

# Presentation of the Public-Private Dialogue (PPD) Architecture for Lebanon

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# What PPD is and what it is not



## Public-Private Dialogue (PPD) is:

- a process;
- a flexible tool that can be adapted to any issue which requires interaction between Public and Private sector

## PPD is not:

- a physical structure;
- a tool that is owned by one institution or sector

**Consultation between Public and Private Sector is mandatory for any economy in the globalized world of the 21<sup>st</sup> Century.**



# Some major findings



## Major general findings from the interviews and focus group meetings (IT, Electronics, Aromatic Herbs):

- - Importance of Public Sector in facilitating business climate acknowledged, but scepticism regarding its ability „to deliver“ widespread in the business community.
- - Some sectors not yet sufficiently well represented by one professional body, association, etc. – or not speaking with one voice.



## Some major findings



- - **Dialogue between Public and Private Sector usually based on personal contacts or goodwill of some institutions, and not on an institutionalized mechanism.**
- - **Performance of different Ministries and Public Institutions viewed differently by the Private Sector, with Ministry of Industry performing well.**



## Some major findings



- - Reforms envisaged by the sectors are not expressed in terms of policy reforms but more in terms of amelioration of expected services from the Ministry/ies, the creation of new services and the facilitation of inter-ministerial transactions.
- - Country branding (“Made in Lebanon”) is perceived as a priority issue by all sectors interviewed.



# Good PPD Practices for Export Success



- **Several PPD Good Practices for Export Success from other countries have been reviewed, e.g. from Malaysia.**
- **Malaysia started in 1983 with a straightforward PPD in order to assist the transformation of the country from an economy mainly based on rubber and palmoil production to an export-oriented manufacturing powerhouse of higher-value industrial products.**



# Good PPD Practices for Export Success



## Reasons for success of PPD in Malaysia:

- **Started with simple structure (Consultative bodies with clear mission) and „Easy Gain“ approach.**
- **Proactive role of Federation of Malaysian Manufacturers.**
- **Strong personal commitment of most important politicians over a long period.**
- **Understanding that the nation is a corporate entity that is owned by the Public and the Private Sector.**
- **Considerable efforts to change the working mentality in the Public Sector.**



# Proposal for a PPD Architecture for Lebanon



## Pre-requisites that favour an effective consultative PPD mechanism and its success:

- **The political Will to engage in serious consultations.**
- **Participants in the process should be able to make credible commitments.**
- **Reform objectives should be well defined and specific.**
- **Internal processes and procedures should be transparent and participatory.**





# Proposal for a PPD Architecture for Lebanon



- **An independent and adequately financed/staffed secretariat to support the consultative process.**
- **The consultative mechanism membership should be authoritative and representative.**
- **There should be follow-up procedures for monitoring the implementation of the agreements.**
- **The consultative mechanism objectives and activities should be realistic about what is achievable in the country's economic, political and social context.**



# Assuring a good start of the PPD



- **It is crucial to establish credibility and trust at the very beginning – Focus on „low hanging fruits“**
- **Meetings agendas are strict and clear and communicated well in advance, and when there are concrete proposals on the agenda that require decisions.**



# PPD Objectives (general)



- **PPD promotes good public and corporate governance and sets an example of transparency and dynamism.**
- **PPD sheds light on the workings and performance of government institutions.**
- **PPD improves the quality of the advice government receives from the private sector by diversifying sources and by promoting more evidence-based advocacy.**
- **PPD creates a space where champions from the public and private sector engage in an open dialogue, invest time and effort in order to give the PPD credibility, expertise and publicity.**



# PPD Objectives (general)



- **PPD includes all levels: central, regional and local and works particularly on business enabling and investment climate issues.**
- **PPD will first focus on a small number of issues that will face the least political resistance in order to build trust between the partners (tangible, hands-on matters, and clearly defined sectoral problems).**
- **PPD as a main driver for economic policy reform on the following stages: assessing of and agreeing on problems; designing and legislating solutions; implementing reforms and monitoring/evaluating the impact of the reforms.**



# PPD Objectives (operational)



- **Objective 1: Development of a PPD structure hosted by the Ministry of Industry**
- **Objective 2: Implementation of the Export Promotion Coordination Point through the PPD, covering three main industrial sectors: IT, Electronic boards, Aromatic Herbs**



## Public Sector:

- **Ministry of Industry**
- **Ministry of Economy**
- **Ministry of Finance / Customs**
- **Ministry of Agriculture**
- **Ministry of Telecommunications**
- **OMSAR**
- ...



## Private Sector:

- **Companies from the three sectors**
- **Association of Lebanese Industrialists**
- **Lebanese Chamber of Commerce**
- **IT Association(s)**
- **...**



# Proposed Ideas for PPD Structure



- **PPD established based on a Ministerial Decision/Decree**
- **Scope / objectives / stakeholders clearly defined**
- **Mol will host PPD and its Secretariat**
- **Secretariat reports to Steering Committee**
- **Steering Committee chaired by Minister of Industry and comprised of an approximately equal number of representatives from Public and Private Sector**
- **Sector Working Groups meet on a regular basis with a clearly defined agenda**
- **Steering Committee decides on recommendations and sets them into action**





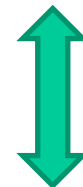
# A simple PPD Architecture for Lebanon



**Steering Committee**  
(with equal number of members of Public and Private sector)



**PPD Secretariat**  
(serves also as Export Promotion Focal Point)  
(hosted by Mol)



**Working Groups (sectoral / cross-cutting)**



## Main roles/responsibilities:

- - **Sets Agenda**
- - **Endorses new activities**
- - **Facilitates constitution of relevant working groups**
- - **Sets recommendations/decisions into action**



# Steering Committee



**Members (not more than; balanced participation Public/Private Sectors):**

- **Minister of Industry (Chairman)**
- **Minister of Economy**
- **Minister of Finance**
- **Chairman Association of Lebanese Industrialists**
- **Chairman Association of Chamber of Commerce and Industry**
- **Chairman IT Association**
- **Optional: „Facilitator“ (Donor representative or other person who can play this role)**
- **...**



## Key functions of PPD Secretariat:

- **Facilitates the PPD**
- **Prepares and distributes meeting agendas**
- **Selects persons to chair meetings**
- **Takes and distributes minutes of meetings**
- **Considers appropriate participants of meetings**
- **Coordinating role between participating business associations and PSD policy reform advocates**



- **Establishment of an agenda with specification of activities, deliverables, monitoring and evaluation framework**
- **Contracting external consultants/research as needed**
- **Preparation of relevant PSD research and establishment of policy reform advocacy material**
- **Delivery of communication and outreach programs**
- **Sensibilize stakeholders on PSD issues, including development of an Export Promotion Strategy for Lebanon**



## **Working Groups: Sectoral**

**- Exception: Cross-cutting issues**

## **Composition of Working Groups:**

- Private Sector Representatives from the respective sector(s)**
- Directors from Involved Ministries/Agencies**
- Expert Consultants**
- Civil Society Representatives (if needed)**



# Working Groups



- **Identification of related priorities and recommendations**
- **Establishment of consensual policy reform proposals**
- **Monitoring of reform implementation**
- **Review/endorsement of technical committee(s)**
- **Support to ongoing implementation**
- **Formulation and drafting of specific reform proposals (including technical and legal drafting)**
- **Implementation activities**



# Thank you for your attention!

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