

CELEBRATING 25 YEARS OF STRENGTHENING DEMOCRACY THROUGH MARKET-ORIENTED REFORM

After 25 years of strengthening democracy through market-oriented reform, this report celebrates CIPE's partnership approach that has been the foundation for its success. Each regional section features an established CIPE partner and looks to the future of reform by profiling an emerging program set to influence change in the coming years. By engaging citizens, influencing public opinion, and fostering open debate, CIPE and its partners have achieved remarkable success in 2008.

CIPE supported more than 170 programs in 2008. This report highlights some of the exceptional impact of these initiatives.

Africa

For the first time in **Ghana**, political parties strictly adhered to the country's campaign code of conduct. The code helped ensure peaceful elections in 2008.

Asia

Pakistan registered its first two women's chambers of commerce, a concrete step forward after a new law made it possible for women to independently form chambers of commerce and advocate *their* interests before *their* government.

Central and Eastern Europe

Responding to business community advocacy, a new 9 percent flat income tax rate has made **Montenegro** more attractive to investors.

Eurasia

Azerbaijan's new, single-window business registration system has simplified procedures for registering new businesses, resulting in a 30 percent increase in registered businesses in the first six months of 2008.

Latin America and the Caribbean

In response to business community advocacy, **Guatemala's** tax on land transfers and other fixed assets was reduced from 12 percent to 3 percent.

Property rights in coastal areas were strengthened in **Nicaragua** with amendments to the Water Draft Law, crucial to continuing the development of Nicaragua's tourism sector.

Middle East and North Africa

Tunisia's new Finance Law of 2008 has harmonized taxation rules with accounting practices, strengthening transparency across the country.

For the first time, six political parties in **Jordan** developed socioeconomic platforms and established socioeconomic departments to better respond to citizen needs.

Global Programs and Knowledge Management

Advancing understanding of democratic and economic reform and their connections, over 450 users from 93 countries registered with CIPE's new online **development curriculum** in its first quarter of operation.

CIPE MISSION

To strengthen democracy through private enterprise and market-oriented reform.

CIPE OBJECTIVES

- Foster institutions necessary to establish and sustain market-oriented democracies.
- Increase private sector participation in the democratic process.
- Increase support for and understanding of the freedoms, rights, and responsibilities essential to market-oriented democracies among government officials, businesspeople, media, and the public.
- Improve governance through transparency and accountability in the public and private sectors.
- Strengthen freedom of association and private, voluntary business organizations.
- Promote an entrepreneurial culture and understanding of how markets work.
- Expand access to information necessary for sound entrepreneurial and policy decisions.

CIPE PROGRAM THEMES

Democratic Governance and Institutions: The key to building successful market-oriented democracies is democratic governance, which comprises the traditions, institutions, and processes that determine – on a daily basis – how government decisions are made. Engaging civil society in creating these institutions helps countries to embark on a path of stability, growth, and prosperity.

Empowering Private Sector Organizations: To drive democratic reform and protect economic and political freedoms, the private sector must be capable and willing to provide an outside voice in the policymaking process. To become effective advocates for reform, business associations, chambers of commerce, think tanks, and other civil society groups must first build their organizational capacity.

Information and Values: Access to information and a free and independent media are vital for educating citizens on public policy issues, helping them hold government accountable for its actions, and exposing instances of corruption. Independent media is also important in launching awareness campaigns and education programs that engage society in reforms.

Access to Opportunity: Functioning democracies require opportunities between elections for the public – including women and youth – to provide input into the policymaking process. When such engagement reduces excessive regulation and barriers to entry, informal businesses can transition into the formal sector, contributing to job creation, the tax base, and economic growth.

Grassroots Participation: Local participation in the governance process is key to ensuring that reforms take into account the needs of the people. Engaging people at all levels of society in the governance process provides them with means of representation and improves the quality of regulations and public services.