



Past, Present and Future: SMEPOLicy in Egypt

Conference Report

January 15-16, 2008



Ministry of Finance



Canadian International Development Agency (CIDA)



International Development Research Centre (IDRC)

About SMEPol Project

The Small and Medium Enterprise Policy Development Project (SMEPol) is a partnership between the Egyptian government represented by the Ministry of Finance and the Canadian government represented by the Canadian International Development Agency (CIDA) and the International Development Research Centre (IDRC) which is the Canadian Executing Agency. SMEPol Project aims to support Egypt's transition towards a market economy by assisting the Government to improve the policy environment for M/SME development.

The SMEPol Project started in the year 2000 with the overall objective of creating an enabling environment for M/SME development resulting in reduced financial and non-financial constraints facing this sector. The focus of the project since the year 2000 until 2006 has been on developing research-based M/SME policies in key areas such as SME Competitiveness, Access to Finance, Legal Reform, Government Procurement, among others. During the last 18 months, SMEPol's main focus was to facilitate the implementation of key M/SME policies within the original scope of the project with a strategic focus on key interventions within the purview of partners' strengths, mandates and capacity.

Throughout the last seven years, SMEPol Project has produced about 50 research studies, built the capacity of key government partners, and achieved an improved policy development process among various governmental and non-governmental M/SME stakeholders in Egypt. For more information, please visit www.sme.gov.eg

About the Conference

The "Past, Present and Future: SMEPOLicy in Egypt" conference is a celebration and recap of the 7-year accomplishments of the SMEPol Project and a look forward. The objectives of the conference are to create a forum for highlighting past policy achievements, including reflections on lessons learned, sharing Egyptian and international experiences on SME policy and program developments, and generating momentum for the next stage of SME development efforts in Egypt.

The conference program included a series of plenary and parallel sessions dealing with M/SME policy relevant themes as well as achievements and lessons learned from the SMEPol project and discussion of future directions. **All conference presentations are available online on <http://www.sme.gov.eg/EndConference/Day1.htm> and <http://www.sme.gov.eg/EndConference/Day2.htm>**

Sessions Report

Day 1
January 15, 2008

Opening Session

Speakers:

Dr. Youssef Boutros Ghali, Minister of Finance

Mr. Philip MacKinnon, Canadian Ambassador to Egypt

Dr. Eglal Rached, Regional Director, International Development Research Centre (IDRC), Middle East Office

Main points addressed by the speakers:

Dr. Youssef Boutros Ghali, Minister of Finance

- His Excellency, Dr. Ghali, expressed his happiness about the progress made in the unique area of SMEs, where progress is difficult to achieve particularly in a country with inherent customs and traditions like Egypt.
- Seven years ago, there was hardly anything known about SMEs. However, nowadays after successfully implementing the tax system reform and other necessary reforms, the progress achieved is finally felt.
- His Excellency extended special thanks to all Egyptians and Canadians who participated in the SME Policy Development Project (SMEPol) for their sincere and arduous efforts throughout the duration of the project to improve Egypt's economic situation and help solve its economic problems. On the other hand, to refute allegations that the progress achieved in the area of SMEs is unnoticed and prosperity is not felt by citizens, Dr. Ghali explained that the progress achieved is just a start and more efforts must be made to activate it by finding solutions capable of reflecting progress in real life.

Mr. Philip MacKinnon, Canadian Ambassador to Egypt

- The Ambassador expressed his happiness about this conference, which aims to formulate the results of the Canadian-Egyptian partnership and to highlight the achievements made worldwide in places such as Malaysia, South Africa, Jordan and other countries.
- The main results achieved are:
 - developing government capacity to support SMEs,
 - activating the role of all concerned parties, and
 - facilitating SME entry into markets.
- The partnership between the Egyptian Ministry of Finance and the Canadian International Development Agency (CIDA) along with the International Development Research Centre (IDRC) proved to be efficient and is deemed a symbol of the existing cooperation between these agencies, especially in Egypt.
- Canadian partners have exerted enormous efforts to alleviate poverty, activate partnership and support SMEs. They also called for changes to be made by using all

possible means of cooperation in order to address numerous existing problems such as gender inequality and child labour.

- The ambassador stressed the importance of the private sector role in the area of SMEs and urged the government to make some changes in the business environment; otherwise any efforts targeting SMEs will fail. This is in addition to developing entrepreneurial skills.

Dr. Eglal Rached, Regional Director, International Development Research Centre (IDRC), Middle East Office

- Dr. Rached gave the audience an overview of IDRC and its activities regarding its worldwide support of research in order to establish economic solutions and build capacity in the areas of community development, productivity, policy implementation and private sector support. IDRC has 7 regional offices, including one in Egypt.
- IDRC entered into this partnership because of its awareness of SMEs' importance to Egypt. It also sensed the Egyptian government determination to remove all obstacles facing SMEs.
- Many deliberations and discussions were held with the concerned parties, information regarding this issue was published on the Internet and many forums were held on the subject. SMEPol carried out a large number of policy research studies and released at the conference a copy of a report entitled "From Research to Results"; containing a summary of the studies conducted and their influence on policy changes.

Plenary Session on “SME Policy Development in Egypt, 2000 – 2007”

Moderator:

Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance

Speakers:

Mr. Nabil Rashdan, Advisor to Minister, Ministry of Finance

Ms. Manal Hussein, Deputy Minister, Ministry of Finance

Dr. Samiha Fawzy, Deputy Minister, Ministry of Trade and Industry

Mr. Hany Seif El-Nasr, Managing Director, Social Fund for Development (SFD)

Main points addressed by the speakers:

Mr. Nabil Rashdan, Advisor to Minister, Ministry of Finance

- The SME Policy Development Project (SMEPol) started in 2000. It was based on four pillars: policy development, consultation with stakeholders, studies and research, and capacity building of the SMEPol staff.
- The main objective of SMEPol is to create an enabling environment for SMEs in Egypt through collaboration with stakeholders. He noted that SMEPol recently issued the SME Government Services Guide, which responded to the need for transparency regarding government services as well as the demand from SMEs for knowledge about the necessary steps to obtain official documents for starting and operating a business.

Ms. Manal Hussein, Deputy Minister, Ministry of Finance

- Seven years ago, awareness of the SME sector in Egypt was incomplete. SMEPol faced a number of changes along its way: the Canadian Ambassador to Egypt was replaced, as well as the Head of Aid at the Canadian International Development Agency (CIDA). Moreover, SMEPol used to be affiliated with the Ministry of Economy, which became the Ministry of Economy and Foreign Trade, then the Ministry of Foreign Trade and finally the Ministry of Finance. The continuous change in affiliation was a major challenge facing the SMEPol Project.
- The competition among stakeholders to implement SME Policy was praised in addition to the donors' desire to develop this sector (i.e. the Canadians, the Americans, International Labour Organization (ILO), United Nations (UN) and the German Technical Cooperation (GTZ)).

Dr. Samiha Fawzy, Deputy Minister, Ministry of Trade and Industry

- Any project will come to an end. However, capacity development, establishment of a specialized unit and issuance of the SME Guide are important and noticeable outcomes of SMEPol's continuous impact.
- Economic growth cannot be maintained without the participation of a large number of projects to ease the burden of unemployment, establish social justice and engage the community in the process of achieving and enjoying growth.
- It is important to change the image of SMEs as vulnerable entities. They represent 65% of registered companies in the Qualified Industrial Zones (QIZ). SMEs have a great opportunity within the present global changes, but they basically need a spirit of initiative and creativity.

