FROM VISION TO RESULTS:
A Practical Guide for Accelerating Economic Diversification in the GCC

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Table of Contents

Executive Summary

A practical guide to accelerate economic diversification across the GCC—grounded in over a decade of delivery experience in the region.

While acknowledging the complexity of economic diversification, Delivery Associates draws on over a decade of experience supporting Gulf Cooperation Council (GCC) governments and other natural resource-dependent countries in implementing national visions. From this work, we have distilled eight approaches, rooted in our proprietary methodology, Deliverology®, to help GCC countries translate bold aspirations into results that matter for generations to come by reducing economic reliance on hydrocarbons, unlocking new engines of private sector-led growth, and positioning themselves as globally competitive economies and resilient nations.

Why economic diversification matters now

Amid escalating economic tensions and growing global uncertainty, GCC countries face mounting pressure to accelerate their economic diversification agendas. Trade wars, rising protectionism, and oil price volatility have exposed the vulnerabilities of oil-dependent economies—triggering market fluctuations and raising concerns about fiscal sustainability. These shifting dynamics, atop long-standing structural and demographic challenges, reinforce the urgent need for GCC nations to continue reducing their reliance on hydrocarbons, build economic resilience, and pursue sustainable, broad-based growth in a rapidly evolving global landscape. This is particularly critical given that oil and gas revenues in GCC nations still accounted for 62% of total government income in 2023.[1]

Reshaping the GCC's economic future

The region has moved beyond diagnosing challenges, and is making significant strides to reshape its economic future. In parallel with addressing global uncertainty and other pressures, GCC countries are seizing emerging opportunities in areas like artificial intelligence and advanced manufacturing. All six GCC nations have articulated ambitious national visions to transform their economies from oil-dependent, state-led to diversified, private-sector-led ones. With recognition of the complexity involved, we have identified eight approaches to help governments accelerate diversification and create lasting change.

[1]GCC-Stat. Features and Prospects of Economic Performance in the GCC 2023. Gulf Cooperation Council Statistical Center (GCC-STAT), 2024. Accessed May 2025.

Executive Summary

1. Focus on a Handful of Key Metrics
Prioritize a small set of meaningful, measurable, and moveable economic diversification indicators to create clarity, drive alignment, and build momentum.

2. Prioritize a Few Promising Non-Hydrocarbon Sectors
Target a limited number of high-potential non-hydrocarbon sectors and sub-sectors where the country has a clear competitive advantage, rather than spreading efforts too thin.

3. Accelerate Priority Sectors' Growth
Deploy targeted cross-cutting enablers such as regulatory reforms, technology adoption, small and medium enterprise (SME) development, infrastructure investments, sovereign wealth funds, and public-private partnerships to unlock growth in priority sectors.

4. Align Fiscal Planning with Diversification Priorities
Ensure government budgets reflect diversification goals, crowd in private investment, and reduce reliance on hydrocarbon revenues.

5. Embed Routines to Drive Action and Accountability
Establish structured, data-driven routines and empower Delivery Units (or any similar units tasked with delivering) to solve problems, track progress, and keep the system focused on results.

6. Make Data Visible, Actionable, and Timely
Invest in economic data collection and publishing, and use well-designed dashboards and consistent progress reporting to drive performance conversations, track progress, and guide decisions.

7. Confront Hard Truths and Clear Roadblocks
Build a delivery culture that surfaces obstacles early, solves problems quickly, and escalates when needed to maintain momentum.

8. Communicate to Build Belief and Urgency
Reinforce the why, what, and how of economic diversification through repeated, honest, and tailored communication across all levels of government and society.

Delivering at the scale of ambition
With strong buy-in from leadership, bold national visions, and the institutional and financial capacity to continue making progress, the GCC is uniquely positioned to achieve real economic transformation and deliver meaningful and sustainable prosperity. The journey will not be easy, but the rewards are great. We hope that these practical approaches accelerate the path forward.

Introduction

In a new era defined by escalating trade tensions and growing global economic uncertainty, Gulf Cooperation Council (GCC) countries face mounting pressure to accelerate their economic diversification agendas. Trade wars, rising protectionism, and oil price volatility have exposed the vulnerabilities of oil-dependent economies, triggering market fluctuations and raising concerns about fiscal sustainability. These shifting dynamics have reinforced the urgent need for GCC nations to continue reducing their reliance on hydrocarbons, build economic resilience, and pursue sustainable, broad-based growth in a rapidly evolving global landscape. This is especially critical given that oil and gas revenues still accounted for 62% of total government income in 2023,[2] highlighting strong exposure to global energy market volatility.

