

World Economic Forum and OECD Launch Arab World Competitiveness Report 2011-2012

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Lucy Jay-Kennedy, Senior Media Manager, Tel.: +962 (0)77 673 8542;

E-mail: lucy.jaykennedy@weforum.org

Arabic

- 2.8 million young people enter the Arab world's labour market every year
- 25 million new jobs required over the next decade to maintain current unemployment levels
- Private sector development is essential to creating sustainable, gainful employment
- Region needs better education, more competition and entrepreneurship, and institutional reform
- The low participation of women is a missed opportunity for economic development
- More information about the report is available at <http://www.weforum.org/awcr>

Dead Sea, Jordan, 22 October 2011 – The World Economic Forum and Organisation for Economic Co-operation and Development (OECD) today released the *Arab World Competitiveness Report 2011-2012*. Recent developments in the Arab world have heightened awareness of key socio-economic challenges, particularly the need for gainful, formal employment opportunities for the 2.8 million young people who enter the labour market each year. To reduce unemployment, there must be a heightened and sustained focus on the three most disproportionately affected groups – the young, the educated and women.

Enhancing overall competitiveness should be part of the reform agenda. Particularly necessary are measures to support a vibrant and competitive private sector, which remains stifled by a business environment that is not conducive to the development of enterprises, healthy competition and entrepreneurship.

Corruption, a lack of transparency and trade barriers distort markets, hinder competition and lower efficiency. Additionally, low female participation is considered a missed opportunity for economic development in the region.

“Competitiveness-enhancing reforms are needed to fulfil aspirations of Arab citizens and address the key priority faced by the region, which is to create gainful and sustainable employment for the population,” said Børge Brende, Managing Director, Government Relations and Constituents Engagement, World Economic Forum.

While the region maintained solid economic performance over the better part of the last decade, with 5.2% GDP growth between 2000 and 2008 (compared to only 2.4% for OECD countries), the global economic crisis and recent events have negatively impacted most economies, outside of a few oil rich states that benefited from rising energy prices. The extent to which countries in the region are able to recover will depend on the speed, design and execution of political transition and economic reforms, as well as on the recovery of the global economy.

“The Arab Spring provides a unique window of opportunity to deliver the wider economic prosperity that MENA citizens are expecting,” said Richard A. Boucher, Deputy Secretary-General of the OECD.

“Governments must respond by focusing first and foremost on generating jobs in the private sector and tackling corruption. We are working to help them do just that.”

The Arab region now must consider the opportunity they have to leverage the “youth bulge” and introduce the transparent and accountable policies and institutions to support increased competitiveness and higher living standards. The region’s governments and the international community need to work hand in hand to develop strategies to promote inclusive and sustainable economic growth and employment if they are to fulfil the aspirations of the Arab world’s citizens.

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World Economic Forum, 91-93 route de la Capite, CH-1223 Cologny/Geneva
Tel. +41 (0)22 869 1212, Fax +41 (0)22 786 2744, <http://www.weforum.org>