

**ARTICLE**

How the pandemic is increasing the effectiveness of GCC governments

By Fadi Adra, Sami Zaki, and Karim Hagggar

GCC economies have experienced a dual shock of the COVID-19 pandemic and reduced oil prices. Although governments are responding to short-term exigencies, the pandemic is an opportunity to become more effective by accelerating longer-term reforms. In seizing this opportunity, leading governments are quickly learning to become better at providing quality services and infrastructure for citizens and businesses, developing new policies and regulations, and reducing bureaucracy and red tape.

Rather than attacking the problem piecemeal, decision-makers can make faster progress if they apply a holistic approach that addresses the following seven key functions of government.

Planning and performance management

The planning and performance management function is critical in times of stress such as the COVID-19 pandemic. Leading governments are using this time to transform aggressively how they plan for the future and assessing their own performance. For example, in the short term, these governments are assessing COVID-19 response efforts accurately and transparently. Governments are also building scenario-planning and war-gaming capabilities to be prepared for the future.

Finance and fiscal management

Although many countries still take too long to disburse pandemic stimulus packages, GCC countries are showing decisiveness and speed. Given the urgent need for financial aid, leading governments are decentralizing financial and fiscal management, and having line ministries and local entities disburse payments. They are also increasing the independence and transparency of financial and budgetary processes—and thus increasing trust among citizens.

Skills improvement

The lockdown has forced a large proportion of government employees to work remotely, which threatens the continuity of government services. In response, leading GCC governments are acting decisively to integrate digital technologies and enable remote work for civil servants. They are accelerating digital skills programs, particularly for employees in areas of government with lower levels of digitization. Skills will also improve faster if governments collaborate with private-sector organizations that have a strong track record on digital skills and remote work.

Procurement and infrastructure projects

Like most advanced economies, certain GCC countries are centralizing the procurement of critical goods and services, such as diagnostic equipment and ventilators, and considering the local production of these goods. This will lead to cost efficiencies and ensure that their citizens have a reliable supply. Leading governments are also asking the military and the private sector to procure and deliver critical health-related services and infrastructure. For strategic infrastructure projects, governments can consider establishing an independent team or entity to select, evaluate, and deliver them.

Crisis communication

Leading governments are providing ongoing and open communication to the

public about response efforts and can use nudges to gain trust and encourage desirable behaviors. Longer-term, governments are developing more comprehensive crisis communication frameworks, in parallel with training programs to ensure all government entities are brought up to speed and respond more effectively to future crises.

Digital

The ability of governments to use digital technologies can influence the impact of the crisis on public health and the economy. Leading governments are pushing for all entities to adopt digital technologies. For example, governments are accelerating the digitization of health services, such as remote health and electronic health records, and other essential services such as education and tax collection, while ensuring high levels of cybersecurity. Governments are also removing barriers to data sharing among ministries and authorities so that decision making considers the impact on the government as a whole and is transparent.

Innovation

Leading governments are making innovation a theme that runs through everything they do. Resistance to innovation is the greatest hindrance to the improvement of government effectiveness. GCC government are starting to institutionalize their innovation functions. Pilot units are focusing on innovation in policy development, in part through collaboration with such private-sector players as technology companies, start-ups, and venture capital investors. Governments are also drawing on the power of citizens to identify problems and develop innovative services and delivery mechanisms to address them.

These seven functions are a practical guide for how GCC countries can better serve citizens during the COVID-19 pandemic, and how they can accelerate reforms to improve effectiveness over the long term. There are lives at stake and

NO TIME TO WASTE.

This article originally appeared in Asharq Alawsat, July 2020.

About the authors

Fadi Adra is a partner, Sami Zaki is a principal, and Karim Haggar is a senior manager, with Strategy& Middle East, part of the PwC network.

Contact us



Fadi Adra

Partner, Strategy& Middle East

[in](#) [Email](#)



Sami Zaki

Partner, Strategy& Middle East

[in](#) [Email](#)



Karim Haggar

Senior Manager, Strategy& Middle East

[in](#) [Email](#)

[Home](#) > [Articles](#) > [How the pandemic is increasing the effectiveness of GCC governn](#)

[Office locations](#) [Alumni](#) [Contact us](#)

© 2019 - 2022 PwC. All rights reserved. PwC refers to the PwC network and/or one or more of its member firms, each of which is a separate legal entity. Please see www.pwc.com/structure for further details.

[Privacy statement](#)

[Terms of use](#)

[Cookies info](#)

[About site provider](#)