



HIS VISION OF THE PRIVATE SECTOR'S ROLE IN GCC ECONOMIES

Mr. Abdulrahim Hasan Naqi

Secretary General of the Federation of GCC Chambers (FGCCC)



Based on the strategic position of the Gulf private sector and its distinguished contribution in supporting development efforts in Cooperation Council (GCC) states in different sectors, it is necessary to expand the sector's role in the decision-making process.

It is also necessary to make the Gulf private sector's role more efficient in line with global trends, which seek to give the sector a pioneering role as a partner with governments.

Efforts by the FGCCC's General Secretariat have focused on translating this vision into reality through several actions, chief among which are a series of meetings between Their Majesties and Their Highnesses leaders of the GCC countries and officials in the council's Secretariat General.

A memo was presented during these meetings on the vision of the future role of the Gulf private sector and the need to create full partnership between the sector and the Gulf governments at the legislative, planning and implementation levels.

The decision by Their Majesties and Their Highnesses the leaders of the GCC countries in their extraordinary summit in May 2009 in Riyadh to have the private sector represented in the Secretariat General committees of the GCC countries is a source of relief.

The decision was also welcomed by the private sector, chambers of commerce and the FGCCC, as it lays the foundation for a strong start in realizing full partnership between the Gulf public and private sectors within an institutionalized and sustainable framework.

The free market economy and the policy of economic openness adopted by Gulf countries requires increasing the private sector's role in the economic decision-making process to render development plans a success.

In addition, the increase in value of the Gulf private sector's contribution to Gulf countries' gross domestic product and its role in increasing exports and participation in comprehensive development plans require a greater partnership between the public agencies and the private sector in the Gulf.

What also necessitates such a partnership is the increase in private sector investments, the sector's growing socio-economic role in the GCC countries, and its pivotal role in functioning as a hub for capital invested in GCC countries and absorbing them within joint economic projects.

In addition, the current global economic crisis imposed new realities and in Gulf communities, which all underline the need for unity among the Gulf economic powers, accelerating the implementation of economic integration to trigger economic growth. These are all aspirations and objectives that cannot be fulfilled without a larger participation by the private sector.

The rising trend among countries to adopt free market policies and rely on the private sector to increase growth rates and achieve advanced economic development, as well as the openness of the global economy as part of the economic globalization phenomenon has also been realized in the GCC countries.

The Gulf private sector has proved to have played a prominent role in advancing socio-economic development.

The Gulf private sector's contribution is manifested in the agricultural sector, manufacturing industries, construction, service and production sectors, in addition to sectors of transport, banking and insurance.

By analyzing the statistical data released in this regard, it becomes evident that the Gulf private sector's contribution to the overall gross domestic product ranges between 33-35 per cent. In addition, the average annual growth rate for the Gulf private sector stands at about 15 per cent.

Private companies and institutions play a significant role in recruiting workforce, creating jobs and attracting new workers into the market as the Gulf private sector now accounts for 80 per cent of workers in the GCC countries.

The Gulf Business Forum, which the FGCCC is planning to hold in Doha in April 2010 to celebrate the passage of 30 years on its inception under the patronage of His Highness Sheikh Hamad Ben Khalifa Al Thani Emir of Qatar, is a major event in which the FGCCC hopes to assert its position in supporting and expanding economic, investment and business cooperation between GCC countries and global markets.

Over 1,000 businesspeople, investors and officials are expected to take part in the forum.

The FGCCC deems this event with due importance as it comes at a time when there is competition in attracting investors and capitals amidst the current global economic crisis.

In this regard, we stress the significance of the upcoming stage, and in parallel with the decision by the leaders of the GCC countries to launch the unified Gulf currency, to implement all decisions pertaining to liberalizing all investment and production elements in accordance with the requirements for creating a joint Gulf market, in a way that ensures the private sector is able to invest freely and carry out joint projects in all the GCC countries.

We also call for creating an appropriate investment climate to develop Gulf exports and increase private sector investments in all fields and economic activities, which will boost its participation in the gross domestic product and increase exports.

Thus, such policies and approaches will push economic progress forward by involving private sector representatives in drawing up and implementing these plans.

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