Mr. Hany Seif El-Nasr, Managing Director, Social Fund for Development (SFD)

- The SFD is responsible for micro and small enterprises but it cannot develop them on its own.
- After examination of international experiences, it became evident that the major obstacles impeding MSEs are the difficulty in obtaining financing, lack of marketing experience and skills as well as the need to streamline regulatory procedures.
- The SFD was able to provide necessary financing and to collaborate with all institutions to reach out to target MSEs. All parties were involved in formulating the implementation mechanism.
- Studies were undertaken, standard pilot projects were created, skills were enhanced, education outcomes were employed and MSEs were incubated for certain periods of time.

Discussions:

- There is a gap in the support structure for SME. Also, a lot of micro enterprises prefer to refrain from registering themselves in the Income Tax Authority. This deprives them of many services and minimizes their growth opportunities. Therefore, the New Income Tax Law is based on mutual trust between taxpayers and the Taxation Authority to encourage entrepreneurs to register their enterprises. As a result, the Tax Authority proceeds quadrupled in 3 years. It is also important to emphasize the importance of collaboration and consultation among governmental agencies on development issues.
- There are remarkable models of micro enterprises that grew into small ones. A study was conducted to examine the factors contributing to the growth of micro enterprises into small then into medium enterprises.
- The SFD started to draw up an investment map for each governorate including all data relevant to each governorate. Nevertheless, there is a need for more funding in order to identify the targeted groups.
- A new law is being discussed to raise the value for registration in the Sales Tax Department to enterprises with a capital of more than EGP 500,000. If that law is adopted, micro and small enterprises will be exempted.
- We must not forget that production and quality are the two main problems. However, we can overcome them through the Industrial Modernization Programme (IMP) and the provision of technical support and training. The IMP offers technical services, training, quality services and develops both labour skills and work methods. There are 10 business incubation centers in addition to programmes specially designed for industrial clusters.

Parallel Sessions

Session 1: “Legal Frameworks and Regulatory Environment: SMEs and Reform Challenges”

Moderator:

Eng. Tarek Thabet, Managing Director, Megacom Consulting

Presenters:

Ms. Nevine El-Shafei, Vice Chairman, General Authority for Investment and Free Zones (GAFI): "Responding to the Doing Business Indicators"

Mr. Alf Monaghan, Senior Advisor, United States Agency for International Development (USAID): "The Guillotine Approach to Regulatory Reform"

Mr. Azmy Mostafa, Head of the Technical Office, Social Fund for Development (SFD): "Reducing Informality"

Eng. Tarek Thabet briefly highlighted the following points:

- SMEs have been on the government agenda for a long time.
- All business sector studies dealt with SMEs such as the 2004 study conducted by the Egyptian Center for Economic Studies and the 2005 study conducted by Megacom.
- The most important SME studies are those prepared by the World Bank; “Doing Business” which has a significant effect on the world perception of the Egyptian economy.
- SME development requires streamlining of procedures from establishment, licensing and operation to closure.

Presentations:

Main points addressed by the presenters:

Ms. Nevine El-Shafei, Vice Chairman, General Authority for Investment and Free Zones (GAFI): "Responding to the Doing Business Indicators"

- The presenter gave an overview of GAFI and its role in streamlining investment procedures; data collection and submission of proposals related to policy; legislative reforms; and investment environment improvement.
- The World Bank assisted in GAFI structural and institutional reform and the establishment of GAFI Policy Advocacy Unit, responsible for making procedural and legal recommendations.
- The presenter tackled the state of investment in governorates and GAFI's supportive role in this matter.
- A list of some of the international agencies and organizations cooperating with GAFI: the World Bank, Megacom Consulting, USAID, United Nations Development Programme (UNDP), United Nations Conference on Trade and Development (UNCTAD), United Nations Industrial Development Organization (UNIDO) as well as twinning projects with the German Technical Cooperation (GTZ) concerning GAFI restructuring and staff capacity building.
- The presenter shed some light on the support provided by GAFI to SMEs, differences in capital sizes and both maximum and minimum capital for small and micro enterprises.

- She also pointed out the different limits set by the four major banks granting loans to SMEs. SMEs registered at GAFI total 140,000 companies. GAFI is trying to ensure that smaller enterprises receive more funds and support.
- In general, a large portion of enterprises registered with GAFI are concentrated in Cairo (55%), followed by Alexandria and the Delta.
- The main problems facing SMEs are financing, lack of awareness of investment opportunities, practical experience, marketing and infrastructure.
- Among the possible solutions for the financing problem is the enhancement of SME financing through:
 1. establishing a database for all financiers;
 2. preparing a report on targeted groups, financial needs and risks; and
 3. developing business plans and credit schemes for SMEs.
- The lack of awareness problem can be solved by cooperating with all stakeholders and partners in order to develop a strategy to raise awareness of SMEs.
- GAFI supports SMEs through: investment maps, field visits, enhancing business links by working with the SFD, assisting SME owners in accessing finance, familiarizing SMEs with investment opportunities suitable for them and improving the investment environment.
- Investment maps in some governorates provide data on enterprises and areas where competitive industries are found (e.g. the agricultural sector is concentrated in Upper Egypt) as well as other information available at GAFI for any interested party.
- She noted the Doing Business indicators and the improvement in SMEs numbers, in addition to the efforts exerted by the Egyptian government on each indicator, particularly in the Starting a Business indicator which examines the number of procedures, time and cost required to start a business.
- The presenter made a point about reducing registration cost and its positive impact on the number of registered businesses.
- The Credit Bureau will help in financial leasing and mortgage, which will have a positive impact on SMEs.

Mr. Alf Monaghan, Senior Advisor, United States Agency for International Development (USAID): "The Guillotine Approach to Regulatory Reform"

- Holding on to inefficient laws and the lack of review and analysis thereof lead to waste of time and failure to achieve the intended target of reform.
- To achieve structural reform, all rules and procedures must be revised, especially those requiring filling out long, useless and time-wasting forms.
- Reforms and changes made by the Ministries of Investment, Trade and Industry, and Finance to improve the business environment were commended.
- A Regulatory Guillotine Approach must be adopted.
- To make the transition from a controlled economy to a market economy, obsolete laws must be repealed. It must be realized that applying the same controlled economy laws to a market economy is incorrect and would undermine new reforms.
- The new economy requires new laws and regulations just like new challenges require new responses.
- Changes in Egypt are required in the regulatory framework. This entails revision of existing laws and evaluation of the status quo to decide whether new laws are needed or not.
- Egyptian studies indicate that nearly 95% of Egyptian companies are SMEs, aiming primarily to alleviate poverty. Regulatory reform would lead to the establishment of

more SMEs and the creation of more jobs. This would improve the Gross Domestic Product (GDP) and create a better economy.

- Small enterprises need regulatory reform more than large ones; in that the former suffer five times more burden than the latter when it comes to dealing with laws and procedures. Indeed, in large enterprises, public relations departments along with a big number of staff handle legal procedures, whereas in small enterprises the owners must handle these procedures themselves.
- Ireland provides a very promising example on how to support SMEs by raising standards of health, security and environment.
- Reform tools include:
 - applying the Regulatory Guillotine Approach and analyzing the current situation to identify laws, rules and procedures that must be introduced, and
 - stressing the government's pivotal role in revising and avoiding redundancy of laws and procedures. This is a two-stage process, the first stage of which consists of three steps:
 - requiring all relevant ministries in Egypt to list all applicable laws and regulations affecting SMEs,
 - determining whether there are any redundant laws, and
 - repealing redundant laws.
- In the second stage, a final revision of the remaining laws is made after repealing redundant ones. Moreover, laws are examined to ensure that they are not only legally correct, but also encourage both businesses in general and SMEs in particular.
- Regulatory reform starts from within the government. However, the government must ensure that the business community is desirous of this reform before embarking on it. Consequently, civil society participation and its feedback are of paramount importance, in that if such reform is neither acceptable nor beneficial to stakeholders, it will be useless.
- The Regulatory Guillotine Approach does not preserve obsolete laws: in fact it disposes of them and replaces them, if necessary.
- Measures must be taken to reduce legal burdens, therefore risks should be identified and the advantages of adopting any new laws or rules should be assessed.
- The USAID pilot project in Alexandria revealed the following:
 - Most of the problems facing Alexandria in the SME sector are primarily regulatory ones.
 - SMEs are very important and hindering them would harm Egypt's GDP.
 - Non-adoption of regulatory reform would seem like imposing a punishment on small businesses for their hard work.
 - Streamlining of procedures is inevitable.
 - A new technology should be adopted to facilitate entrepreneurs' submission of registration applications and filling out forms.
 - Regulatory reform is not limited to improving administrative aspects only, it also extends to answering inquiries through customer service, communication with the clients by phone or Internet, explaining how to acquire business licenses and applying the one stop shop system.
 - Transparency must be practiced in general, especially in connection with inspection, examination and auditing.
- A summary of the advantages of regulatory reform for SMEs:
 - reducing administrative burdens,

- achieving transparency,
- reducing unnecessary waste of time,
- increasing corporate flexibility and competitiveness,
- increasing profits, and
- facilitating doing business.

