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## Update on Key Activities February 2007

### **GLOBAL/KNOWLEDGE MANAGEMENT**

CIPE launched its 2007 international youth essay competition on the theme 'Engaging Youth in Reform.' Young people are invited to address one of three topics: citizenship in a democratic society, educational reform and employment opportunities, or entrepreneurship and leadership. Nine winning essays will be published as Economic Reform Feature Service articles. To learn more about the essay competition, please visit [www.cipe.org/essay](http://www.cipe.org/essay).

John D. Sullivan moderated a U.S. Department of State-sponsored webchat on the role of the private sector in combating corruption. The transcript of the webchat is available at: [http://usinfo.state.gov/usinfo/USINFO/Products/Webchats/sullivan\\_15\\_feb\\_2007.html](http://usinfo.state.gov/usinfo/USINFO/Products/Webchats/sullivan_15_feb_2007.html).

Deputy Director for Programs Jean Rogers gave a presentation to a group participating in the Department of State's International Visitor Leadership Program. The program focuses on small business development and the role that small businesses play in driving economic development, democratization, and stabilization around the world.

Global Program Officer Aleksandr Shkolnikov hosted a call-in radio program with the Voice of America in Russian on the effectiveness of foreign aid in the former Soviet Republics.

Nathaniel Heller of Global Integrity and Bradley Parks of the Millennium Challenge Corporation joined CIPE for a roundtable discussion on the Global Integrity approach to measuring the quality of governance institutions and the use of such indicators in evaluating specific programs and country approaches. A video recording of the event and Power Point slides will be available shortly at: [www.cipe.org/programs/roundtables/webevents/030107.php](http://www.cipe.org/programs/roundtables/webevents/030107.php).

CIPE held a luncheon meeting with Angel Gurría, Secretary-General of the Organisation for Economic Co-operation and Development (OECD) and Connie Morella, U.S. Ambassador to the OECD. Mr. Gurría discussed the OECD's anti-corruption work and other development issues.

CIPE's website is now available in French at: [www.cipe.org/francais](http://www.cipe.org/francais).

In their column in the *International Business Times*, John D. Sullivan and Alex Shkolnikov discuss China's growing involvement in Africa. This and past columns are available at [www.ibtimes.com/columns](http://www.ibtimes.com/columns).

The following Feature Service articles and other publications were released and posted on CIPE's website:

- "Corporate Social Responsibility at Starbucks: A Holistic Approach," an interview with Sandra E. Taylor, Senior Vice President of Corporate Social Responsibility at Starbucks Coffee Company
- "Trading in Power: The Politics of 'Free' Markets in Afghanistan" by Sarah Lister and Adam Pain
- "Helping Build Democracy that Delivers," a policy paper by Knowledge Management Officer Kim Bettcher
- *Perspectives de Reformes Economiques*, the first French Economic Feature Service magazine
- Russia Program Accomplishments flyer

## **AFRICA**

**Kenya/Ghana** – Executive Director Franklin Cudjoe of IMANI, a think tank based in Ghana, published “Ghana: An Odyssey through 50 years of Nationhood” in the Inter Region Economic Network’s online magazine *The African Executive*. The article discusses the economic successes Ghana has experienced that have resulted from land reform, a free functioning media, foreign direct investment both from African and non-African states, and access to technology. Economic challenges include double-digit inflation, insidious corruption, and oversized government machinery, which Cudjoe argues can be remedied by investment in Ghana’s private sector by reducing impediments to entrepreneurship.

**South Africa** – CIPE partner the Center for Development and Enterprise (CDE) hosted a focus group meeting to present its research findings on constraints to entrepreneurship among Soweto Township youth. The participants included business association representatives as well as the 25 youth-owned businesses in Soweto that were included in the study. CDE has compiled its findings into a draft report that will be published later in March. The constraints discussed in the report will serve as a platform from which the youth-owned businesses can advocate for a more inclusive business environment.

**Washington** – CIPE Policy Studies Officer Donald Sherk served as a panelist at the CATO Institute on the topic: “Do NGOs do Harm in the Developing World?” Mr. Sherk discussed the growing influence of NGOs in development projects in Africa, and offered possible explanations for NGO influence including the often negative track record of multilateral development banks in Africa. He emphasized that local African NGOs continue to prove themselves to be an excellent source of human capital for development.

## **ASIA**

**Indonesia** – CIPE partner Lembaga Komisararis dan Direktorat Indonesia (LKDI) held a training program for company directors to teach the basic concepts of corporate governance for boards in Indonesia, including code of conduct enforcement, advocacy, business ethics, and CSR. LKDI is also at work on a corporate boards update, a bilingual quarterly for directors and commissioners that focuses on good corporate governance practices and directorship issues. The update includes editorials and featured articles from overseas and local contributors on topics such as auditing committees or risk analysis.