Compounding these external pressures are long-standing demographic and structural challenges. The GCC region is experiencing a youth bulge, with around 50% of the national population under the age of 25.[3] This demographic shift intensifies the demand for employment opportunities, as large cohorts of young people enter labor markets already dominated by the public sector.

Moreover, the traditional state-led development model and the existing social contract, where the government is the primary provider of employment, subsidies, and welfare from cradle to grave, are increasingly unsustainable. For example, in Kuwait, Qatar, and the United Arab Emirates (UAE), over two-thirds of nationals are employed in the public sector,[4] leading to a bloated public sector and an underdeveloped private sector. This heavy reliance on public sector employment has also shaped labor market expectations, with the majority of citizens preferring stable, higher-paid government jobs over those in the private sector.

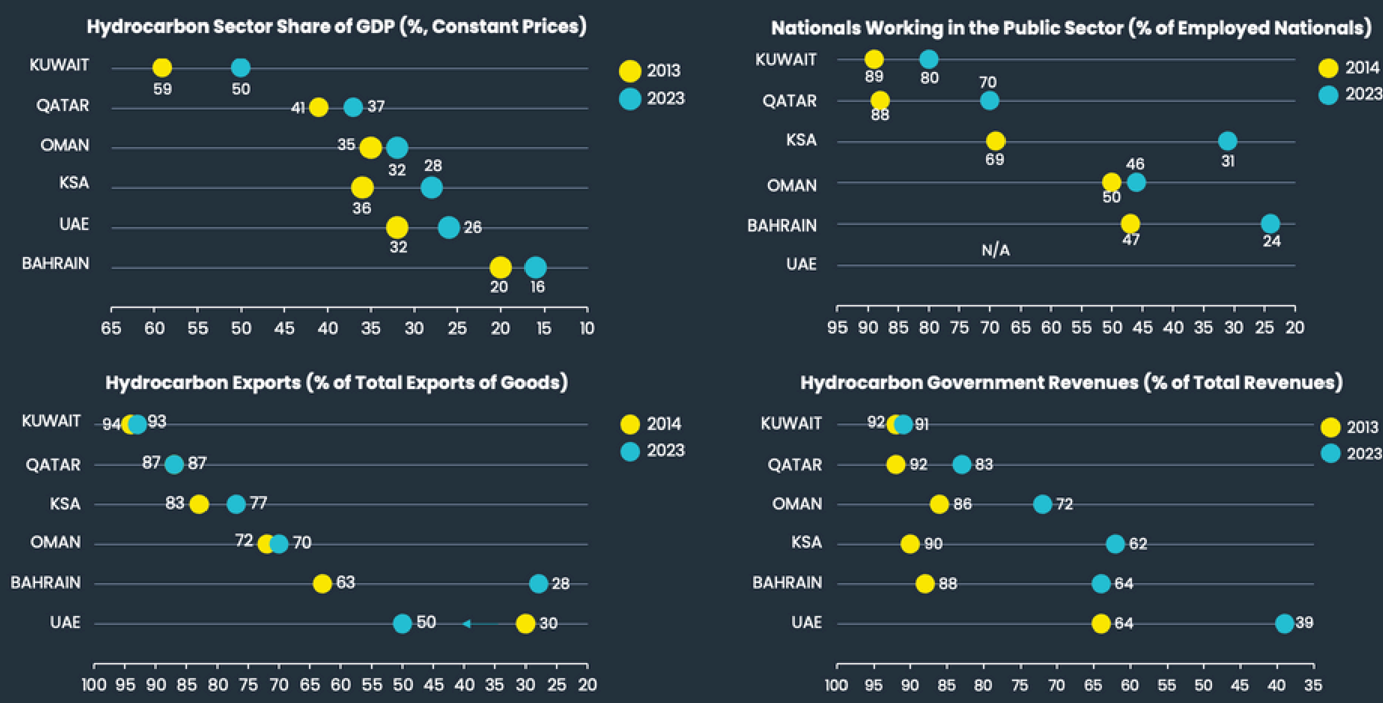
At the same time, the story of the GCC today is equally one of ambition and determination. The region has moved beyond diagnosing challenges, and is making significant strides in reshaping its economic future. Saudi Arabia's NEOM project exemplifies a commitment to innovation and sustainability, aiming to transform the Kingdom into a global hub for advanced industries and green energy. The UAE is positioning itself as a leader in Artificial Intelligence (AI), with initiatives like the Mohamed bin Zayed University of Artificial Intelligence and global partnerships to advance AI research and applications. Qatar continues to build on its success hosting the FIFA World Cup 2022 to boost its tourism and sports sectors while investing in education and research to foster a knowledge-based economy. Oman is focusing on logistics and manufacturing, leveraging its strategic location to regain its historic position as a regional trade hub. Kuwait and Bahrain are also advancing reforms to enhance financial services and attract foreign investment.

