INNOVATIONS TOWARDS INCLUSIVE SUSTAINABLE DEVELOPMENT IN THE ARAB WORLD

WORLD BANK EXPERIENCE IN ADVANCING INCLUSIVE DEVELOPMENT THROUGH INNOVATION

NOVEMBER 1-2, 2016
WORLD BANK
MIDDLE EAST AND NORTH AFRICA (MENA)
STRATEGY

ECONOMIC AND SOCIAL INCLUSION FOR PEACE AND STABILIZATION
The overall development landscape informed by the SDGs recognizes the need to confront global challenges such as fragility and conflict together by leveraging the convening power of multi-lateral institutions like the WB.

The WBG has increasing knowledge and experience in the areas of fragility and conflict as well as social accountability building on the WDR 2011, GPSA, and other initiatives.

This is a One WBG strategy—so that the combined forces of the WB, IFC, and MIGA will be brought to bear on this challenge.

The creation of Global Practices facilitates the delivery of global public goods by leveraging the full potential of the new organizational model.

But the most important reason for embarking on the new strategy is that without concerted action to promote economic and social inclusion for peace and stability, violence and conflict will continue to corrode the economies, societies, and lives of the people in MENA.
MENA NEEDS A NEW SOCIAL CONTRACT: built on Greater Citizen Trust; Effective Protection of the Poor and Vulnerable; Inclusive and Accountable Service Delivery; and a Stronger Private Sector that can Create Jobs and Opportunities.
Key Regional Challenges (1/2)

- Fragility & Conflict; Depleting Physical & Human Capital
- Difficult Reform Agendas
- Large Regional Disparities
- Despite Improved Access, Quality of Services Remains Low
- High Urbanization (60% of population live in urban areas)
- World’s highest youth unemployment between 22 & 39% (for primary & tertiary education, respectively)
- Declining Oil Resources
- MENA is the world’s most water scarce region
- Highly Vulnerable to Impacts of Climate Change

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Fragility & Conflict; Depleting Physical & Human Capital

Large Regional Disparities

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3 Principles will be followed:

Adequate support should **go to host governments** so that they, in turn, can promote the welfare of host communities, refugees and IDPs.

Given the expected duration of these displaced persons, development assistance should be oriented towards **helping them build assets** - human capital, physical capital and institutional capital.

Since the welfare of these people is a global public good, a large share of the **assistance should come from the international community** in general and the donor community in particular through concessional financing.

MENA hosts the largest # of displaced people in the World

*Over 15 million*  
(> 50% women & children) – poses one of the biggest threats to long term resilience

**Which will be applied in different forms of support:**

- Sequenced interventions to help refugees, IDPs, and host communities:
  - Livelihood Programs
  - Improvement of Basic Service Delivery
- Investment in long term productivity
- Social Protection & Education
**Energy**
Given the importance of energy in the economy of the region and fact the MENA has one of the lowest shares of traded electricity production, the focus will be to:
- Support development of regional and sub-regional electricity, solar, and gas markets
- Strengthen and mainstream ongoing climate mitigation efforts
- Continue progress on systematic energy subsidy reform across the region

**Education**
Through the regional education initiative in partnership with the Islamic Development Bank and other agencies, the focus will be to:
- Enhance the contribution of education and training systems to growth, prosperity and social cohesion
- Improve the quality and relevance of education and training for more relevant skills for the economy
- Introduce new approaches to teaching and learning to restore hope for a more prosperous future
- Implement mechanisms for improved performance and accountability of the education system.

**Water**
Address the severe water security issue and climate adaptation by bringing high-level regional support and fostering policy and technological innovation for:
- sustainable urban water management and agricultural water productivity systems;
- introduction of tariffs and technology for water and energy efficiency;
- promotion of rapid delivery systems with strong citizen engagement; and
- enhanced cooperation of trans-boundary waters resources via intl. water mgt. agreements
EMERGING AREAS OF FUTURE DEMAND

- Youth Inclusion & Engagement
- Lagging Regions
- Displacement Agenda
- Decentralization & Municipal Development
- Dynamic Needs Assessment (DNA)
- Reconstruction and Emergency Response
INNOVATIONS IN THE SPACE OF LAND, CLIMATE CHANGE, WATER, TRANSPORT, ICT, AND WASTE MANAGEMENT

USE OF TECHNOLOGY TO DRIVE DEVELOPMENT
**LAND: HISTORY OF ENGAGEMENT**

3 Generations of Land Engagement Supported by the World Bank

**1st Generation (1980s – 1990s)**
Land Titling

**2nd Generation (2000s-2010)**
Land Titling; Governance; Computerization

**3rd Generation (2010 – Present)**
Land Titling; Governance; Computerization; Policy

**Where we started**
- Thailand’s land titling project focused on issuing land titles;
- Manual System that Took 20 years to complete;
- Economic impact assessments have shown land titles have:
  - Increased agriculture productivity
  - Increased access to credit using land titles as a collateral
  - Reduced cost of borrowing
LAND: HOW WE DO IT TODAY?

