



Update on Key Activities December 2009

HIGHLIGHTS

Washington, DC – CIPE launched the web-based training of trainers program, “Role of Business Associations and Chambers of Commerce.” Twenty participants representing business associations, chambers of commerce, and think tanks from Armenia, Azerbaijan, Moldova, and Serbia are taking part in the program aimed at creating a network of trainers and consultants for local business support organizations. The participants are using the website that CIPE designed for this program, www.associationmentoring.com. It contains materials and resources as well as an online forum for trainees to engage in e-discussions and submit homework assignments.

GLOBAL PROGRAMS/COMMUNICATIONS/KNOWLEDGE MANAGEMENT

Washington, DC – CIPE published a 25th anniversary year-end recap, highlighting the “Hernando de Soto Award for Democracy,” the successful “Democracy that Delivers” conference, a new 25-Year Evaluation Review, the recent Kyiv conference, “Lessons from the Fall of the Wall,” CIPE’s Development Institute, and other important projects, resources, and blog postings. View the publication here: cipe.advomation.com/25th/

AFRICA

Ghana – As part of the Empowering Farmer-Based Organizations (FBOs) program with CIPE partner the Private Enterprise Foundation (PEF), CIPE consultant Wumi Gbadamosi traveled to the local farming communities of the FBOs in northern Ghana who participated in PEF and CIPE’s advocacy training programs. She is assessing the impact of the programs and subsequent FBO advocacy activities, and is also meeting with local District Directorates of Agriculture to assess the impact of advocacy programs from the public sector angle.

Nigeria – As part of CIPE’s Regional Business Agenda program, CIPE completed the last of its training workshops with business associations in Nasarawa State in the North Central Zone. The Jos Business School, along with consultant Wumi Gbadamosi, trained 30 participants on advocacy techniques, association management, and coalition building. This program is part of a larger strategy in Nigeria to improve the business environment at the state level by training the private sector on advocacy and the public sector on creating a stronger business environment. The trainings will culminate in a public-private dialogue roundtable to discuss how both sectors can partner for a better business environment.

Zambia – The Institute of Directors of Zambia completed corporate governance training for small and medium-sized enterprises (SMEs) in Lusaka. This one-day workshop was attended by 26 people and focused on the corporate governance code for SMEs, board management, and transparency and accountability between banks and business customers. Deputy Governor of the Bank of Zambia Dr. Denny Kalyalya opened the workshop. This training is part of a larger CIPE project to help SMEs become listed on the Lusaka Stock Exchange by adopting and implementing corporate governance codes.

Zimbabwe – CIPE consultant Elias Dewah is conducting assessments of the ten associations in Harare and Mutare that formed the Business Council of Zimbabwe (BCZ). BCZ was formed in 2009 to represent a unified voice of the private sector in dialogue with the government. The current membership includes national associations representing membership across multiple business sectors. The assessments will be used to design a training program specific to BCZ’s membership and to assist in the development of business advocacy agenda.

ASIA

Indonesia – Indonesia Business Links is currently in discussion with Rio Tinto, one of the largest employers in Indonesia and one of the largest mining corporations in the world, about the possibility of Rio Tinto sponsoring a Business Ethics workshop in Kendari, South East Sulawesi.

Mongolia – The administration of newly-elected President Elbegdorj announced that 2010 will be the “Year of Business Environment Reform.” The Mongolian National Chamber of Commerce and Industry (MNCCI) worked with the administration on this concept and expects to play a leading role in the campaign. In late December 2009, MNCCI organized a conference on foreign trade and investment, which was attended by representatives from the Ministries of Foreign Affairs, Natural Resources and Energy, and Industry. After this conference, the Ministry of Foreign Affairs agreed to create a working group with MNCCI to study Mongolia’s current trade policies. MNCCI also broadcast the latest of its television program series, with this most recent program discussing entrepreneurship.

Philippines – The Institute for Corporate Directors (ICD) held its Corporate Governance Orientation program for companies that will participate in ICD’s upcoming corporate governance scorecard. There were 56 participants.

CENTRAL AND EASTERN EUROPE

Moldova – Camelia Bulat, program director for CIPE’s Regional Office in Romania, visited to Chisinau December 7-9. During her trip, Bulat worked with Institute for Development and Social Initiatives team to discuss key aspects of the implementation process of the National Business Agenda and met with the Moldovan participants in the regional training program. Bulat also met with USAID Acting Director Susan Kutor and General Development Officer Eugene Sienkiewicz to present CIPE program accomplishments in Moldova and to get an update on USAID’s activities in the country.