[2]GCC-Stat. Features and Prospects of Economic Performance in the GCC 2023. Gulf Cooperation Council Statistical Center (GCC-STAT), 2024. Accessed May 2025.

[3]GCC-Stat. GCC Population Statistics 2022. Gulf Cooperation Council Statistical Center (GCC-STAT), 2024. Accessed May 2025. https://gccstat.org. Data of local population covers Saudi Arabia, Kuwait, Oman, and Bahrain.

[4]GCC-Stat. Labour Statistics Bulletin 2014. Gulf Cooperation Council Statistical Center, 2014. Accessed May 2025. https://gccstat.org. Data for UAE is estimated given the absence of published official statistics.

Despite the notable progress expanding non-hydrocarbon sectors and reducing public sector employment (albeit with variation across countries), diversification efforts should prioritize building a competitive, export-oriented private sector.



Sources: UN Comtrade, IMF Middle East and Central Asia World Economic Outlook, World Bank, GCC STAT, National Statistics Agencies and DA calculations

Recognizing both the challenges and the opportunities, each GCC nation has articulated a bold national vision—Saudi Arabia's Vision 2030, Qatar National Vision 2030, Kuwait Vision 2035, Oman Vision 2040, Bahrain Vision 2030, and the UAE's "Projects of the 50"—not just to grow their economies, but to transform them: reducing reliance on hydrocarbons, unlocking new engines of private sector-led growth, and positioning themselves as globally competitive economies and resilient nations.

Delivering these ambitious transformations is no longer a question of commitment or vision, it is a question of how to translate them into results at speed and scale. How can GCC leaders accelerate the delivery of their national visions?

While acknowledging the complexity and deep-rooted challenges of economic diversification, we draw on over a decade of experience supporting GCC governments and other natural resource-dependent countries to apply Deliverology® in implementing national visions and plans. From this, we have distilled eight approaches, based on Deliverology® principles, to accelerate and deliver economic diversification in the GCC.

Eight Approaches to Accelerate and Deliver Economic Diversification in the GCC

1. Focus Relentlessly on a Handful of Key Metrics

The challenge in delivering national visions and economic diversification is rarely a lack of targets; most governments have already set dozens. The real risk lies in trying to pursue everything at once. Without prioritization, efforts become diluted and progress falters.

Deliverology® emphasizes the discipline of focusing on a small set of outcomes that truly define success. Leaders must agree on a narrow set of national economic targets and track them obsessively over time.

- **Identify a few economic diversification targets** that capture the essence of the country's national vision for a diversified economy, such as non-oil/non-hydrocarbon growth and contribution to GDP, non-oil exports, private sector employment, productivity growth, etc.

- **Get these economic diversification metrics right.** They must be:
  - **Meaningful:** Do they give a true picture of on-the-ground realities? Do the country leadership, the population, and the business community care about improving on these metrics? Can government leaders engage with them and understand what they mean for the economy and their day-to-day work?
  - **Moveable:** Can you realistically move the numbers on these metrics within the vision time frame?
  - **Measurable:** Do you already have the data, or are you willing to collect and publish it within the next six months?

- **Resist the urge to be comprehensive and expand the list.** Instead, embed these few crucial metrics into national and sectoral strategic plans, leadership routines, and public communications.

- **Make them visible, debated, and acted** on until they drive real mindset and behavior change across the system.

When everything is a priority, much less gets delivered. Obsessing over a few numbers creates clarity, alignment, and momentum.

LESS IS MORE: HOW BRUNEI IMPLEMENTED RAPID ECONOMIC REFORM

Although Brunei is not a GCC country, its economy is similarly dependent on hydrocarbons, with oil contributing 88% of government revenues, 80% of exports, and over 50% of GDP,[5] making economic diversification crucial for long-term sustainability.

At the outset of its Wawasan 2035 vision, Brunei strategically decided to focus relentlessly on just two key areas: improving the business environment and enhancing primary education outcomes. This targeted approach was anchored by clear, measurable metrics: the World Bank's annual Ease of Doing Business (EoDB) rankings and national primary school examination scores.

