

Governance Forum

Meeting the governance challenges for a stronger, fairer and cleaner economy

Remarks by Angel Gurría, Secretary-General DECD

Marrakech, 22 November 2009 10 a.m.,

Ladies and Gentlemen, distinguished Ministers,

I am very pleased to be attending this MENA-OECD Governance Forum and wish to express my gratitude to Minister Abbou for hosting this excellent initiative.

Governments' capacities at centre stage

This Conference is timely. These are challenging times we live in. The crisis has exposed some serious regulatory and prudential failures, serious supervisory failures, serious governance failures. This is leading us to rethink the way we do things, it is leading us to rethink what to expect from the public sector. In fact, the global financial and economic crisis has placed governments at centre stage.

Public sector action proved essential to design and execute the immediate response to the crisis. It continues to be so now that we need effective strategies to exit from such emergency measures and to put economies back on track towards stronger, balanced and sustainable growth. Governments are also essential players as we seek solutions to medium and longer term global issues, such as climate change, poverty, trade and pandemics.

To address all these challenges governments need strong capacities. And that's where the OECD can help. To start with, reliable information and accurate analysis help us understand what we do

and where we stand.

In our recent publication "**Governments at a Glance**" we provide comparative data and indicators in order to support policymakers in their drive towards efficiency and institutional effectiveness.

This work feeds into analysis that is designed to help governments work together and learn from each other. In fact, governments in OECD and MENA face similar challenges and can learn a lot from each other. This is why we have joined forces in the Governance Programme.

Progress in public governance in MENA countries

The programme has already produced some important results. Tomorrow we will submit to MENA Ministers a draft of the first OECD Report on the Progress of Governance Reform in the Arab Region. This Progress Report documents success stories and how good practices can build a better economy through public governance reforms. This is an important first step, which should be followed by additional work to include more countries and to evaluate and benchmark performance.

This Report shows that reform is possible. MENA Governments have embarked on ambitious processes of modernization, trying to prepare the government machinery so it can support

sustainable economic growth.

In this Forum, we will address key issues for good governance frameworks as a necessary precondition for a better economy. Today and tomorrow, we will also be charting the way forward.

The main governance challenges

Let me underline some challenges that we must address together:

First: sound regulations and efficient public services are essential for better functioning private markets. The public sector will have to shape new rules for the private sector, without inhibiting entrepreneurship and innovation. To accomplish this, countries need to develop stronger regulatory management systems. They need to rely on impact analysis and on public consultation when developing new rules and strategies to minimise the burdens of existing rules.

In this context, I understand that Ministers from the MENA countries hope to endorse the Regional Charter for Regulatory Quality at tomorrow's Ministerial Conference. I am confident that this instrument will play an important role in leading public sector change in the region.

Second, the public sector needs to ensure integrity, transparency and accountability. Calls for government transparency and accountability have increased following the financial and economic crisis. The scale of government intervention and spending that the crisis has induced, have placed integrity at the core of the good governance agenda worldwide. Arab countries have made significant progress in reinforcing institutions, modernizing legal frameworks and building capacities in this regard. We will continue to pursue our dialogue in the context of the MENA-OECD governance initiative, as we all have much more to gain from stronger, cleaner and fairer economies.

Most Arab and OECD countries have signed the United Nations Convention against Corruption. Implementation, however, is still a challenge. Earlier this month, some of you attended the Global Integrity Forum in Doha. The MENA-OECD Initiative can play a leading role as a platform for co-operation against corruption. In Morocco, we conducted the first Joint Learning Study on enhancing integrity in public procurement. The OECD team will share this pioneer effort at tomorrow's conference. Other studies will follow, providing valuable basis for reinforced government action in this area.

Third, public governance is an enabling factor for a more inclusive economy, an economy empowering women. Growth will not be sustainable if it does not reduce inequalities and empower women. This is a challenge for MENA and OECD countries alike. Our publication of *Governments at a Glance* has shown that in OECD countries, fewer women are represented at senior levels within central governments than in the wider labour force. This is perhaps the case in the MENA region as well. It is our duty to rise to this challenge and design the right policies to involve women in the mainstream of the economy and the policy action. I am particularly glad that leaders from civil society are ready to work with us in achieving this goal.

Arab and OECD member countries met recently in Paris to exchange insights on gender policies. As a result of their work, tomorrow we will present to MENA Ministers a Programme of Work to mainstream gender in public policies in the MENA region. Political determination and support will be key in turning its ideas into reality. But the OECD is happy to provide the inputs to detonate such decisions.

Conclusion: capacities to deliver solutions

Ladies and Gentleman,

The machinery of government has to be put at the service of economic performance and of the growing prosperity of its citizens. Meeting the governance challenges for a stronger, cleaner and fairer world economy is at the center of our priorities and policies. The OECD is an active and effective platform for co-operation. Let's make sure that future generations can say our generation took the right decisions at the right time. We owe it to them.

Thank you for your attention.