Mr. Azmy Mostafa, Head of the Technical Office, Social Fund for Development (SFD): "Reducing Informality"

- The Informal sector is a sector not subject to registration, regulation, statistics, or monitoring. It does not respond to government rules but it practices legal activities. It is sometimes called the unregulated sector and it differs from the illegal sector.
- The five bases of a formal sector are 1) a commercial register, 2) an operation license, 3) a tax card, 4) social insurance, and 5) accounting books.
- The informal sector is made up mostly of family businesses where wages, if any, are very modest; business activities are simple and demand is handled with a very high degree of flexibility.
- The informal sector is often found in slums or highly crowded areas.
- This sector includes around 40 tangible activities such as garbage collection and home-delivered services like hawkers of dairy products, newspapers, fruit and vegetables and natural gas cylinders.
- Reasons for the emergence of this sector are:
 - difficulty of entry procedures into the formal sector,
 - haphazardness, and
 - fulfillment of needs unmet by the government and the civil society.
- Attempts to measure the size of this sector and the differences in the resulting data indicate that the number of business enterprises according to the 2006 Census is 4.6 enterprises made up of large, medium, small and micro enterprises. Of this number, 2 million enterprises are closed or inactive; 2.3 million are owned or managed by one person. Nearly 70%-80% of these enterprises are informal, if judged by the five formal bases mentioned above.
- It would be difficult to provide alternative job opportunities to individuals working in the informal sector if they were forced to give up their work. Wages amount to EGP 65 billion in this year's budget. It is noteworthy that this sectors employs around 6 million persons and the least productivity achieved in this sector is EGP 300 billions, i.e. 50% of the Gross National Product (GNP). Accordingly, the situation should be carefully examined and analyzed before dealing with this sector.
- The advantages of the informal sector:
 - creation of job opportunities for nearly 30% of the workforce,
 - accommodation of unskilled or semi-skilled labour, which the formal sector cannot accommodate,
 - large flexibility in producing goods for the poor and the lower income categories,
 - recycling of waste and secondary products, and
 - flexibility in providing personal services and delivering them to consumers wherever they are.
- Disadvantages of the informal sector:
 - haphazardness,
 - non-compliance with specifications,
 - lack of registration and benchmarking, and

- non-compliance with health and environmental standards as well as government rules.
- The fishing industry produces 900 thousand tons of fish annually, 55% comes from fish farms, of which nearly 60% are informal or unregistered.
- The poultry industry produces 2 million chickens daily, 25% of which are home bred, i.e. informally bred.
- Methods of dealing with the informal sector:
 - Arbitrariness and pursuit: this approach did not work and was counterproductive.
 - Leaving the sector "as is" and developing it until it reaches the required standards.
 - When enacting laws and regulations aiming to provide a convenient investment environment, they should be drafted in a manner consistent with the informal sector needs. Furthermore, the five formal entry criteria should be reduced to one or two.
- There are examples of lack of vision when dealing with the informal sector that led to unfavorable results. This sector should be dealt with patiently and carefully due to its importance and large size. For instance, formal garbage collection companies excluded the informal sector and undertook the role that sector does best in the first three stages of waste collection, i.e. collection, transportation and sorting. Consequently, these formal companies failed to perform the remaining two stages of garbage collection. Another example is large dairy production companies with a capital of EGP 40 – 50 million. These companies failed to compete with dairy hawkers who charge less, provide full cream milk and deliver dairy to consumer doorsteps.
- The term "*gina'at beir es-sellem*" (stairwell industries) is inaccurate and contradicts the benefits gained from this large sector. Instead, it should be called "home businesses". Moreover, describing stairwell industries as being always non-compliant with specifications is incorrect. This is proven by examples from Japan and the Asian tigers. The term "stairwell industries" should be re-examined to evaluate whether it supports development or contradicts it.
- The informal sector should be approached with caution to clearly identify its pros and cons and carry out more accurate measures of its size and contribution to the national economy. In addition, standards should be set to motivate informal sector enterprises to move into the formal sector, rather than pressuring them to exit the market.

Discussions:

- Egypt witnessed an improvement in the investment sector, which was demonstrated by Egypt's high ranking in the reform index of the World Bank Doing Business Report.
- Before adopting the Regulatory Guillotine Approach, the true need for it should be closely examined. This also applies to the impact of any legislation on the business environment (regulatory impact assessment).
- A distinction should be made between the informal sector providing personal services and accommodating a large labour force, and the informal sector consisting of informal entities that could be registered easily but are reluctant to do so.
- Some argue that there are various types of consumption. Accordingly, the ages of informal sector labour should be taken into account, so should the possible transition in consumption patterns and the time needed for such transition. For instance,

hawkers' competition with dairy factories is a consumption pattern and is irrelevant to formality and informality.

- The increase in the number of registered businesses is a good sign; however, it takes place mostly in Cairo. This is unfortunate because Upper Egypt and remote areas are showing no signs of increase in the number of registered enterprises.
- A new sector has been established in GAFI particularly to raise awareness of GAFI's services and the one stop shop, so that enterprises outside Cairo will be encouraged to register.
- The Ministry of Trade and Industry introduced many incentives in Upper Egypt such as facilitating acquisition of land and offering cash incentives upon employing a certain number of workers. The most important thing is to raise awareness of such incentives.
- In May 2007, the article on establishing investment zones was amended. This would help manage investment zones just like free zones, which would eventually assist in mainstreaming of establishing and licensing procedures.
- The Ministry of Investment and GAFI recently established the first financial leasing company in Assiut.
- Analytical studies were conducted to identify obstacles hindering the establishment of new businesses in Upper Egypt. They showed that the main obstacles are distribution and marketing. The second step is to develop activities that would help overcome these obstacles. Nevertheless, this will take time.
- Regarding investment maps and entrepreneurship strategy in Upper Egypt, the government conducted a study to point out all the activities performed in all governorates.
- Many agencies, in association with SFD and various investors associations, offer great assistance and hold many workshops to bring stakeholders together and to strengthen ties among them.
- GAFI decided to establish a dispute settlement centre. This step will help SMEs to settle disputes that cannot be resolved in courts.
- A USAID-supported project trained sixteen persons. That project, implemented in Alexandria, is a pilot project. If it proves to be successful, it will be implemented in other governorates. That is why adoption of the Guillotine Approach as a whole is pending the resolution of all problems in Alexandria project. The Guillotine Approach is not substantially different from the government approach but it is faster and aims to make a large leap forward.
- Twenty five thousand businesses are being annually financed and this can only be done within the formal sector.
- Services such as the one stop shop can only be utilized by the formal sector.
- Services provided to the formal sector could be used as an incentive to informal businesses to join that sector. These services include offering help in acquiring the National ID Number.
- Micro lending should be encouraged and a minimum limit of specifications or standardization should be set for environment friendly businesses.
- There are attempts to turn an informal sector enterprise that receives its first microfinance loan into a formal one upon receiving the second and third loan.
- Success of an open economy requires the existence of regulatory frameworks with less cost and fewer risks, provision of a safe investment environment and disposal of hindering regulations that bring more harm than good. This is the optimal framework to attain better results.