For economic diversification, improving the business environment was paramount. In 2015, Brunei ranked 105th out of 190 economies in the EoDB report. Recognizing the importance of attracting foreign investment and stimulating SME growth, the government set an ambitious goal of achieving a top 20 ranking by 2016.

Rather than diluting efforts across numerous indicators within EoDB, Brunei initially zeroed in on one key metric: the "Starting a Business" indicator, which directly impacted entrepreneurs. Before reforms, it took 101 days and 15 steps to start a business. In January 2015, Brunei launched an online business registration system that dramatically streamlined this process, reducing company incorporation time to under 24 hours.

The government identified accountable champions in each area; analysed global best practices to adapt for Brunei; began systematic data collection; and set up monthly routines to report progress, review regular data on outcomes, and problem-solve. But most importantly, they adopted a whole-of-nation approach, supported by the Sultan and the Crown Prince and Prime Minister. This allowed strategic reforms to move at an accelerated pace.

The impact was immediate and measurable: Company registrations rose by 25% in 2015, 66% in 2016, and continued increasing thereafter. Within four years, Brunei climbed 49 positions—from 105th in 2015 to 56th in 2019—in the EoDB rankings. While slightly short of their ambitious top 20 target, this improvement remains remarkable. Brunei's reforms gained international recognition, earning the World Bank's title as the most improved economy for three consecutive years. The success stemmed from prioritizing a few clear, meaningful targets; problem-solving systematically; and maintaining accountability at the highest government levels.

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[5] International Monetary Fund. *Brunei Darussalam: 2023*. Country Report No. 23/347, International Monetary Fund, Jan. 2023. https://www.imf.org/ Accessed May 2025.

2. Prioritize a Few Promising Non-Hydrocarbon Sectors

One of the most common pitfalls in economic diversification efforts is trying to do too much, too quickly. Attempting to grow and develop every promising non-hydrocarbon sector may seem ambitious, but in practice, it stretches the system's capacity, attention, and resources too thin. Instead, target a few strategic non-hydrocarbon sectors that promise significant growth and align with national strengths and competitiveness. Common GCC priority sectors include financial services, Information and Communication Technology (ICT), healthcare, education, tourism, entertainment, sports, transport and logistics, and manufacturing.

- **Decide how far to move away from hydrocarbons.** Decide how far to move away from hydrocarbons. Many GCC countries have developed globally competitive hydrocarbon-related manufacturing industries, particularly in petrochemicals. In 2023, hydrocarbon-related products accounted for approximately 49% of non-hydrocarbon exports from Saudi Arabia, 43% from Kuwait and Qatar, 25% from Oman, and, to a lesser extent, around 9% and 4% from Bahrain and the UAE respectively.[6] This raises critical policy questions: What does real diversification mean for our economy? How "pure" could it be? And how far should our diversification agenda extend beyond downstream oil and gas products? Answering these questions requires building consensus within each country on whether to anchor economic diversification within the hydrocarbon value chain or focus on growing other export-oriented sectors less connected to it.

- **Go deeper, not broader.** Once the priority sectors are selected and adopted, focus on specific sub-sectors where you want to develop and compete globally, such as fintech within financial services, automotive within manufacturing, or sports medicine within healthcare, to channel efforts where the country has clear competitive and comparative advantages. For example, building on its advanced healthcare system and reputation as a global sporting capital, Qatar has identified sports medicine within healthcare as a sub-sector where it can lead. It is attracting world-class medical talent, establishing specialized facilities, and becoming a medical and recovery destination for international athletes. Another example is Saudi Arabia, whose National Industrial Strategy targets 12 strategic sub-sectors recognized for growth potential and increasing competitiveness, such as automotive, aerospace, speciality chemicals, pharmaceuticals, and advanced manufacturing.

[6] Authors' calculations using UN Comtrade Database, 2024. UN Comtrade, https://comtrade.un.org/. Accessed May 2025. HS codes of hydrocarbon-related products calculated here are: 29, 31, 38, 39 and 40.

- **Set a few meaningful, measurable, and moveable sector-level targets** aligned with your national economic goals, such as sector contribution to GDP, job creation, export value, and productivity growth. Also include sector-specific targets; for example, in the tourism sector, this could be annual tourist arrivals, tourist spending, and average length of stay.

