



COMMUNITY ENGAGEMENT IN THE MIDDLE EAST

Unique challenges & opportunities to drive sustainable growth

Despite economic shocks and geopolitical turbulence, the Middle East is still among the world's fastest-growing regions. As urbanization accelerates, Middle Eastern (ME) states need to incorporate good sustainability practices to ensure they can meet their ambitious development goals, especially when it comes to community engagement and capacity building. Yet simply copying Western approaches is not enough. To be successful, developers need to tailor their approaches to suit the unique challenges and opportunities of the region. In this Viewpoint, we look at key success factors, illustrated by some recent case examples.

AUTHORS

Rajesh Duneja
Sally Menassa
Maurice Salem
Karim Diab
Rayan Harfouche
Mike Dagher
Sanchit Sachdeva

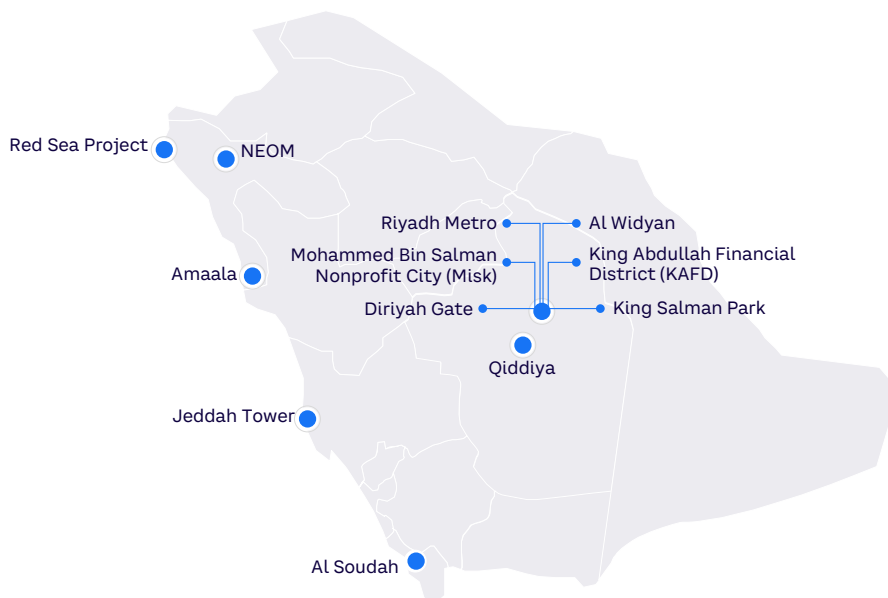
THE RAPID PACE OF URBANIZATION IN THE MIDDLE EAST

Despite the economic shocks of the last few years and the current geopolitical conflicts, economic growth in the Middle East is still moderately healthy, with GDP forecast by the International Monetary Fund (IMF) to rise above 4% next year. According to a report from Brussels International Center, urban population will increase by 30% over 2020–2030; by 2050, it is expected that 90% of those living in Gulf Cooperation Council (GCC) countries will reside in cities. This means that urbanization and development are increasing at an unprecedented rate. For example, by 2030, KSA alone plans to build more than 500,000 housing units (or around 8% of the current housing stock), together with roughly a dozen so-called giga projects that are transformational in terms of their huge scale and impact (see Figure 1).

THE PACE AND SCALE OF URBANIZATION LEAD TO NEW CHALLENGES AND RISKS THAT MUST BE CAREFULLY MANAGED

Development and urbanization are key aspects of national strategies for economic growth and diversification, safeguarding future prosperity. However, the pace and scale of urbanization lead to new challenges and risks that must be carefully managed. Ultimately, infrastructure only exists to serve people — it is the people who work, live in, and operate the infrastructure that create wealth and enable sustainable communities that meet the needs of all stakeholders. Engaging with communities is therefore a critically important priority for any new infrastructure or urban development.