**Philippines** – The Institute for Solidarity in Asia (ISA) worked with the City Administrator of Cebu to conduct a technical working group to lay the groundwork for full-scale pursuit of the Public Governance System (PGS) in the city. ISA Chair Jesus Estanislao was on hand to meet with local business leaders about maintaining the city’s high standards of cleanliness after successfully hosting the ASEAN summit. The business leaders agreed to spearhead the PGS for the province of Cebu so the entire island can be converted into a special economic zone. ISA also hosted a summit for 60 youth leaders in Cebu on the Mahal Ko ang Pilipinas (I Love the Philippines) Initiative and the Youth Roadmap. Participants discussed the initiatives they will pursue to contribute to the city’s roadmap.

## **CENTRAL AND EASTERN EUROPE**

**Romania** – The Institute for Organization Management Romania (IOMR) organized its first session in Bucharest, addressing the role of business associations and chambers of commerce; strategic planning; analyzing members’ needs and expectations; recruiting and retaining members; analyzing programs, services, and markets; and structure and governance. 24 participants, including two members of the IOMR Advisory Board and representatives of Romanian chambers participated in the session. CIPE Senior Program Officer Andrew Wilson attended the session.

## **EURASIA**

**Armenia** – CIPE Partner the Association for Foreign Investment and Cooperation (AFIC) conducted a roundtable discussion to obtain feedback from 22 members of the SME community on key recommendations for reforming the Armenian taxation legislation, aiming to reduce the loopholes that foster corruption. The recommendations were developed by AFIC in conjunction with the Armenian Tax

Code revision process undertaken by the government. AFIC representatives held meetings with key government agencies to advocate for increased transparency in tax administration and more effective law enforcement techniques on tax collection.

**Russia** – The Novorossiysk Chamber of Commerce and Industry (Krasnodar region), CIPE's partner under the USAID-funded SME Policy Advocacy project, published the brochure "School of Survival" that provides examples of how regional administration officials may abuse their authority during inspections and how regional entrepreneurs can advocate for and protect their rights. This publication is an important tool for the everyday protection of SMEs' rights as well as prevention of business participation in corruption schemes.

**Regional** – Senior Program Officer Andrew Wilson traveled to the region to meet with current and potential partners, to discuss ongoing programs and plan for future cooperation.

## **LATIN AMERICA AND THE CARIBBEAN**

**Haiti** – CIPE Haiti launched a seminar series for the Haitian business community featuring USAID Acting Mission Director, Alexander Deprez, who spoke about the agency's vision for private sector development in the country. About 30 business association representatives and business people attended the event. John Zemko attended the event as part of a three-day trip with USAID Washington Cognizant Technical Officer, Georgia Sambunaris, to assess progress on the CIPE project to strengthen business associations.

**Nicaragua** – Congress has initially approved the "Security and Hygiene in the Workplace" draft law to which COSEP had given significant recommendations based on an internal analysis of the legislation. COSEP's Legislative Monitoring Unit distributed the draft law and recommendations for future discussions to private sector representatives. Discussions to finalize the law will begin in Congress the first week of March.

**Regional** – CIPE Senior Program Officer John Zemko participated in the first seminar conducted by the Center for Financial Stability (CEF) in New York. The seminar was organized by the new CEF USA, formed in part to educate the financial sector in New York City about the state of Argentinean and Latin American financial markets. This seminar, "Challenges Ahead for Financial Markets in Latin America," featured CEF's accomplishments in improving corporate governance standards. Speakers included Silvina Vatnick, Director, CEF; Mario Blejer, Bank of England; Guillermo Calvo, Columbia University; and Andrew Crockett, JP Morgan-Chase. About 40 bankers, financial analysts, and government officials attended the event.

## **MIDDLE EAST AND NORTH AFRICA**

**Iraq** – CIPE partner the Iraqi Institute for Economic Reform held a seminar, "Gas and Oil Investment Law Draft" in Baghdad. The seminar focused on the importance of investment in the oil industry as the main source of revenue in the Iraqi economy. The event featured presentations and speeches from high-ranking officials including; Dr. Ali Al Dabbagh, official spokesman of the Iraqi Government; Dr. Barham Salih, Deputy Prime Minister; Dr. Hussain Shahrastani, Oil Minister; Dr. Thamir Al Ghadhban, Chairman of the Prime Minister's Consultancy Commission; Ashti Abdullah, Minister of National Resources in the Kurdish Region; and Ali Baban, Minister of Planning. A number of Parliamentarians and representatives of the oil sector, academia, civil society groups, and business associations attended the event.