- **Use benchmarking to calibrate ambition:** Draw from countries with similar economic structures (e.g., natural resources dependence), regional peers, or global leaders in key sectors to contextualize sector targets and inform ambition levels. Benchmarking grounds target-setting in evidence, provides clarity on what is possible, and challenges complacency within the system.

- **To instill accountability, appoint and empower ministers or senior government leaders as sector champions** responsible for driving progress, coordinating across agencies and stakeholders, and ensuring alignment with national economic goals.

Ultimately, discipline is critical. By narrowing the focus to a limited number of well-defined economic non-hydrocarbon sectors and sub-sectors, governments can maximize the return on public and private investment and accelerate the shift from ambition to impact.

3. Accelerate Priority Sectors' Growth

Prioritizing a few high-potential non-hydrocarbon sectors is a crucial first step. However, to unlock their full potential, GCC governments must proactively accelerate the growth of priority sectors by deploying targeted cross-cutting enablers such as technology adoption, infrastructure investments, regulatory reforms, and public-private partnerships. These enablers do not operate in isolation; they must be deliberately directed toward generating private investment, productivity gains, and growth within the priority sectors.

- **Enact bold regulatory reforms:** Streamline and simplify regulations that inhibit growth in priority sectors by systematically removing outdated, redundant, unnecessary, or burdensome rules. Focus on eliminating regulatory barriers that restrict the business environment and slow down private sector entry, activity, and investment.

- **Strengthen small and medium enterprise (SME) development:** Tailor SME policies, funding, export promotion, and business support programs to priority sectors like manufacturing, healthcare, tourism, and ICT, where entrepreneurial activity can drive innovation and job creation.

- **Channel domestic and foreign investment strategically:** Direct investment promotion efforts toward the selected priority sectors. Offer targeted incentives, reduce regulatory barriers, and align infrastructure plans to unlock investment where it accelerates diversification the most.

- **Deploy technology and innovation as sector accelerators:** Embed technology adoption and research and development support into the development plans of priority sectors—not as general goals, but as direct competitiveness boosters.

- **Activate sovereign wealth funds (SWFs) and national champions:** SWFs such as Saudi Arabia's Public Investment Fund (PIF), Qatar Investment Authority (QIA), and UAE's Mubadala, along with major "national champions" like Aramco, ADNOC, and Qatar Energy, are powerful instruments for diversification. They can act as strategic investors and align their investment strategies, international expansions, and partnerships with national diversification priorities, hence transferring capabilities and know-how to the national economy, building supply chains, investing in new industries, and nurturing private sector ecosystems.

QATAR INVESTMENT AUTHORITY'S $1 BILLION FUND OF FUNDS: CATALYZING LOCAL VC ECOSYSTEM

In February 2024, the Qatar Investment Authority (QIA) launched a $1 billion Fund of Funds program aimed at bolstering Qatar's venture capital (VC) landscape. The initiative focuses on investing in international and regional VC funds, with the dual objectives of achieving competitive financial returns and fostering a vibrant startup ecosystem within Qatar.

Strategic Approach:

- **Selective Partnerships:** QIA has partnered with six prominent VC firms, including B Capital, Deerfield, Builders VC, Utopia, Human Capital, and Rasmal Ventures. These firms are encouraged to establish a physical presence in Doha, thereby bringing global expertise into the local market.
- **Sector Focus:** The program prioritizes investments in technology and healthcare, two priority sectors in Qatar's Third National Development Strategy.
- **Ecosystem Development:** By requiring fund managers to demonstrate a commitment to Qatar—such as setting up offices and engaging with local startups—QIA ensures that the investments contribute to the broader goal of economic diversification.

The Fund of Funds has already committed nearly half of its capital, with participating VC firms beginning to establish operations in Doha. This initiative not only brings in substantial foreign investment, but also serves as a catalyst for developing a robust, innovation-driven startup ecosystem in Qatar.

Experience shows that enablers must be deliberately deployed to serve the diversification agenda. When investment, innovation, SME development, and sovereign wealth vehicles work in concert to support priority sectors, they unlock and accelerate growth.

4. Align Fiscal Planning with Diversification Priorities

Even the best-laid national visions and plans stall without aligned government budgets. Economic diversification requires fiscal planning that goes beyond the standard technical budget allocations. As a strategic tool for delivering public value, fiscal planning must strategically direct resources toward outcomes that the people truly value, such as sustainable job creation, improved quality of life, and economic resilience. The Public Value Framework, developed by Delivery Associates founder, Sir Michael Barber, in partnership with the UK Treasury, emphasizes aligning resources with what matters most to the people, ensuring that government spending supports strategic priorities and outcomes, not just activities or inputs.