Session 2: “SME Financing: Policy Issues and Trends”

Session Chair:

Mr. Ihab Qassem, Assistant Sub-Governor, Banking Operations, Central Bank of Egypt

Presenters:

Mr. Magdy Moussa, Senior Expert, Middle East and North Africa, PlaNet Finance: "The Impact of Micro Finance in Egypt"

Mr. Georges Boré, Senior General Manager, Corporate Banking and Investment, HSBC Bank, Egypt: "Banks and the SME Market"

Ms. Heba El-Serafy, Director, Research and Market Development, Cairo and Alexandria Stock Exchange: "Small and Medium Enterprises Stock Exchange (NILEX)"

Mr. Ihab Kassem briefly highlighted the following points:

- Respect of law is a must. However, problems always start with financing, the major problem facing SME owners.
- Financial institutions should look for SME owners to provide them with the necessary finance and help them establish their enterprises. South Africa is a good example of this principle.

Presentations:

Main points addressed by the presenters:

Mr. Magdy Moussa, Director, Middle East and North Africa, PlaNet Finance: "The Impact of Micro Finance in Egypt"

- PlaNet Finance is an international French service corporation with 75 offices worldwide. It is a non-profit institution, which managed to establish private sector companies in Latin America, Europe and the Middle East.
- In Egypt, the micro-finance sector includes 900,000 clients. However, their financial demands are not fully covered yet.
- The general objective of studying the impact of micro finance is to help those concerned with micro enterprises in Egypt ensure an effective and sustainable expansion of these enterprises and achieve their social duties regarding alleviation of poverty, economic development and empowerment.
- General results of the recent study of the impact of microfinance in Egypt include: the impact of financial and non-financial services and lending money to women. Specific results include: identifying social and economic characteristics, measuring the impact on households, women empowerment, in addition to assessing the demand for this kind of finance.
- The study methodology involved quantitative and qualitative methods, selecting samples and developing indices, conducting surveys, comparing results by the length of client participation in a microfinance program.
- Evaluation of the impact on both the economic activity and household was illustrated using figures and graphs.
- Main results of the study include:
 - Microfinance is considered to be one of the only external financing sources available to the economically active poor.
 - Microfinance ranks as the top contributor to increased revenues, commercial investments and job creation for clients.

- Microfinance contributes to improving family diet as well as improvement in education and health in clients' households.
- Microfinance allowed a sense of respect to prevail among enterprise owners.
- Microfinance can contribute to poverty alleviation by introducing new products and services to satisfy the needs of all types of clients.

Mr. Georges Boré, Senior General Manager, Corporate Banking and Investment, HSBC Bank, Egypt: "Banks and the SME Market"

- SME banks are usually referred to as the least important banks.
- Banks treat SMEs with inferiority.
- SMEs cannot be treated as marginal commercial activities.
- There is a lack of an encouraging culture for investment in SMEs.
- Despite the large size of the SME sector, it suffers from lack of demand by investors.
- The main challenges facing banks:
 - identification of markets to be targeted by SMEs; and
 - establishment of a responsive system to the special needs and expectations of SMEs.
- Expected needs of SMEs are fast service, facilitation of documentation and provision of a wide range of products and services.
- SME bank strategy must be based on offering a variety of services to swiftly meet the needs of SMEs.

Ms. Heba El-Serafy, Director, Research and Markets Development, Cairo and Alexandria Stock Exchange: "Small and Medium Enterprises Stock Exchange (NILEX)"

- NILEX is the first of its kind in the Middle East region.
- Objectives of NILEX:
 - attracting more local and foreign investments and directing them towards corporations achieving high economic growth;
 - assisting in the promotion of entrepreneurship and job creation;
 - providing long-term capital to expand commercial activity;
 - assisting in determining fair valuations for enterprises;
 - creating a better impression of SMEs among suppliers, clients, banks and other stakeholders;
 - assisting in mergers and acquisitions to create more competitive entities;
 - protecting investor rights;
 - providing investors with opportunities to diversify their investments by investing in high-growth enterprises;
 - ensuring market integration; and
 - providing a proper regulatory framework by setting registration rules.

Discussions:

- The Central Bank of Egypt's (CBE) role is to manage the banking sector but there are no specific regulations and standards to define SMEs.
- There are many definitions for micro and small enterprises: however they are usually defined based on their number of workers and volume of capital. Micro enterprises capital does not exceed EGP 50,000 while small enterprises capital ranges from EGP 50 thousands to EGP 1 million.

- Companies to be registered in NILEX are evaluated through a number of factors such as capital, which should not be less than EGP 500,000 or more than EGP 25 million. Activities of listed companies are monitored by the Listing Committee, which is especially concerned with monitoring growth opportunities and company economic situation.

Session 3: “Entrepreneurship and Innovation: Emerging Policy Issues”

Session Chair:

Mr. Mohamed Osman, Chief Operations Officer, Société Financière et de Commerce (SOFICO)

Presenters:

Mr. Laith Al-Qassem, President, Arabian Business Consultants for Development, Jordan

Dr. Bassel Hussein Roshdy, Chief Investment Officer, IT Ventures & IT Investments

Mr. Youssry El-Ghitany, Executive Director, Entrepreneurs Business Forum

Mr. Amr Gohar, Board Member, Egyptian Junior Business Association

Main points addressed by the presenters:

Mr. Laith Al-Qassem, President, Arabian Business Consultants for Development, Jordan

- In Jordan, youth have new ideas just like their counterparts in all other countries of the region. The government finances many youth enterprises. It used to provide youth with job opportunities in the public sector but now the situation is different. There is a new growth model, according to which Jordan needs to create 110 million jobs by 2020.
- It is important to keep an eye on the emerging economy, promote innovation and create an enabling environment.
- Jordan depends on the following key pillars: subsidies, governmental programmes, education and training, infrastructure, local market opportunities and social and cultural norms.
- According to the World Bank Doing Business Report, Egypt ranked first with regard to reforms.
- Capital is the main obstacle hindering entrepreneurship.
- Recommendations:
 - following a governmental policy consistent with capital requirements;
 - protecting intellectual property: there are unique elements such as research and development (R&D) and digital documents that need to be protected. Jordan has many universities as well as R&D divisions contributing to the quality of products;
 - training youth to raise their awareness of the importance of small enterprises and develop their skills;
 - developing financial support, i.e. “enterprise capital”;
 - culture development; and
 - innovation and modernization.

Dr. Bassel Hussein Roshdy, Chief Investment Officer, IT Ventures & IT Investments (IT Ventures): "Corporation Expertise and Development Related to SMEs"

- IT Ventures business in Egypt has different kinds of funds and investors.
- IT Ventures is involved in restructuring companies, preparing financial statements and reports, evaluating strategies and helping companies deal with future changes.

- IT Ventures employs a limited number of staff, in that most IT companies are small enterprises.
- Many IT Ventures projects went through different phases and faced various challenges before reaching maturity phase. Project managers may move from one project to another and this would adversely affect long-term projects.
- There is a need for investment and finding means to attract foreign investment.
- IT Ventures investment standards are management, commitment, managerial skills, business plan and effective investor participation.
- While implementing projects, IT Ventures faced the following risks: limited capital, lack of governance, compliance with laws, lack of a clear structure and wrong administrative decisions.
- Due to its concern with product quality, IT Ventures assigns technical advisors to determine whether products could be developed and updated.