Moldova – On December 9, CIPE partner the Institute for Development and Social Initiatives hosted a roundtable with the Minister of Economy and Deputy Prime Minister Valeriu Lazar. The roundtable gathered 30 leaders of business associations who presented the business community’s position paper on key private sector challenges related to taxation, imports, exports, and customs. At this event, the representatives of the business associations put forward a series of proposals that were the result of three months of consultations with the business community around the country.

EURASIA

Kazakhstan – The Institute of Directors held a seminar December 5-6 on the Organisation for Economic Co-operation and Development’s principles of corporate governance. The seminar was conducted at the Rudny Industrial Institute in the Kostanay region for 14 graduate students and instructors.

Kazakhstan – CIPE partner Shanyrak held a training seminar on December 11 for internal migrants and entrepreneurs, most of whom run informal barber shops. The seminar was aimed at helping these entrepreneurs to overcome barriers to register and enter the formal economy, and to address special difficulties related to their unregistered status.

Kyrgyzstan – The Kyrgyz Stock Exchange Press Club (KSEPC) began distribution of its handbook for journalists entitled “Corporate Governance: a Guide for Journalists.” KSEPC distributed 1,000 copies of the handbook to institutes of higher education, media outlets, and civil society organizations.

Kyrgyzstan – The Bishkek Business Club (BBC) executive director attended a meeting with the Deputy Head of the Central Agency on Development, Investment, and Innovations on December 10. The meeting was devoted to several key issues: ongoing government reform, legislative reforms aimed at creating a better business environment, and Kyrgyzstan’s improvements in the World Bank’s Doing Business rating. In addition, attendees discussed the potential for increasing the involvement of the business community in decision-making processes.

Kyrgyzstan – BBC members also held a strategic planning meeting on December 12 to discuss major plans and events for 2010. During the meeting, BBC’s management outlined its vision for sustainable development and proposed new services and membership strategies for its board of directors to approve at its upcoming December 24 meeting. In addition, BBC members selected a new chairperson for 2010 – Nelli Simonova, director of the financial company Senti. She is the second woman to serve as chair of the club.

Ukraine – Kyiv Post published an op-ed by CIPE Program Officer for Eurasia Marc Schleifer and Director for Policy Reform Aleksandr Shkolnikov, “Leaders Unwilling to Put Nation First.” Schleifer and Shkolnikov apply lessons from successful Eastern European transitions to Ukraine, where public dissatisfaction with democracy is the highest of all post-Communist transition economies. They suggest Ukraine should learn from leaders like Leszek Balcerowicz and Ivan Miklos, who have been able to sacrifice political popularity at the altar of necessary reforms. To read the op-ed visit www.kyivpost.com/news/opinion/op_ed/detail/53250/.

LATIN AMERICA AND THE CARIBBEAN

Argentina – CIPE partner the Center for the Implementation of Public Policies Promoting Equity and Growth hosted the 12th annual seminar, “Fiscal Federalism,” co-organized with the Universidad de La Plata and IAE Business School. Presenters included well-known politicians Felipe Solá, Patricia Bullrich, Santiago Montoya, Jorge Sarghini, and Luciano Di Gresia, as well as respected academics, Juan José Llach, Alberto Porto, Daniel Artana, Rogelio Frigerio, and Luciana Díaz Frers. Seventy people attended the event in Buenos Aires, including politicians, legislators, aides, provincial bureaucrats, academics, and journalists. The presenters stressed the inherent difficulties in reforming the tax co-participation system in Argentina, and discussed several options for improving distribution mechanisms.

Nicaragua – CIPE partner the Superior Council of Private Enterprise (COSEP) held the first joint forum for universities and the private sector on December 1-2. More than 250 representatives from Nicaraguan universities and private sector leaders from various industries attended the forum. Based on CIPE’s public-private dialogue model, COSEP formed university-private sector working groups that will continue to meet throughout the year to discuss ways to improve collaboration between universities and the private sector on issues such as internships, research and development, and innovation. The goal is to foster development and human talent in Nicaragua.

Peru – CIPE partner Instituto Invertir held the second session of its 2009 LíderAcción program. Invertir brought more than 120 university students from around the country to the University of the Pacific in Lima for the three-day session. During the training, students attended classes on leadership, democracy, market economy, and entrepreneurship, worked in groups on their business plans, and visited the headquarters of the Peruvian company Backus.