→ **Embed diversification goals into the annual budget cycle** so that spending reflects strategic intent, not legacy allocations.

- **Redesign the fiscal framework** to shield public finances from commodity price swings and reduce direct reliance on hydrocarbon revenues for annual budgets. Gradually divert a greater share of hydrocarbon income into sovereign wealth funds and use their investment returns, rather than direct hydrocarbon revenues, to fund government spending. Norway's fiscal model, outlined below, offers valuable insights for the GCC context.

- **Prioritize public investment in enabling infrastructure** that unlocks growth and crowds in private investment in priority sectors, such as digital infrastructure, logistics zones, or industrial clusters.

- **Facilitate public-private partnerships** to share investment risks and mobilize capital, technology, and expertise beyond government capacity.

When fiscal decisions are driven by the strategic priorities of economic diversification, governments can better steward resources, sustain public support, maintain momentum, and deliver tangible economic value to their people.

NORWAY'S OIL-DELINKED FISCAL FRAMEWORK

Facing the volatility of oil markets in the early 1990s, Norway fundamentally redesigned its fiscal framework to protect its economy and public finances. Instead of relying directly on oil revenues to fund its national budget, Norway established the **Government Pension Fund Global** (commonly known as the Oil Fund). Today, it is the largest sovereign wealth fund in the world, holding assets worth $1.8 trillion.

Key Features of Norway's Model:

- **All state oil revenues** are transferred to the Oil Fund, not the government budget.
- **Only the Oil Fund's real returns** (~3% annually), not the capital, are used to finance public spending—ensuring stable, predictable funding and covering about 20% of the budget (the rest is covered through taxes).
- **The fund invests only abroad** so that the Norwegian economy does not overheat and investments remain unaffected by oil price volatility.
- **Volatile commodity revenues are insulated** from fiscal policy, strengthening sustainability and preserving wealth for future generations.

For the GCC, the Norwegian model offers an important principle: **De-risking government budgets from oil volatility** is a foundational enabler of consistent and gradual diversification.

While GCC public finances have different structures—relying more heavily on oil for fiscal revenues and much less on taxes—the concept of progressively transferring a portion of oil income into sovereign wealth funds, and using the investment returns to finance a portion of government spending, offers more stability and greater resilience. Partial adaptation—not wholesale replication—can help GCC countries minimize the impact of external oil price shocks on diversification efforts and sustain reforms over the long term.

5. Embed Routines to Drive Action and Accountability

Disciplined implementation is the difference between a strategy and real change. Success depends not only on having the most ambitious targets and the best plans, but on whether governments build consistent, data-driven routines to track progress and solve problems as they arise. Delivery routines create a structure and checkpoints for accountability. They turn plans into action, bring visibility to what is working (and what is not), and enable governments to course-correct early before it is too late and momentum is lost.

- **Set up a Delivery Unit (rather than a PMO):** A Delivery Unit (or any similar unit tasked with delivering) is not simply a Project Management Office (PMO). While PMOs often play a listening or reporting role—tracking activities, timelines, and status updates—a true Delivery Unit is active and interventionist. It drives outcomes, solves problems, and enforces accountability across government. It must be embedded close to the center of power, and staffed by a small, elite team that is competent, deeply trusted, and focused on results.

- **Empower your Delivery Unit:** To be effective, the Delivery Unit must be empowered to engage directly with sector champions, ministers, and senior officials; raise red flags; convene actors across government; and escalate barriers swiftly to leadership. It must act as both a support system and a pressure mechanism, sustaining momentum, unblocking obstacles, and keeping the system focused on achieving national targets.

- **Run regular, structured routines** at multiple levels along the delivery chain, such as monthly check-ins with teams responsible for day-to-day implementation to review progress, quarterly touchpoints with senior officials to surface risks and solve issues, and bi-annual strategic stocktakes with sector champions to unblock cross-cutting issues, whether they are regulatory, fiscal, bureaucratic, or even political.

- **Prioritize problem-solving over reporting:** Focus routines on the few issues that affect delivery most. Identify bottlenecks, assign actions, and escalate only when necessary to the level that can resolve the issue.

- **Anchor discussions in data:** Use clear, real-time dashboards and concise performance reports to assess progress on national targets, sector-level outcomes, and priority initiatives and projects.

