

The Economic Research Forum and the GCC Initiative

Established in 1993, the Economic Research Forum (ERF) is a regional network dedicated to promoting high quality economic research to contribute to sustainable development in the region's countries. Since its establishment, the ERF has carried out various research activities to bridge the knowledge gaps and introduce policymakers to key issues that help in achieving sustainable development in the Middle East and North Africa (MENA) region.

ERF Core Objectives:

- Build a strong capacity for high-quality economic research that serves decision-makers in the MENA region.
- Expand partnerships with universities and institutions that share the same ideas and orientation as the ERF to create a robust and widespread regional network for exchanging ideas and expertise, and to provide solid research that directly contributes to facing challenges in the region.
- Propose ways and means to address the structural and strategic challenges facing the economies of the region, making it easier for policymakers and economic and political decision-makers to identify effective ways to confront the political and economic transformations facing the world in general.
- Policy-oriented research has become more vital in formulating adequate recovery plans at such a critical time for the global economy, which has been severely affected by the Covid-19 pandemic. Arab countries, including the GCC states, are in dire need of adopting solid scientific studies as an essential component in economic decision-making and the adoption of development policies. From this point of view, the idea of the GCC Economic Research Initiative emerged.

GCC Economic Research Initiative

In May 2019, the ERF launched the GCC Economic Research Initiative (GCCERI) in strategic partnership with the GCC and foreign universities operating in the GCC countries, as well as decision-making institutions. The aim of this initiative was to expand the participation base in knowledge-based research and build the capabilities of researchers in the GCC countries.

The Initiative's Objectives

As part of the ERF's strategy to direct research for the benefit of political decision-making in the region, this initiative aims to build a research network for GCC researchers to interact with a pool of distinguished researchers in the broader ERF network, in order to share ideas and collaborate on policy-oriented research.

The ERF seeks to exert the necessary effort and provide appropriate support to ensure the success of this pioneering initiative, which aims to be an interactive platform providing solid research with the aim of bridging knowledge gaps and addressing economic challenges.

The initiative was officially launched in December 2019, with its first conference held in cooperation with the College of Economics and Political Science at Sultan Qaboos University in the Sultanate of Oman, which was a good example of fruitful cooperation with the ERF. In December 2020, researchers were invited to participate in presenting working papers and research papers for the second conference of the GCC Initiative. The conference was held in March 2021 via Zoom due to Covid-19 pandemic.

Highlights of the first conference

- The first conference was held under the title: **GCC in the midst of global changes**
- The conference was attended by more than 130 researchers, academics, and officials of economic policy institutions from various GCC states and other Arab countries.
- In addition to multiple panel sessions, the conference discussed 16 working papers that were selected from a pool of 49 papers by a specialized committee, which applied quality standards and adopted the importance of the issues raised for the GCC economies as a basic criterion for selection.

- Some of these papers were published as part of the working paper series disseminated by the ERF.

Highlights of the second conference

- The second conference was held under the title: **The GCC Economies in the Wake of Covid-19 – Charting the Road to Recovery and Resilience**
- The aim of the conference was to discuss the impact of the Covid-19 pandemic on the economies of the GCC, the lessons learned and the pathways to recovery
- The conference was attended by high-level figures, such as ministers and policy makers in the GCC countries and international organizations:
 - H.E Ohood Khalfan Al Roumi - Minister of State for Government Development and the Future, UAE
 - H.E Rola Dashti – Under Secretary General of the United Nations and Executive Secretary of the Economic and Social Commission for Western Asia (ESCWA)
 - Mr. Daniel Kanda – The International Monetary Fund (IMF)
- The conference was organized in partnership with a panel that included researchers from the Economic Research Forum (ERF) and its partners, such as the Association of GCC Universities and public policy institutions

The conference featured three plenary discussion sessions, during which 13 working papers were presented. The selection of these papers followed specific rules for arbitration and priorities. The number of participants in the conference sessions reached 250 over two days.

As the conferences held in the past two years have emphasized the importance of the commitment of the Economic Research Forum (ERF) and its partners in the GCC countries to sponsor the initiative and make it a regular platform for knowledge-based research and policy dialogue, the initiative will continue, with the support of the ERF, to provide research projects, organize conferences, workshops, and various training programs that focus on the economies of the GCC countries and address current issues.

Main issues on the initiative's agenda:

The Economic Research Forum and the GCC Economic Research Initiative (GCCERI), in their endeavor to anticipate the future of the GCC economies, have identified several research priorities and objectives that will be included in their strategic plan in the next few years. These priorities include, but are not limited to:

1. The economies of the GCC countries are currently experiencing structural transformations, with the knowledge economy being identified as a key driver for sustainable growth and improved competitiveness as an investment-friendly environment. The framework of the knowledge economy requires sustained investment in education, innovation, and information and communication technology (ICT), as well as the creation of an enabling environment for economic and institutional growth that will lead to increased use and creation of knowledge in economic production and sustainable growth. Therefore, the GCC Economic Research Initiative will focus on research programs that address the impact of digital transformation, innovation, and information technology on the GCC economies.
2. Sustainability, renewables, and green innovation technology are key objectives of the strategic plans in the GCC countries. To achieve these objectives, research efforts will be focused on identifying the channels through which the GCC countries can benefit from the potential of renewable energy and the optimal ways to transition to clean energy
3. The COVID-19 pandemic has brought about a great deal of uncertainty in the GCC countries, prompting a reassessment of the role of the state, the objectives of state-owned enterprises, and the promotion of innovation and growth in the private sector. As a result, there is a growing need to strengthen social protection, expand the quality and coverage of safety nets, and provide appropriate support for health and education. It is imperative to adopt a sustainable recovery plan that targets policies aimed at preserving the workforce and people's income while supporting aggregate demand. This approach is the most effective way to prevent the pandemic's shock from having long-term repercussions on the national economy, given the devastating negative effects on human, physical, and financial capital. The GCC Economic Research Initiative will therefore examine ways and means to protect social systems and provide protection to vulnerable groups.
4. Maintaining stable fiscal frameworks and avoiding pro-cyclical public policies amidst global economic uncertainty and fluctuations in oil prices are crucial to safeguard the economic stability of the GCC countries. To achieve this, it is necessary to have adequate precautionary reserves in place to offset the impact of any reduction in fiscal revenues, and to prevent any hindrance to development plans and essential projects. In light of this, the

GCC Economic Research Initiative (GCCERI) will focus on research related to debt management, global finance, fiscal space, and growth, which will be instrumental in promoting sustainable economic development in the GCC region.

For more information, please visit: www.erf.org.eg