



Building a favorable regulatory climate

Gazientep Tuesday November 20 2018



Why do we need regulations

- ▶ Why do we need regulations in the first place:
 - ▶ To protect consumers –safety –quality – prices
 - ▶ To protect producers
 - ▶ To protect workers
 - ▶ To facilitate competition
 - ▶ To protect environment
 - ▶ To protect from systematic failures
- ▶ BUT they often become
 - ▶ Discriminatory – protecting special interests and anti- competitive
 - ▶ Rent seeking – source of corruption
 - ▶ Political

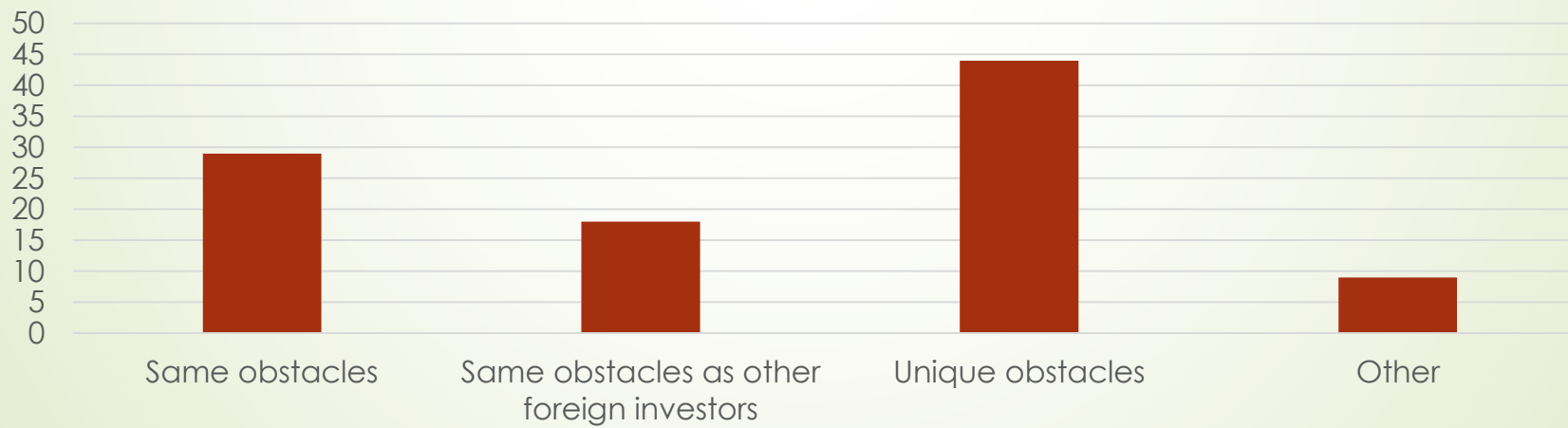


The Problem

- BUT they often become drains on productivity and investment
 - Arbitrary – not predictable
 - Discriminatory – protecting special interests and anti- competitive
 - Rent seeking – source of corruption
 - Political

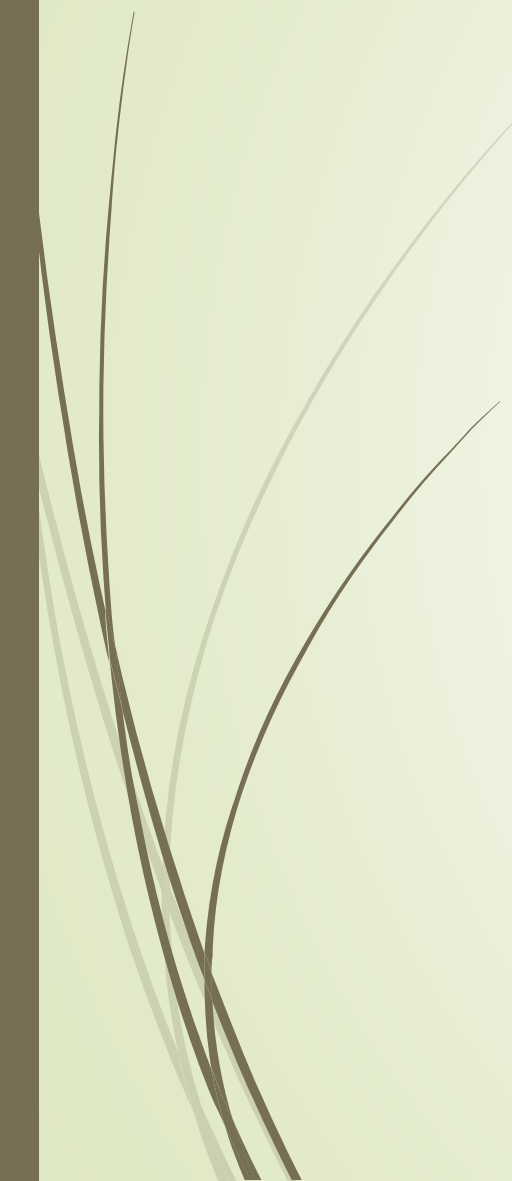
How this plays out in the host countries for Syrian-owned businesses

- ▶ Regulatory climate in neighboring host countries is not that good to begin with
- ▶ Treatment of Syrians is discriminatory in the majority of cases - some isolated islands of success
- ▶ There are legitimate regulatory obstacles - particularly the financial sector
- ▶ Every host situation is unique





What it means for Syrian firms

- Business Entry
 - Business Operations
 - Freedom of Movement
 - Banking Restrictions
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What to do about it

- ▶ Develop public private dialogue mechanisms with the host countries at the national, governorate and municipal levels to come up with solutions
 - ▶ Ideally coordinated but take the wins where you can
- ▶ Develop guarantee mechanisms to overcome the “history”, know thy customer “ problem
- ▶ Build alliances with “refugee impact investors”
- ▶ The squeaky wheel gets the oil