When done well, routines ensure a culture of accountability and momentum across government—one where progress is expected, challenges are surfaced early, and leaders are collectively focused on results. For the GCC, embedding such routines is critical to shifting from aspiration to accelerated and sustained system-wide execution.

6. Make Data Visible, Actionable, and Timely

Economic diversification efforts are complex and cross-cutting. They require a shared understanding of what is happening, where progress is lagging, and what needs immediate attention. Dashboards can help make this possible. When designed and used effectively, they provide clarity, drive accountability, and support faster, evidence-based decisions.

- **Track what matters:** Design dashboards that reflect the structure of the diversification agenda, showing progress on national economic indicators (e.g., non-oil GDP growth), sector-level outcomes (e.g., exports or job creation in priority sectors), and priority project milestones and outputs.

- **Invest in data collection and timely reporting of targets:** Reliable, near-real-time data is critical for measuring progress and intervening early when targets are off track. Governments should work closely with national statistics agencies and relevant entities to prioritize consistent data collection and frequent reporting of critical diversification statistics and other relevant metrics, such as private sector contribution to GDP, FDI inflows, and sectoral job creation. While countries like Saudi Arabia have begun quarterly reporting on private sector GDP contribution, this practice has yet to remain consistent across the region.

- **Prioritize usability over perfection:** Do not let perfect be the enemy of the good. Use "good enough" or proxy indicators to monitor progress. What matters is that the data is timely, directionally accurate, and regularly used to guide assessment of progress.

- **Make it visual and accessible:** Use intuitive formats such as color-coding, trend lines, and summaries to help government leaders quickly grasp what is on track and what needs intervention.

- **Update consistently:** Set and stick to a routine with agencies for refreshing the data, whether monthly or quarterly. Assign clear ownership to ensure updates are accurate, verified, and timely.

- **Embed in leadership routines:** Dashboards should not sit in isolation; instead, they should be the backbone of review meetings, sector stocktakes, and leadership briefings. When leaders see the same metrics regularly, they focus more on moving them.

In the context of the GCC, dashboards are not just about tracking; they are about delivering. They help governments confront reality, stay focused, act early, and keep the system aligned on what success looks like.

7. Confront Hard Truths and Clear Roadblocks

The real test of delivery is not when things go smoothly, but when they do not. Economic diversification efforts will inevitably face roadblocks, especially in complex systems involving multiple actors, vested interests, and legacy constraints. Rather than delaying difficult conversations when results are off track, progress is unlocked when delivery teams and leadership surface challenges early and resolve them swiftly.

To deliver real change, GCC governments must build a culture that is willing to face the facts and act on them. This requires structured problem-solving mechanisms that turn discomfort into action.

- **Make problem-solving routine, not reactive:** Build time for structured, evidence-based problem-solving into regular delivery routines. Normalize asking, What is not working? Why? What needs to change now?

- **Create escalation pathways:** Establish clear, fast-moving processes to escalate issues from delivery teams to ministers or heads of government, so bottlenecks are resolved at the level that can actually fix them.

- **Confront reality with data:** Use dashboards and frontline feedback to surface issues early. If a metric is off track or a reform has stalled, name it and shift focus to resolution, not blame.

- **Bring solutions, not just problems:** Time spent in stocktakes with ministers or heads of government is precious; use it wisely. Do not just present what is off track, but bring options for how to fix it. As Margaret Thatcher once remarked about her cabinet Minister, David Young: *"Other ministers bring me problems. David Young brings me solutions."* Effective stocktakes are solution-oriented, action-focused, and clear on what is needed to unblock progress.

DELIVERING ON PROMISES: CANADA'S EXPERIENCE WITH DELIVEROLOGY® (2015–2019)

Although Canada does not have a primarily oil-dependent economy—oil and gas account for 25% of its goods exports[7]—it nonetheless provides valuable lessons to other countries applying Deliverology® principles. Under Prime Minister Justin Trudeau's first term, the Canadian government leveraged structured routines, transparent data reporting, and accountability frameworks to effectively translate policy priorities into measurable results.

Setting Clear Government Priorities
Trudeau's government began by publicly issuing detailed Mandate Letters to each minister, outlining explicit, measurable goals. These clearly defined commitments were aligned with the government's strategic priorities, providing transparency and a focused framework for ministerial accountability and public scrutiny.

Structured Routines
To ensure accountability and drive action, Trudeau established the Results and Delivery Unit (RDU) within the Privy Council Office. This unit implemented rigorous routines, including quarterly performance reviews (stocktakes) chaired by the Prime Minister. These structured sessions provided regular opportunities to track progress, resolve implementation issues, and maintain sustained focus on key policy outcomes.