Venezuela – As part of its project with CIPE, the Center for Dissemination of Economic Knowledge (CEDICE) has been very active in the media. In total, project coordinator Gustavo Rojas and project advisory team members Emeterio Gómez and Isabel Pereira participated in four television and radio interviews to discuss various topics, including legislation approved in 2009, reforms to the banking law, the financial crisis, and new legislation affecting workers.

Regional – CIPE and its partner in Colombia, the Political Science Institute (ICP), capped off a strong year of internet outreach for *Perspectiva* magazine. In 2009, CIPE and ICP redesigned the magazine's website and also took steps to increase readership of its Spanish language blog (www.revistaperspectiva.com/blog). As a result of a strong effort on CIPE's part to make the blog a dynamic resource, as well as greater participation from magazine partners, there were a total of 257 posts to the blog, marking a significant increase from the 128 posts during 2008. The blog also received a major increase in the number of visits throughout the year, totaling 31,872 total visits and 26,871 unique visits in 2009. These visitors came from a total of 83 different countries with a majority from Central and South America, including Colombia, Bolivia, Ecuador, Venezuela, Peru, Paraguay, Uruguay, Argentina, Mexico, Chile, Brazil, Honduras, Nicaragua, and Guatemala.

MIDDLE EAST/NORTH AFRICA

Egypt – CIPE Egypt organized a policy reform roundtable in the Upper Egypt city of Minia on December 9 for more than 100 participants representing small and medium-sized enterprises (SMEs). The event marked the fifth policy roundtable aiming at soliciting feedback from stakeholders in drafting three position papers on decentralization, access to information, and bureaucracy. Members of the CIPE Egypt advisory council for the USAID-funded anti-corruption program moderated the discussions. Chairman of the Federation of Economic Development Associations Fouad Thabet discussed the performance of civil servants and its adverse impact on SMEs. Another discussion dealt with corruption at the local administration level and how new decentralization policies might help curb it. In addition, CIPE consultant Abdelfatah El Gibali, along with Mesbah Kotb, advisor to the independent daily newspaper *Al Masry Al Youm*, discussed the relationship between existing laws and information access. The position papers will be finalized and presented to policy makers at a major conference in January 2010.

Egypt – On December 20, the Federation of Economic Development Associations (FEDA) announced the results of a survey of 500 street vendors, conducted as a part of FEDA's CIPE-supported effort to revise the laws governing vendors in Egypt and enable them to join the formal economy. FEDA crafted policy recommendations based on the challenges to vendors identified in the survey results. Recommendations included upholding property rights, facilitating procedures of entering formal markets, identifying appropriate fees for licensing and permits, and encouraging civic participation while building a consensus among street vendors on a particular policy. FEDA's survey launch event was attended by more than 120 participants representing street vendors in five governorates of Upper Egypt and the Delta region. The results of the survey (in Arabic) can be found at www.cipe-arabia.org/files/pdf/article1285_1.pdf, as well as the FEDA Position Paper (www.cipe-arabia.org/files/pdf/article1285_2.pdf), Nile Life TV Interview with street vendors (www.cipe-arabia.org/nilelife/), and the Arabic version of CIPE's feature service article "From the Streets to Markets: Formalization of Street Vendors in Metropolitan Lima" (www.cipe-arabia.org/files/pdf/article1284.pdf).

Iraq – In December 2009, the Iraqi Society for Consumer Rights Defense and CIPE completed draft provincial business agendas (PBAs) for three provinces in Iraq: Anbar, Basrah and Najaf. The CIPE-supported PBA initiative is the first of its kind in Iraq and has developed the capacity of private sector stakeholders in each province to build consensus on key legislative issues affecting three to four key sectors. In the past, no such organized private sector dialogue has occurred in the provinces; this ground-breaking initiative has taught the private sector how to advocate with a collective voice for the legislative actions needed to enhance market-oriented reform. The agendas will be the basis for a series of advocacy workshops in 2010 that will increase private public dialogue with policy makers at the provincial level in order to enhance the provincial business environment.