Mr. Yousry El-Ghitany, Executive Director, Entrepreneurs Business Forum (EBF): "Businessmen Association Experience in Small Enterprises"

- The presenter defined entrepreneurship worldwide and highlighted its importance in stimulating innovation and creating job opportunities.
- Entrepreneurship in Egypt faces the following challenges: bureaucracy, financing, education, media, R&D and statistics.
- EBF's objective is to raise youth awareness of entrepreneurship and business culture.
- One of the major activities sponsored by EBF was a national competition held in order to present the award of best "Business Plan" under the auspices of His Excellency the Minister of Finance. EBF promoted the competition in Egyptian public and private universities especially in Fayoum, Mansoura, Beni Suef and Menia. The purpose of the competition was:
 - to penetrate public and private universities and encourage young graduates to start their own enterprises;
 - to provide financial and technical support to Egyptian youth; and
 - to train youth on how to come up with ideas for their enterprises.
- The other project was "New Enterprises Club". The basic service offered by the project is training by experience. Other services include:
 - familiarizing participants with successful experiences of other countries,
 - developing youth administrative skills, and
 - helping youth gain the necessary experience on how to establish new enterprises.
- The third project sponsored by EBF is "Successful Stories of Local Entrepreneurs" and is still under formulation. The project objectives are:
 - raising Egyptian youth awareness of the importance of entrepreneurship and the business culture, and
 - introducing Egyptian youth to entrepreneurs.
- EBF supports its members through a cooperation agreement with the Dutch institution PUM and holding special seminars to examine successful international experiences such as those of Scotland and East Asia.
- The EBF vision to increase and develop new enterprises in Egypt includes encouraging the civil society to support entrepreneurs, providing financial and technical support to new enterprises and offering media support to entrepreneurs.
- Negative inherited social beliefs are the main obstacle facing EBF.

Mr. Amr Gohar, Board Member, Egyptian Junior Business Association (EJB)

- EJB is concerned with developing youth work culture and attempting to make a notable impact on the industrial sector.
- EJB work is based on four pillars: strategy formulation, implementation, monitoring results, and organization.
- Organizational problems in Egypt include:
 - directing most of the focus to enterprises with a capital of less than EGP 50,000;
 - lack of entrepreneurial training on individual skills; and
 - lack of systematic inter-organizational cooperation.
- One of the challenges facing EJB is inadequacy and poor content of Arabic websites.
- EJB recently launched a competition entitled “Your Enterprise is a Reality” to encourage innovation and teach youth how to make an action plan for their enterprises.
- Recommendations:
 - holding training sessions on all levels;
 - increasing competitions related to entrepreneurial action plans;
 - providing financial and technical support;
 - encouraging companies through government policy; and
 - raising public awareness of intellectual property rights.

Discussions:

- Lack of scientific research in spite of being inexpensive.
- Enterprises in the Arab world do not know how to use a laboratory to create an idea or how to develop it.
- EJB does not impose certain ideas on youth: rather it gives them an opportunity to show their creative capabilities.
- EBF is attempting to make an addition to education curriculum on how to start an enterprise and how to be creative at work. This requires huge efforts.

Session 4: "Developing Young Entrepreneurs – The Policy Challenge"

Session Chair:

Mr. Greg Goodwin, Executive Director of Special Projects, Ministry of Community Services, Government of British Columbia, Canada

Presenters:

Dr. David Kirby, Dean, School of Business Administration, British University in Egypt: "Fostering Entrepreneurship in the Education System"

Mr. Mohamed Cherif Bouaoud, Central Director for Monitoring and Development Programme, National Agency for Supporting Youth Employment (ANSEJ), Algeria: "Supporting Young Entrepreneurs"

Ms. Fatma Sirry, Country Director, Students in Free Enterprises Egypt (SIFE)

Main points addressed by the presenters:

[Dr. David Kirby, Dean, School of Business Administration, British University in Egypt](#)

- Education should not be restricted to lecturing, instead it should include cooperation with students and development of their business skills.
- The presenter gave an overview of UK efforts to spread business culture in schools. This is also the new approach recently followed in Europe.
- Methods of communication with entrepreneurs should be established to put their experiences before undergraduates and postgraduates and encourage them to follow their steps.
- There is no standard definition for enterprise, in that some SMEs do not follow government rules. However, entrepreneurship is based on attitude or a way of thinking/behaving and it could be defined as the ability to create something from practically nothing.
- The traditional educational system is based on observation, analysis and description. Therefore, outputs of that system should be changed and a new educational system should be established based on creativity and innovation rather than analysis and description.
- Passive learning is one of the major challenges facing the education process. Therefore, it is suggested to teach university students how to collect data in order to develop the right lobe of the brain that relies on intuition, the main characteristic of an entrepreneur. This process could be achieved through a change of environment.
- The presenter explained the difference between the old education system, relying on passive understanding and critical thinking, and the new system, which creates enthusiasm among university students. Britain has already started to apply the new education system.
- The educational system adopted in Harvard University relies on teamwork, generation of data to be used in decision making and the creation of models to be followed. Thus, there is always willingness to give advice to youth and help them take initiatives.

Mr. Mohamed Cherif Bouaoud, Central Director for Monitoring and Development Programme, National Agency for Supporting Youth Employment (ANSEJ), Algeria: "Supporting Young Entrepreneurs"

- Algeria pays special attention to SMEs run by youth and their contribution to the development of national economy and promotion of local investment. It is well known that Algeria has gone through extremely hard times and major structural changes.
- Algeria is fostering SMEs through ANSEJ, which is striving to put an end to unemployment by providing the necessary funds to encourage youth enterprises and granting incentives and loans amounting to US\$ 16,000. ANSEJ also aims to enhance the social mechanism by reducing unemployment through funding and meeting youth needs.
- ANSEJ financing is divided into two levels: the bilateral financing and the trilateral financing.
- Stages of establishing a small enterprise:
 - creation of the enterprise idea,
 - reception and orientation of the idea,
 - preparation of the enterprise,
 - bank approval of the enterprise financing,
 - development of entrepreneurial skills, and
 - implementation and follow up of the enterprise.
- Assistance and incentives granted during implementation of small enterprises:
 - Exemption of charges added to the basic value.
 - 5% reduction of tariffs.
 - Tax exemption.
- Activities of small enterprises could be expanded by making use of these incentives three years after establishment.
- Financed enterprises include, according to sector, traditional industries, irrigation, marine fishing, transportation, etc.

Ms. Fatma Sirry, Country Director, Students in Free Enterprises Egypt (SIFE)

- SIFE is a network seeking to link executives with university students to create a better community. SIFE is important because it helps others establish a better environment for entrepreneurs and urges them to communicate with university students.
- There is an efficient cooperation between SIFE staff and the Ministry of Higher Education. SIFE is found in more than 40 countries.
- After highlighting the unemployment rate in India, SIFE created job opportunities for youth.
- SIFE's vision is to establish a partnership between business people and university professors to overcome business challenges and offer advice to university students. SIFE prepares university students to be economically and socially oriented leaders equipped with confidence, optimism and the ability to envisage their goals. This is the reason why large corporations employ SIFE to evaluate university student skills.
- SIFE was implemented in the German University in Cairo; Universities of Ain Shams, Helwan, Zagazig, Menoufeia and Cairo; and the Canadian International College in Cairo.