Transparent Data and Public Engagement
The government emphasized transparency by developing Key Performance Indicators (KPIs) and regularly collecting performance data. This commitment to transparency was reinforced by launching an accessible online Mandate Letter Tracker, a public dashboard that showed real-time progress on ministerial commitments, categorizing them clearly as "Not Started," "Underway," or "Completed."

Proactive Problem-Solving
Quarterly stocktakes did more than track progress—they became critical problem-solving checkpoints. By openly discussing challenges and potential solutions directly with ministers and senior officials, Trudeau's government created an environment where implementation barriers could be acknowledged and rapidly addressed. Despite the complex landscape of managing over 430 tracked commitments, this proactive and transparent approach facilitated significant advances on strategic priorities such as infrastructure investment, climate action, and expanded child benefits.

[7] United Nations. UN Comtrade Database, 2024. UN Comtrade, https://comtrade.un.org/. Accessed May 2025.

8. Communicate to Build Belief and Urgency

A strategy is only as strong as the belief behind it. And belief is built through communication—not once, but repeatedly, clearly, and across every level of the system.

One of the most overlooked drivers of delivery is *relentless communication*. In the context of economic diversification, where the shift profoundly affects institutions, social contracts, policies, and mindsets, leaders must go far beyond issuing vision statements or publishing national strategies. They must consistently explain *why change is urgent*, *what success looks like*, and *how everyone contributes to it*.

As John Kotter reminds us in *Our Iceberg Is Melting*, leaders often underestimate how many times they need to say something before people believe it. If you think you have communicated enough, you probably need to do it ten times more.

- **Repeat the core message across all levels:** Leaders must model the message. When ministers and heads of government echo the same narrative, it sets the tone for the system. Use every event and forum such as cabinet meetings, town halls, sector routines, media, and internal communications to reinforce the diversification story.

- **Make it simple, visual, and grounded in reality:** Use dashboards, real-world stories, and plain language to help people understand the journey and see their role in it.

- **Celebrate progress, but stay honest:** Acknowledge what is working, but be transparent about what is not. Transparency builds trust, and trust builds commitment.

- **Tailor the message to the audience:** Government leaders need to hear how the strategy links to their work. The people need to see how diversification delivers a better future for them and their children. Private sector partners need clarity on policy direction and stability.

In a region transitioning from a state-led, oil-dependent development model to a more diversified, private sector-led one, communication is not a side activity but a strategic lever. Leaders who communicate well build urgency, alignment, and belief, making it possible to advance an economic diversification agenda.

Conclusion

Delivering at the Scale of Ambition

The GCC stands at a historic inflection point: Visionary leadership, bold national strategies, strong financial resources, and rising institutional capacity are aligning to create a once-in-a-generation opportunity. Across AI, advanced manufacturing, transport, logistics, energy transition, financial services, and global sporting leadership, the region is moving confidently into the future.

But bold ambition demands even bolder execution. The path to economic diversification in the GCC is not a short-term sprint, but a long-term systemic transformation. It demands sharp focus on a few numbers, discipline in prioritizing specific non-hydrocarbon sectors to develop, budgets that match strategy, routines that drive action, data that confronts reality, and solutions that clear roadblocks. Above all, it requires a delivery culture willing to confront the hard truths, and leadership to build belief across society and stay the course when momentum wanes.

The stakes are high. With a young and growing population, volatile global markets, the energy transition, and the limits of the state-led development and social welfare model becoming more apparent, the region cannot afford slow or symbolic progress. Diversification is no longer a strategic option; it is an economic necessity and a generational responsibility.

Yet, the opportunity is real and powerful. The GCC nations combine visionary leadership, bold national strategies, substantial financial capital, and increasingly effective governments. Notably, four of the six GCC nations rank within the top quartile globally in the World Bank’s Government Effectiveness Index, reflecting strong institutional capacity to implement ambitious reforms. What is needed now is relentless, disciplined delivery to turn ambition into results that will reshape the region's future and transform the lives of current and future generations.

Delivery Associates

Delivery Associates (DA) is a global social impact consultancy specializing in transforming the public sector. With over a decade of experience and a foundation in Deliverology®, DA guides leaders through every phase of implementation—strategy formulation, execution, and evaluation. DA partners with governments, philanthropies, and international organizations, employing actionable strategies to achieve sustainable, lasting outcomes.

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