Figure 1. Current giga projects in KSA



Source: Arthur D. Little

THE NEED FOR COMMUNITY ENGAGEMENT & CAPACITY BUILDING

Community engagement refers to the process of involving local residents, businesses, and other stakeholders in the planning, implementation, and management of development projects. It is a well-established aspect of ensuring the environmental, social, and economic sustainability of any major new development. Normal good practice involves engaging with communities across all stages of the real estate development lifecycle from regulation to operation:

- **Regulation.** Early involvement by community advisory panels can help tailor regulations to suit unique local cultural and environmental contexts and ensure that regulations support sustainable practices and community welfare.
- **Planning and design.** At this stage, communities can provide comments and inputs to reflect issues of local concern. Engaging local resources during planning supports the economy by boosting local employment and ensures that developments align with urban planning standards and cultural expectations.
- **Construction.** Community engagement can help encourage the use of local materials, suppliers, and labor where possible.
- **Management.** Communities can be engaged in, for example, issues around safety and sustainability. Establishing safety committees and initiating continuous improvement feedback loops helps ensure long-term sustainability and encourage local community investment in project outcomes.
- **Operations.** To support operations post-completion, communities can be involved in skills development and capacity building.

UNIQUE CHALLENGES & OPPORTUNITIES

These principles are all set in place. However, KSA community engagement and the broader Middle East are distinctly shaped by the region's cultural and governmental systems. Most Western countries are used to having fairly decentralized community inputs that may involve a diverse range of stakeholders, including nongovernmental organizations (NGOs). This often requires a great deal of time and effort, significantly extending the development lead time. The ME governance structure, particularly in KSA, typically operates in a more centralized manner, and there are big differences in societal and demographic factors. This provides both challenges and opportunities for community engagement:

- **Hierarchies.** Decision-making in communities may reflect the perspectives of local leaders rather than the broader set of individuals within the community.
- **Cultural and social factors.** There is often a greater emphasis on close-knit family, tribal, and other community networks, providing a different dynamic to local communities in many Western countries.
- **Role of government.** ME governments often have a stronger, more directive role than those in the West. For Western developments, there is often a more grassroots focus, with the private sector and/or NGOs having more prominent roles.
- **Development pace.** Many ME countries require a much more rapid pace of development than is accepted in Western countries. As one illustration, an expansion of London's Heathrow Airport to include a third runway was originally proposed in 2006. Following numerous consultations, 18 years later the runway is still in the planning stage with the latest completion date forecast for 2040.

- **Demographics.** ME countries have a much younger and growing demographic than Western countries. For example, in the UK, around 20% of the population is over 65 years old versus around 3% in KSA.

Simply transplanting approaches used in other geographies to the Middle East will not achieve the desired results.

MAKING COMMUNITY ENGAGEMENT WORK EFFECTIVELY

Based on Arthur D. Little (ADL) experience advising on community engagement for major developments in KSA, we have identified a set of four priorities that both address these challenges and make the most of the region's unique opportunities.

1. Develop culturally sensitive engagement strategies

First, it is vital to understand local hierarchies and important family, tribal, business, and other networks. Local power structures and key interrelationships must be carefully respected, especially when designing consultation programs. Focusing on the different, often tightly knit, units with the greatest influence is key. However, it is also important to find ways of incorporating the voices and inputs of the broader set of individuals within the community. For example, designing community consultation sessions that align with local norms and hosted in majlis-style settings (traditional gathering spaces in KSA culture where local leaders or influential community figures act as facilitators or co-hosts) can bridge the gap between project developers and the community.

2. Work closely with local authorities

Given the more powerful role of central government, ensuring a sufficient degree of alignment while respecting local interests and concerns is key. For example, in KSA, Vision 2030 is strongly driving the rapid pace of development. In any major development, there could be conflicts between sustainability goals and local interests, such as resistance to developments that involve moving away from traditional, less sustainable industries or large-scale renewable infrastructures being placed locally. Education and awareness initiatives are therefore especially important to win the "hearts and minds" when looking to resolve conflict. Often, community engagement can be a powerful tool for innovation, leading to locally appropriate sustainability solutions that might not have emerged from top-down planning alone. Thus, developers need to work closely with local authorities to ensure sufficient alignment.

3. Implement agile engagement processes

The rapid speed of change can be challenging for the sort of engagement processes adopted in some Western countries. A more agile approach is required that better suits the pace of the Middle East. For example, rather than fixed schedules, developers could use an on-demand model, allowing community members to register interest and suggest times and locations that work for them. Hosting consultations at local mosques after Friday prayers or setting up temporary consultation booths in community hubs like malls or parks during evenings when families typically gather are examples of this approach.