Iraq – The American Society for Kurds (ASK) organized a conference entitled "Inflation Monitoring Project in Kurdistan – the Final Report" on December 29 in Arbil. The conference focused on discussing the impact of the eight CIPE-supported inflation reports that ASK prepared and distributed to the Kurdish Regional Government (KRG) in 2009. Participants discussed the project's objectives and conclusions, including causes of inflation and proposed solutions gathered as a result of the monthly reports. The conference was attended by more than 18 participants including parliamentarians, consultants of the cabinet, and representatives from the Ministries of Trade, Planning, and Finance, as well as economists, academia, and media. The event was covered by Kurdsat, Kurdistan, and Piam Channels, Goran Radio and TV, Azadi TV, and the Islamic Union radio.

Palestinian Territories – The Corporate Governance Technical Task Force launched the first Corporate Governance Code in the Palestinian Territories at a high-profile event in Ramallah on November 19 in the presence of Palestinian Prime Minister Salam Fayyad. The launch included input and support from the Palestinian Businessmen Association, CIPE, and the

International Finance Corporation. The code launch was partly the culmination of a longtime CIPE partnership with the Center for Private Sector Development, who joined forces with the Capital Market Authority to launch numerous educational and advocacy efforts revolving around corporate governance priority issues in Palestine. These efforts contributed to a greater awareness of good governance and helped inspire both the Palestinian National Governance Committee and the Corporate Governance Technical Task Force.

Yemen – CIPE and its partner the Political Development Forum convened a two-day economic reform roundtable in Sana'a on December 13-14. The event was sponsored by CIPE and attended by high level governing and opposition political party members, business association representatives, and media. The conference sought to define the country's economic priorities and confirm the importance of private sector participation in economic reform. CIPE Senior Program Officer Greg Simpson provided opening remarks. Conference delegates addressed issues such as corruption, terrorism and security, unemployment, energy policy, tourism, tax policy, and making best use of Yemen's unique geo-political position. Following the conference, attendees issued a joint declaration which acknowledged the importance of economic issues in political discourse and set out the economic priorities that all parties should address in their platforms leading up to 2011 parliamentary elections. Despite numerous calls by Yemeni President Ali Abdullah Saleh for the parties to engage one another in dialogue, this was the first time that the governing and opposition blocs have been willing to sit down together in several months.

SOUTH ASIA

Afghanistan – CIPE's Afghanistan office conducted a training seminar on business advocacy for 27 participants from the Afghanistan Builders Association (ABA). Following the seminar, ABA's advocacy committee held their weekly meeting and agreed to draft a policy paper on the government's 2 percent tax on overall project budgets to be presented to the Ministry of Finance.

Afghanistan – The United Nation's International Anti-Corruption Day (December 9) was observed by the Tashabos students in 44 girls and boys high schools in Bamyan, Greater Kabul, Nangarhar, and Parwan provinces. Students brainstormed about the nature of corruption and what can be done about it. The students were interested in the subject matter and found it timely for addressing current events and the need for effective governance. Some of the students mentioned that they never had the opportunity to discuss such issues in their classrooms. Zelgai Alifi, an 11th grade Tashabos student said, "This is good that I learned about the international day of anti-corruption as we know that Afghanistan is at the top of the list of countries involved in all types of corruption. I see that without a transparent government we will never wash out corruption."

Pakistan – To evaluate the impact of CIPE's work, CIPE Pakistan has started performing diagnostic evaluations of business associations. These new diagnostics will be compared to those conducted in 2005, when CIPE first opened its in-country office, to assess the change in individual business support organizations and the broader trends in chamber and association reforms. CIPE consultant Ali Salman and Senior Program Manager Hammad Siddiqui visited the Lahore Chamber of Commerce and Industry and conducted interviews with the senior vice president, vice president, and staff members.

Pakistan – In cooperation with the Rawalpindi Chamber of Commerce and Industry, CIPE Pakistan conducted a workshop on corporate governance for family-owned companies. Twenty participants were introduced to the concept of corporate governance and the specific elements of governance that can assist family-owned businesses. In the breakout sessions, attendees brainstormed on typical issues faced by family-owned businesses in the third generation and solutions to these problems. This workshop was supported through funding from the Competitiveness Support Fund, a joint venture between U.S. Agency for International Development and the Pakistan Ministry of Finance.

Washington, DC – CIPE Pakistan Country Director Moin Fudda made a presentation at an event organized by USAID for its Economic Growth Officers in Washington, DC. In a 30-minute session, Fudda described CIPE initiatives in Pakistan and their impact to the 47 participants. In addition, CIPE rolled out its recent publication, "Corporate Governance: The Intersection Between Private and Public Reform," available online at www.cipe.org/programs/corp_gov/pdf/CG_USAID.pdf.

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