Discussions:

- Eighteen years ago, Britain did not pay much attention to small enterprises, which did not attract American or Japanese investments. Manufacturers' lack of experience was overcome by establishing cooperation ties between the government and small investors to support them. A complete agreement was reached between both parties on this subject. However, support is not limited to financial assistance only: it also includes gaining of experience.
- Algerian youth lack capacity. Meanwhile, small enterprises face, on a daily basis, a lot of administrative, financial and marketing problems in addition to problematic relations with others. In reality, small enterprises have not established a place for themselves in the Algerian economic structure, given that not so long ago the national economy was totally controlled by the state.
- During the period 2003-2007, a follow up process resulted in an agreement between ANSEJ and various sectors to create more job opportunities. Many enterprises were established in various sectors and national corporations helped them strengthen national business ties. Youth managed to create new opportunities for their work, in that the Algerian economy does not sufficiently support small enterprises. This greatly reduces the burden on the government because it used to be responsible for all aspects of the economy.
- Unemployment in Egypt is not due to lack of job opportunities, instead it is due to lack of experience. Any person interviewing a young job applicant would feel that, even if that person graduated with high honors. Consequently, the educational system must provide young people with sufficient qualifications to prepare them for professional life.
- Skills are important and necessary because we are competing with four large powers: Russia, USA, China and India. Therefore, teaching industrial and marketing skills is inevitable. Education is not enough in itself; it must be backed up by development of practical and applied skills. Any person can develop his/her capacities, irrespective of age. Most people are not natural born entrepreneurs. Even natural born entrepreneurs face problems with regulations, marketing and competition. However, if an entrepreneur succeeds in Egypt, s/he will also succeed in the US as long as s/he has success potential.
- All persons attending the conference could be naturally gifted entrepreneurs. However small enterprises need to be supported and to learn from their experiences. Entrepreneurs should not be equipped with the necessary tools only: they should also be assisted to change their attitudes.
- ANSEJ uses the Joint guarantee Fund to provide guarantees to loans granted to youth, in case their small enterprises fail.
- Young Egyptian entrepreneurs should be provided with social funding. SIFE holds training sessions for university students. This is what makes SIFE different from other educational institutions; it creates a new generation of leaders. University students deal with the community positively in order to achieve success. Many students are running small businesses.
- When the speakers were asked to address three comments to the Egyptian Prime Minister, they responded:
Ms. Fatma Sirry: To receive sufficient support for SIFE from the Ministry of Higher Education because it provides Egypt with something it needs.
Mr. Mohamed Cherif Bouaoud:

- Community and developmental agencies should consult with SME owners to reach a bilateral understanding of their situation, in that they deserve to have their problems and needs heard.
- Regarding the Algerian experience, competent authorities should implement consistent policies to boost youth confidence.
- The idea of building youth capacity is quite valuable in itself but it must be implemented professionally.

Dr. David Kirby:

- Launching a national campaign and making use of various media.
- Training students, trainees and educators themselves to support the infrastructure.
- Urging large companies to support small ones economically within a general environment of competitiveness. This would strengthen the economy and provide a great opportunity for small companies.

Plenary Session on “SME Policy: Lessons from International Experience”

Moderator:

Dr. Eglal Rached, Regional Director, International Development Research Centre (IDRC), Middle East Office

Presenters:

Ms. Sara Dien, Economic Counselor, South African Embassy in Egypt: "SME Policy in South Africa"

Mr. Mohd Ghazali Mohd Yunos, Head/Principal Consultant, Technology Venture Development, Techno-Economy & Commercialization Centre, SIRIM Berhad, Malaysia: "SME Policy in Malaysia"

Main points addressed by the presenters:

[Ms. Sara Dien, Economic Counselor, South African Embassy in Egypt: "SME Policy in South Africa"](#)

- The South African government realized that SMEs must be included in its priorities through drafting legislations and strategies and formulating a reform strategy. The South African reform strategy made use of other strategies.
- The long years of isolation forced South Africa (SA) to be separated from the international market.
- SME sector plays a substantial role in developing the SA investment market.
- Main objectives of SME development:
 - creating formal or informal job opportunities and employing less skilled and lesser qualified labour;
 - promoting competitiveness on the local, regional and international level. SMEs were one of the major factors which contributed to the entry of SA into global competitiveness;
 - increasing productivity, as SMEs contribute highly to the GDP;
 - redistributing commercial businesses in SA; and
 - alleviating poverty and raising living standards.
- Measures taken by the South African government to develop SMEs:
 - encouraging entrepreneurship in different SME sectors;
 - promoting economic empowerment of SME owners through different financial policies; and
 - building the capacities of this important sector.
- The South African government managed the implementation process by:
 - using strategic thinking and eliminating all non-strategic thinking;
 - introducing policies aimed to enhance SMEs;
 - creating an enabling environment for SMEs;
 - enacting the National Small Business Act, No. 102 of 1996 to support and implement SMEs; and
 - establishing institutions and organizations and carrying out operations that lead to setting guidelines to ensure compliance with legislations.
- The presenter gave examples of strategies launched at the small enterprises level. Many new initiatives were formulated and priorities were established. Moreover, economic reform plans put much focus on the poorest geographical areas. The following points were presented:

- Many sectoral initiatives were launched to introduce new products, provide support to small enterprises and improve market penetration.
- Expansion SME supporting infrastructure.
- The South African Growth Initiative for Small Enterprises includes:
 - establishing SMEs;
 - reducing the burden on SME promoters;
 - facilitating access to capital;
 - creating a partnership between the government and small investors in the form of joint ventures; and
 - achieving development through collaterals; the current system provides such collaterals through different commercial banks.
- Regional International Trade Strategy (RITS) supports industrial and commercial SMEs through promoting competitiveness. It includes the following strategies:
 - An enablement strategy to provide black citizens with more opportunities;
 - the framework for women empowerment, including initiatives related to education, training, rural women and capacity building programmes; and
 - other strategies to boost SMEs.
- International and national institutions and organizations working with South African government include:
 - Canadian International Development Agency (CIDA).
 - Small Business Development Corporation, which aims to reach different geographic areas, creating one entry point for enterprises in those areas, as well as maximizing the benefits gained from these enterprises and the benefits they gain from governmental legislation.
 - A fund established by the government to deal with poverty, unemployment, capacity building and mobilization of local development associations support. The fund also provides grants to persons who wish to start their own enterprises mainly to make a living.
 - Koli Project, which ensures continuous provision of finance to emerging enterprises.
- SA achieved a great deal of success, still it faced a great deal of challenges such as:
 - lack of finance;
 - lack of government coordination programmes;
 - imbalance between interrelated bodies; and
 - lack of capacities.
- Some solutions:
 - diversification of SMEs;
 - efficiency raising and capacity building;
 - equal access to services; and
 - analysis of means to overcome structural problems.
- Success requirements:
 - adequate mechanisms;
 - adequate environment for commercial business;
 - follow up of mechanisms and procedures to ensure consistency; and
 - identification of factors affecting, and affected by, SME strategies.