The approach should also incorporate real-time adjustments. If an initial engagement session reveals the need for further explanations or materials in Arabic or visual aids that better illustrate the project's impact, the next sessions can quickly adapt these tools to respond directly to community needs and preferences. Other good practices that can help ensure delays are kept to a minimum include commencing the engagement process at an early stage when local application of regulations is still being finalized and maintaining frequent and regular touchpoints with community stakeholders through all stages of the development lifecycle.

4. Create targeted programs for education/training; involve youth

Training local talent and establishing resident associations post-construction ensure that operations are culturally congruent and managed according to local standards. For example, in King Abdullah Economic City (KAEC), post-construction, local managers can receive training along with resident associations to manage the locations as per local cultural standards. Skills development initiatives in the construction phase empower the local workforce, aligning local skills with project needs and supporting local employment while maximizing the use of local materials to stimulate local small and medium-sized enterprises (SMEs) and industries throughout the process.

In many Western countries, active community engagement tends to be dominated by older, retired demographic segments. As that segment tends to be more conservative and resistant to change than the rest of the population, this often acts as a brake to progress. The younger demographic in the Middle East provides an opportunity to engage other segments that are likely to be more progressive and whose involvement will be important for the sustainability of future development.

COMMUNITY ENGAGEMENT IN ACTION

ADL has helped ensure effective community engagement in several major real estate and infrastructure projects; two examples illustrate the above approaches in action:

- **KSA real estate development project 1.** In this project, the involvement of local tribes and communities was an especially high priority, and open dialogues were established to address concerns and incorporate local knowledge into planning. Extensive efforts were made to integrate local culture into the city's design and tourism offerings. Skills development programs were implemented to train local residents for jobs created by the project. While some challenges remain, particularly regarding the relocation of some communities, the approach illustrated how community engagement is evolving positively in the mega-projects of the region. As such, the developer launched an extensive capacity-building program that provides language training to local communities and provides scholarships to obtain tourism-related degrees from top international universities. It also set up an SME incubator to nurture local talent, developed an on-the-job training program, and invested in a local academy dedicated to upskilling local talent.
- **KSA real estate development project 2.** Here, similar efforts were made to involve local communities in planning and decision-making processes and to preserve and promote local culture, integrating it into the development plans. This project also focused strongly on creating jobs and business opportunities for local residents, ensuring they benefit directly from the development. Environmental conservation was also a key issue, and community input was sought on balancing tourism development with environmental protection. This approach led to increased local support for the project and a better alignment with community needs and values.

In KSA, one of the standout elements in community engagement is the deep integration of local cultural and tribal values into project planning and execution. Preservation of cultural identity is key — KSA projects have made a concerted effort to embed cultural elements into development plans, ensuring that modernization and heritage preservation go hand in hand. This approach has resonated strongly with local populations, ensuring long-term support and involvement in the projects.

This deep respect for cultural heritage and tribal hierarchies has been instrumental in gaining local trust and support for development projects. Furthermore, the focus on providing economic opportunities through skills development and local employment initiatives has been pivotal in the success of these projects. By ensuring that local communities participate in and benefit economically from development, these initiatives align with KSA's broader goals of economic diversification and social inclusion as part of Vision 2030.

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CONCLUSION

THE PATH FORWARD

COMMUNITY ENGAGEMENT AND CAPACITY BUILDING MUST BE TAILORED TO THE REGION'S PARTICULAR CONTEXT

The pace of urbanization across the Middle East, especially KSA, is unprecedented. To ensure that ambitious goals, such as those embodied in Vision 2030, are reached, it is vitally important that communities participate in, and feel part of, the changes. However, community engagement and capacity building must be tailored to the region's particular context, especially:

- 1 Preserving cultural heritage while embracing modernization
- 2 Addressing urbanization challenges through community-led initiatives
- 3 Supporting local SMEs and nurturing local talent to build economic resilience
- 4 Engaging youth in development processes to harness their energy and ideas

By focusing on these areas, the region can create sustainable, inclusive communities that reflect local aspirations while achieving its development goals. Regular evaluation and enhancement of community programs will be crucial to ensure long-term impact and success. Effective community engagement fosters trust and strong relationships, leading to positive outcomes for both organizations and communities. As the Middle East continues to progress in its approach to community engagement, embedding these practices across the entire development lifecycle will be crucial for the success of projects in KSA and the broader region.



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Our consultants have strong practical industry experience combined with excellent knowledge of key trends and dynamics. ADL is present in the most important business centers around the world. We are proud to serve most of the Fortune 1000 companies, in addition to other leading firms and public sector organizations.

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