**Iraq** – Work continues on the Kurdish Business Agenda. Two of the 12 committees – Infrastructure Reconstruction and Communication and IT – met in Arbil to discuss the challenges facing each sector. CIPE organized a meeting to encourage an Iraqi-American business dialogue. Mr. Franklin Lavin, Undersecretary of U.S. Department of Commerce; Mr. David Bohigian, Assistant Secretary of Department of Commerce; and Lt. General Dan Christman, Vice President of the U.S. Chamber of Commerce and CIPE board member, met with their Iraqi counterparts, including the Chairman of the Federation of Iraqi Chambers of Commerce Mr. Jaafar Al Hamadani, the chairmen of the Arbil, Sulaymania, Duhuk and Najaf Chambers of Commerce, and representatives from the Ministry of Industry and Ministry of Commerce and Housing.

**Iraq** – In cooperation with the Iraqi Institute for Economic Reform, the United States Institute for Peace (USIP), and the American Society of Kurds (ASK), CIPE held Strategic Economic Needs and Security Exercise (SENSE) training programs in Arbil and Dahuk, Iraq. Representatives of Kurdish political party members, ministers from the regional and municipal governments, academia, business associations, and lawmakers were present at the events. Training focused on coordinated decision-making in a post-conflict environment and provided real-time feedback on the consequences of economic policy decisions in a fictitious, ethnically divided country. SENSE helps participants to build community, address the dilemmas of economic resource allocation, and prioritize decisions.

**Tunisia** – CIPE partner L'Institut Arabe des Chefs d'Entreprise held a workshop on corporate governance and obstacles to IPOs for family-managed businesses. CIPE Program Officer Shirin Sahani attended the workshop, which also included approximately 75 participants from the public, private, and academic sectors, including officials from the capital markets authority, company managers, academics, media representatives, and graduate students. The topics generated heated debate on the costs and benefits of improving financial transparency, the weakness of the capital market in Tunisia as a source of external financing, and recommendations to improve regulations for listed companies. The event was covered by 15 print and online media groups.

**Turkey** – The Anatolian Young Leaders (AYL) opened their businesswomen's entrepreneur and leadership school in Turkey. Designed to enhance management skills and awareness of the private sector's role in civil society, weekend classes will be held for current and potential women entrepreneurs from Istanbul and the nearby cities of Bursa and Edirne. Of over 200 applicants, 40 successful candidates attended four interactive lecture-discussions on leadership, vision, strategic planning, and the implications of European Union membership for SMEs. Executives and academics of leading Turkish firms and universities conduct the classes.

**Yemen** – CIPE partner the Yemeni Businessmen Club held a conference on corporate governance for family-owned businesses in Sana'a. Representatives of more than 300 of Yemen's largest family businesses attended the event, the first of its kind on the introduction of corporate governance in Yemen. The event was inaugurated by a speech from the Prime Minister, Abdelqader Bajamal, and addressed the corporate governance and organizational issues and challenges specifically faced by family businesses.

## **SOUTH ASIA**

**Afghanistan** – CIPE and the Afghan Women's Business Federation (AWBF) held “Made by Afghan Women” carpet program launch events in New York at the Rubin Museum. Reporters from major press organizations such as Bloomberg International, Reuters, the New York Times, the Chicago Tribune, and major carpet trade publications attended the press conference. Over 100 carpet buyers and AWBF supporters attended the evening reception, at which the AWBF presented a carpet for permanent display at the Rubin Museum. The program continues to generate both media coverage and interest from buyers: Saxony Carpets in New York became the first AfghanMark outlet – its representatives will visit Kabul in Spring 2007 to place their first order for AfghanMark carpets.

**Bangladesh** – The Bangladesh Women Chamber of Commerce and Industry (BWCCI) hosted a roundtable in Dhaka, “Financing for Women Entrepreneurs.” As a result of its advocacy work over the past year, BWCCI succeeded in bringing the governor of Bangladesh Bank to the roundtable as the chief guest. More than 175 members of the media, banking sector, and women's business community attended the event, which was primarily discussion-based. Main policy recommendations included lower interest rates on loans to women and the creation of gender-neutral loan policies and environments throughout Bangladesh's banking sector.

**Pakistan** – CIPE Pakistan hosted a series of technical assistance workshops this week with the assistance of Jack Cox (CAE) from the U.S. Workshops in Karachi pinpointed the Karachi Chamber of Commerce and Industry and the Federation of Pakistan Chambers of Commerce and Industry, while workshops in Lahore and Islamabad/Rawalpindi reached out to smaller chambers. Topics addressed included financial management, advocacy techniques, and membership development.