**NOTE TO FILE – Diversity Advancement in the Arab Region (DAAR)**

**Redirecting 2020 Work Plan**

By the end of 2019, DAAR had managed to finalize a concept note to outline what a regional project on diversity advancement should focus on, the multi-level areas of intervention and list of promising partners. The concept note was discussed and finalized following two consultation meetings with experts and representatives from RBAS COs. The rationale argues that efforts to reinforce respect for diversity and inclusive citizenship within societies must focus on institutions, as they change their rules and policies, and on the decisions by individual actors, with the overall objective of changing the structural conditions. Capable, legitimate institutions can make peace easier to maintain, however, it is actors – working together - who determine the direction society will go. A strategic approach to addressing diversity will need to address narratives around exclusion and foster agreement amongst actors to undertake effective reform of institutions and/or policy in support of inclusive citizenship and diversity.

***The COVID-19 pandemic amplifying digital exclusion***

The COVID-19 pandemic re-shuffled global, regional and national priorities. Despite the continued discriminatory practices and policies against groups based on various factors, among which are identity dynamics, exclusion became the direct outcome of digital deprivation. This re-shifted the focus of DAAR from lens that is concerned with examining identity dynamics to one that is trying to unpack the impact of digital deprivation and digital divide on inequality, poverty and employment. As such, a joint research initiative was reached between DAAR-UNDP and the Economic Research Forum to look into the impact of digitalization and explore macro- and micro-policies that would ensure that the digitalization path that the countries are following would ensure that “no one is left behind”.

The research initiative will produce 5 thematic papers, 8 country papers and a regional policy paper by looking into two complementary lenses:

* How is digital transformation affecting economic growth and structural transformation through its impact on key sectors of the economy, and what are the opportunities that digital transformation can provide in supporting inclusive and sustainable growth, employment generation and poverty reduction?
* How is digital transformation affecting human development and human capital accumulation, and what is its potential impact on inequality and poverty? Potential risks, especially for vulnerable populations (through widening inequality, job loses, and so forth) will be assessed to the extent feasible, based on availability of data. Where data and other information are available, papers will assess the potential effects of the COVID-19 pandemic on existing vulnerabilities (including vulnerabilities in the gig economy) that can exacerbate inequalities, and discuss policy options for addressing the potential challenges.