 | 6.75 | 18.77 | 97.59 | 754 |
| Tunisia | 1.62 | -3,970 | -3,122 | 14.90 | 23.27 | 106.57 | 25,475 |
| Turkey | 1.90 | -65,004 | -48,621 | 13.72 | 21.57 | 58.00 | 337,492 |
| Turkmenistan | n.a | -1,339 | -511 | n.a | n.a | 117.65 | 492 |
| Uganda | 2,586.89 | -2,691 | -3,212 | 14.73 | 26.40 | 62.04 | 3,769 |
| UAE | 3.67 | 59,076 | 55,039 | 38.88 | 23.97 | 169.62 | n.a |
| Uzbekistan | n.a | 974 | 1,358 | 32.53 | 30.80 | 57.69 | 8,853 |
| Yemen ³ | 214.89 | -1,059 | -651 | 5.38 | 8.09 | 65.07 | 7,555 |

1. NCU per USD reflects the data of 2012.
 2. Gross National Savings (% of GDP) and Total Investment (% of GDP) figures reflect the 2012 data (Palestinian Central Bureau of Statistics)
 3. Trade (%GDP) reflects the latest available data between 2005-2011.

People move from the country-side to the cities because money, services, wealth and opportunities are centralized in urban areas. Besides these advantages, unplanned urbanisation may have negative impacts on the economies and environment of developing countries. This **graphOIC** displays the total urban population, percentage of urban population, and number of agglomerations with respect to estimated size classes of urban settlements in top five OIC Member Countries in 2015.

Urbanisation

5 OIC Member Countries with the Largest Urban Population, Million People, 2015



5 OIC Member Countries with the Highest Number of Agglomerations with Population over 1 Million, 2015



5 OIC Member Countries with the Largest Share of Urban Population Living in Cities with Population over 1 Million, 2015



graphOIC

Data: 2015 Urban Population (thousands), Number of Cities, and Percentage of Urban Population by Size Class of Urban Settlement, Major Area, Region and Country, 2015
 Data Source: UNDESA, Population Division (2012). World Urbanization Prospects: The 2011 Revision, CD-ROM Edition.



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