- **DIGITAL TECHNOLOGIES** (drones and tablets): Compress time from 10 - 20 to 3 - 5 years
- **COMPUTERIZATION AND AUTOMATION**
- **Integration of land/property E-data** with other important data (zoning, taxation, financial sector, market research, utilities, and development of smart cities, as part of E-Government program)

**Key Innovation and Integrated Planning**
Models predict temperatures will rise and rainfall decline. Droughts will be longer, deeper, & more frequent.

For temperature, mean warming will be higher in MENA than the global average.

A 2°C world will have a massive impact on temperature & precipitation in MENA.

Availability of renewable water resources in most countries in MENA is below 1,000 m³ / per capita/yr.

60% of MENA’s population & 70% of the region’s GDP are located in high water stressed areas.

Rainfall is predicted to decline by 20% to 40% in a 2°C world.
CLIMATE CHANGE: FOUR CORE AREAS OF ENGAGEMENT

- Foster Water and Food Security
- Support Sustainable, Resilient and Connected Cities
- Encourage the Low Carbon Energy Transition
- Protect the Most Vulnerable

Implementation of Nationally Determined Contributions (NDC)
CLIMATE CHANGE: POTENTIAL OF RENEWABLE ENERGY

• Cost of renewable energy has dropped SUBSTANTIALLY
• Technology related to penetration of renewable IS GROWING FAST
• Today, Solar and Wind is close to competitiveness with fossil fuels. Already cheaper in some context, including FOR THE POOR and in some countries.
World Bank Noor-Ouarzazate Concentrated Solar Power Project in Morocco

- Power plant on the edge of the Sahara, generates up to 160 MW of power and covers thousands of acres of desert.
- CSP provides reliable power even when the sun is not shining. Plant is expected to reduce Morocco’s fossil fuel dependence by 2.5 million tons of oil.
- The Complex is being built and will be operated, as PPP.
- WB provided Technical Assistance.
WATER: REAL PROGRESS AND GREAT INNOVATIONS

Progress in the Ability to Conserve Water Resources & Water Ecosystems

- Developed nations use less water/capita than 30 years ago with economies diversifying away from agriculture;
- Technologies find leaks in water supply systems;
- Innovations in urban planning are enhancing green spaces, capturing stormwater and replenishing aquifers.

Innovations in Cleaning, Reusing & Recycling Water

- Cleaning water more efficiently & affordably: WW treatment technology is advancing; could be energy neutral;
- Reusing & recycling more water: Treated wastewater is being used to recharge aquifers, irrigate agriculture and enhance drinking water supplies;
- Creating more water: Energy requirements for desalination dropped 90% in 40 yrs and is an important technology for Coastal Mega-Cities.
**TRANSPORT: FOR A SUSTAINABLE FUTURE**

1/3 of world’s population lacks access to an all-weather road;

2/3 of developing countries’ population are >1 hour away from a large city;

More investments in Transport is needed to *end extreme poverty & boost shared prosperity*;

By facilitating movement of people & goods, Transport enable Economic & Social Development, Food Security, and Access to Jobs, Health, and Education Services;

Transport is at the heart of Climate Change solution, as one of the largest emitters of GHG and energy users.

**Infrastructure and Policy Regime...**

Prices & Incentives focused on Outcomes: Price congestion, GHG, externalities

Public Transport: Mass transit investments; Subsidies focused on demand not supply

Transition to Driverless: policy and infrastructure
TRANSPORT: COORDINATION FOR A SUSTAINABLE FUTURE

- **Electric**
  - Electric long range vehicles; Innovation in battery power, Fast charging stations; etc;

- **Automation**
  - Automated aircrafts, cars, real time data systems, fare payments

- **Shared**
  - Better auto sharing services an mobility services

- **Improved Safety**
  - Less Personal Error

- **GHG Reduction**
  - Vehicle weight Reduction
  - Less Auto Ownership
  - Reduce trips

- **Less Congestion**
  - Improve travel times

**Improvements in convenience, price transparency, and the availability of information about waiting times and travel times have had a powerful effect and are transforming the ways some people think about urban mobility.**
ICT: ENABLER ACROSS THE BOARD

- 60% of world’s population lack internet access, and even where broadband service is available, many of the poorest cannot afford it.

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Digitization
Artificial intelligence
Internet of everything
Trust environment
WASTE MANAGEMENT: INTEGRATED / SOCIAL INCLUSION

Social Integration & Community Participation
- Public Hearings & Consultation
- Citizen Engagement (Call Centers)
- Public Awareness Campaign

Technical Assistance
- Structured and On-Job Training

Regulatory Approach
- SWM By-law; Medical Waste By-law

Integrated Capacity Development

Financial Management
- Guidelines for Financial Management (Cost Centers; Tariff Structure; Fee Collection)
THANK YOU