Mr. Mohd Ghazali Mohd Yunos, Head/Principal Consultant, Technology Venture Development, Techno-Economy & Commercialisation Centre, SIRIM Berhad, Malaysia: "SME Policy in Malaysia"

- The speaker gave a brief overview of Malaysia itself. It is a small country with a population of 27 million persons and its economy is based on three major pillars. Recently, Malaysia celebrated its 50th Independence Day from Great Britain. It is a monarchy and legislations are enacted by the king and the Parliament (the Senate is comprised of 17 members). It is governed by a coalition government made up of several parties.
- By 2004, Malaysia managed to catch up with international competitiveness. It is now a member of many institutions and organizations. Malaysia witnessed a labour increase of 3.5%.
- In addition, Malaysia signed 17 treaties amounting to 3 million Malaysian Ringgits and investments increased by 23 million Ringgits.
- The reason behind this prosperity is the change of policies in order to encourage local investment.
- Small enterprises represent 60% of the national income. They assisted in the economic revival following independence from British colonization 50 years ago and Portuguese colonization. As a result, the country's name was changed from *Borneo* to Malaysia.
- The Prime Minister handles development planning, which goes through a number of phases. It is an open process of product export. In 1967, the Cabinet introduced new economic policies as well as a plan to increase stocks and support the national economy in order to alleviate poverty.
- 2020 Vision reflects targets of the General Development Plan launched in 1991 and lasting for 20 years in response to the strong desire prevailing the country.
- The purpose of national development is to establish more social justice.
- Regarding the plan used to identify required strategies for achieving sustainable development and more growth, the main points are to increase competitiveness in order to match modern economies. The government also tried to fight poverty and formed special policies to achieve balanced development.
- The new plan to achieve 2020 Vision: it is expected that the GNP will increase by 6% in 2010. This is the short-term objective. On the other hand, the principal industrial plan aims to make Malaysia among the top industrialized countries. Therefore, special financial policies were followed in the Stock Exchange, in addition to different policies regarding industrialization, commercial activities and the like.
- In 2006 the state started to:
 - change its plan from exporting to manufacturing;
 - reduce imports;
 - train labour;
 - attract foreign investment; and
 - focus on strategic sectors.
- The most remarkable example is found in the Malaysian car industry, where plants manufacture whole cars that are being seen now in the streets of Egypt.
- Factors leading to national growth must be taken into account, especially supporting different industries such as chemical and agricultural ones. Between 1996-2005, major policies were formulated to achieve development of human resources.
- The second industrial plan was based on industrialization, basic industries and logistic matters. Regarding the industrial sector, the state is focusing on SMEs, by

encouraging them through marketing and exporting. Malaysia implemented an industrial development process targeting 22 industrial areas.

- Focus is concentrated on three domains:
 - The international group (specialized in chemicals and petrochemicals).
 - Policy targeted enterprises (cars and equipment).
 - Resource related groups (food and agricultural products).
- In 2006, Malaysia adopted a new plan, through which it managed to compete globally in service and agricultural sectors. It also targeted a number of development-related areas such as education, training and health care.
- Government projects are the subject of long and medium-term plans. The 2006-2010 medium-term plans target stability. In addition, there is a special schedule of industrial projects aiming to place Malaysia among leading industrialized countries.
- Five basic tasks are required to develop the economy and change industrialization-related thinking: sustainable development support as well as raising efficiency and capacity. All these tasks and plans will work towards making Malaysia one of the leading industrialized countries in the world by 2020, as a result of its competitiveness and industrial progress.
- Each medium enterprise employs around 150 workers and has a capital of nearly 25.5 million Ringgits. Such enterprises are often found in industrial domains, especially IT. They reflect Malaysia progress compared to other Asian states such as China, Japan, Philippines and Singapore.
- SMEs contribute largely to the Malaysian economy growth. Out of 523,000 registered enterprises, 99% are SMEs.
- The Small and Medium Enterprises Council (SME Council) plays a crucial role in supporting SMEs; it offers them supportive strategies. The Malaysian government, comprised of more than 30 ministries, is keen on achieving integration and collaboration among SMEs. More than 19 members of the SME Council are working and consulting with each other in order to develop and support SMEs. The secretariat of the SME Council, which is in the process of electing a new secretary, cooperates with the Central Bank.
- Malaysia is developing small enterprises to compete with developed countries, and is implementing strategies to support this type of enterprises. A number of programmes are being formulated to support medium enterprises as part of the Malaysia infrastructure.
- The SME Council meets twice a year and issues an annual report. It issued a report in July 2006. There is an annual plan for developing medium enterprises, and each ministry has to implement and adhere to its own plan in accordance with the 2006 plan.
- A special SME database was established to facilitate tendering, training and awareness raising of the importance of these enterprises. This is why the Malaysian government allocated 5.8 million Ringgits to finance SMEs.
- Many governmental initiatives are dedicated to innovative projects and capacity raising in this field. One of those initiatives is SIRIM, which aims to raise skills, capacities as well as to provide technical consultancy services. Some ministries adopt such initiatives, such as “Marketing Capacity Development Project”, to develop infrastructure.

Discussions:

- The big challenge facing cooperation between the Egyptian government and citizens lies in the inter-agency coordination. The government realized that our economy depends heavily on SMEs, therefore, attempted to develop frameworks and legislation to support them.
- With regard to the Malaysian experience, 18 members from all ministries, as well as from some departments of the Ministry of Foreign Affairs, follow up the export process. The budget is prepared through certain programmes and steps. Moreover, SME programmes are compared with other programmes to determine their consistency.
- In Malaysia, stakeholders used to work separately until it was suggested to assign a clear definition to small enterprises. The first step was to reach a common definition. There are also several registration centers, in which industrial and commercial enterprises could be registered.

Day 2
January 16, 2008

Session 5:
**“Enhancing Policy-Research-Consultation Interface:
Policy Implementation Challenge”**

Session Chair:

Mr. Tamer El-Meehy, Managing Director, Entrust Management & Development

Presenters:

Dr. Samir Radwan, Advisor to the Chairman, General Authority for Investment and Free Zones (GAFI)

Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance, Egypt: "The SMEPol Project Experience"

Eng. Fouad Thabet, Chairman, Federation of Economic Development Associations: "SME Policies and the Civil Society"

Main points addressed by the presenters:

[Dr. Samir Radwan, Advisor to the Chairman, General Authority for Investment and Free Zones \(GAFI\)](#)

- The presenter gave an overview of the experiences of both the Economic Research Forum (ERF) and the Egyptian National Competitiveness Council (ENCC), starting from observation, idea, research, to political advocacy.
- The 2004 Davos Meeting discussed Egypt competitiveness compared to other countries based on the Global Competitiveness Report (GCR).
- The nine main factors determining a country's competitiveness are institutions, infrastructure, macro-economy, health and basic education, higher education, training, technology and its comprehension, e-readiness, enterprise growth rate and innovation.
- GCR includes nearly 260-360 indices.
- Egypt includes a large number of institutions. However, there are huge problems related to licenses, procedures and the cost of credit, which is different from "easy access to credit".
- The Doing Business Report, issued by the World Bank International Finance Corporation (IFC), stressed the same issues, i.e. the difficulty and complexity of procedures despite the large number of institutions.
- Egypt ranked low in innovation and labour skills.
- In last year's competitiveness assessments, Egypt ranked eighth among thirteen Arab states.
- Egypt is facing problems in the areas of market exit, contract enforcement and the quality and efficiency of the workforce.
- To deal with these problems, more research should be conducted as well as continuous monitoring of these indices and research findings should be translated into recommendations.
- As a result of the dialogue exchange with the government, a new report entitled, the Egyptian Competitiveness Report (ECR) was issued. With all due respect to all other

international reports, ECR aims to study the Egyptian situation in depth. Studies showed that:

- Egypt ranking improved in this year Doing Business Report, it advanced to the 126th place instead of 165th.
- Egypt ranked first in the investment climate reform index and it also ranked as the first African country in foreign investment attraction.
- The Egyptian economy recently recorded high growth rates. Furthermore, it achieved an unprecedented surplus in the balance of payment and an increase in foreign exchange reserves. In addition, the macro-economy witnessed many improvements.
- The significant improvements achieved in the Egyptian economy however are not felt by the public at the grassroots levels (trickle-down issue). Analysis showed that this is due to demand growth and industry sector expansion, which means that only those within growing sectors would feel such improvements. This was elaborated in the following manner:
 - The workforce is made up of 22 million persons, of which 2 million are unemployed, 5.7 million work in the government and the public business sector, 7 million work in the called informal sector, 5.3 million work in the agricultural sector and 2 million work in the called modern sector including banks, trade and IT sectors. The last category most benefits from a rapid growth rate.
 - As for classification of workforce according to education, 44% are illiterate. Moreover, holders of technical school diplomas represent a large percentage of the workforce.
 - There are too many procedures and legislations in Egypt. This imposes restraints on the economy, especially SMEs.
 - The increased burden and cost incurred by SMEs to deal with these legislations are inconsistent with their capacities, especially when compared to large enterprises that do not suffer much from these problems.
 - The cost of doing business is relatively high.
- A number of reforms have been implemented in the areas of taxes, customs and social security. These reforms had a significant and immediate impact (such as reducing customs categories from 27 to 7).
- Egypt cannot continue to rely on the currently existing growth sources. It must turn to industrialization. Unfortunately, Egypt did not catch up with the earlier trend of industrialization prevailing in the seventies and eighties. That trend depended mainly on cheap labor and Western adopted technology to manufacture low cost products.
- The request made by Eng. Rachid Mohamed Rachid, Minister of Trade and Industry, was raised. He suggested that attempts should be made to turn industry into the locomotive of Egyptian economy and to form a base for medium-tech industries in order to develop exports. The current structure of Egyptian exports shows that they are primarily connected with raw materials (especially agricultural ones), whereas added value on medium-tech exports is low. As for high-tech exports, the added value is very low. Accordingly, continuous growth requires an increase of the industrial growth rate by 9% annually and benefiting from other international experiences.
- The first stage of attaining this target is to perform a strength, weaknesses, opportunities and threats (SWOT) analysis and adopt the Regulatory Guillotine Approach, supported by USAID, owing to the existence of a plethora of legislation. The Ministry of Agriculture alone has 300,000 legislation ranging from parliamentary

statutes to presidential and ministerial decrees. Currently, 13 ministries are making lists of legislations to avoid redundancy.

Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance, Egypt: "The SMEPol Project Experience"

- The role of the SME Unit is to study practical experiences and examine obstacles facing SMEs.
- It also examines the impact of the SME policies on SMEs, the business environment within the ongoing cooperation taking place in Egypt between the Ministry of Finance (MOF) and the Canadian International Development Agency (CIDA).
- The SMEPol Project started at the Ministry of Economy, where the SME Unit conducted research and discussed research findings. The Draft National Policy National Strategy for SME Development in Egypt was drafted in 1998 focusing on how to tackle financial and non-financial problems and obstacles.
- In 2005, a national conference was held in which the strategy on "Enhancing Competitiveness for SMEs in Egypt" was issued.
- SME policy is implemented through capacity building of policy makers, MOF staff training and inter-ministerial networking and cooperation.
- The most important lesson learned is involving stakeholders with MOF, just like in the preparation of the SMEPol Project, for the purpose of problem identification, consultation and evaluation of Egypt's current situation.

Eng. Fouad Thabet, Chairman, Federation of Economic Development Associations: "SME Policies and the Civil Society"

- The Federation is a non-governmental organization, which was established in 2001 and comprised 23 associations. It includes 120 member associations now. The Federation examined the business environment and submitted many studies and findings in this regard.
- In June 2001, the Federation played a role in formulating the small enterprise strategic plan and developing a specific definition for SMEs, which was actually included in Article 1 and 2 of the Small and Micro Enterprise Law.
- Fifteen members of the Parliament joined the Federation in a field visit to governorates and found that 1,169 enterprises were shut down.
- The Social Fund for Development and 25 members of Parliament met 80% of the Federation demands regarding SME financing.
- The informal sector includes 7 million workers.

Discussions:

- The earlier industrialization trend aimed to utilize low-cost labour. However, in the age of globalization, where production and distribution are not restricted to one place, Egypt has to join the production chain, in which a product is manufactured in more than one place (for instance, parts of a car are now manufactured in twenty seven countries). Egypt can easily join the production chain due to its unique location, proximity to the European Union, the presence of the Suez Canal and the relatively cheap Egyptian labour, which only needs training to raise its efficiency. Furthermore, competitiveness must be raised owing to the modest levels recorded during the past five years.
- SMEs participated in the policy making process and more efforts are needed in the area of advocacy to improve SME representation.

- The main role of civil society is to monitor government policy, in that the government itself may sometimes enact inconsistent laws with one policy or another. This could lead to a significant change.
- There is a difference between medium, small and micro enterprises. No country has ever developed by relying on micro enterprises because they are part of poverty alleviation strategies. SMEs differ because they are part of the development process and possess economic potentials. Damietta stands out as a good example. The Ministry of State for Administrative Development conducted a study on poverty in Egypt. The study findings showed that poor people and semi-poor people are concentrated in 100,000 villages, most of which are in Upper Egypt, as well as in 200,000 slums, most of which are concentrated in Greater Cairo. This facilitates geographical targeting.
- The new companies law is supposed to replace many current laws.
- Allocating 10% of government procurement to small enterprises could be difficult to achieve in Upper Egypt. The Federation of Economic Development Associations is working on this issue with the General Authority for Government Services. They sent 300 copies of the MSE Law to local councils. The Federation also sent a letter to the Cabinet regarding the difficulties impeding the law in spite of the impact it will have on ending illegal immigration. The Federation also urged the Cabinet to include the law in the Governors Meeting agenda, scheduled for the end of January. Coordination and follow up committees were formed for that purpose. Some governorates have already started to make lists of small enterprises that will be subject to the new companies law. There is an attempt to assign the making of school benches to 20 or 30 small workshops. It is well known that the enactment of any law takes a long time; in fact Law 141/2004 was issued just three years ago. Accordingly, a number of lands appropriated to industrial facilities were assigned to small enterprises in Port Said, 6th of October and 10th of Ramadan.
- MOF formed a committee including SFD and itself to decide how small enterprises (which include 99% of enterprises) can participate in tenders. This requires collection of data on size of labour, listing of small enterprises and development of a tracking system to be used by procurement departments. There is large scale cooperation with SFD, which provides a lot of information on its affiliate enterprises.
- To avoid problems, states could attempt to link small enterprises with large ones just like in India, Japan, and other European states, where enterprises rely on subcontracting.

Session 6: “SME Data and Information – A Critical Base for SME Policy”

Session Chair:

Ms. Lois Stevenson, Senior SME Specialist and SMEPol Project Coordinator, International Development Research Centre (IDRC-MERO)

Presenters:

Mr. Terry Evers, Director of Small Business and Special Surveys Division, Statistics Canada, Canada

Mr. Andreas Lindner, Head, International Trade and Globalization Statistics, OECD Statistics Directorate, Paris

Ms. Josse Dorra Fiani, Chairperson & CEO, Fiani & Partners

Main points addressed by the presenters:

[Mr. Terry Evers, Director of Small Business and Special Surveys Division, Statistics Canada, Canada](#)

- Canada paid special attention to collecting small enterprises data. This process needs a great deal of accuracy.
- The Organization for Economic Cooperation and Development (OECD) provides data and information, writes data-enhancing reports, and tends to alleviate burdens imposed on investors to fulfill required conditions.
- The major problem is the lack of a specific definition for SMEs, acceptable to all levels. Meetings with a number of stakeholders were held to reach an agreement on the SME definition. The most practical definition selected was on the number of workers.
- Statistics Canada depends on its limited human resources to produce useful data without overlooking any gaps. Moreover, an enterprise owner must pay for the required statistics and incur part of the burden.
- An agreement was reached with OECD to set some measures for entrepreneurship, use population growth indices in addition to formal measurements, innovations and export performance.

[Mr. Andreas Lindner, Head, International Trade and Globalization Statistics, OECD Statistics Directorate, Paris](#)

- OECD comprises 30 member states and has a large experience in dealing with problems and finding solutions for them.
- OECD held a conference in Bologna and another one in Istanbul, they both resulted in creating one entrepreneurship index.
- OECD faced the following problems:
 - translating its work into international approaches and methods;
 - differentiating between political and economic aspects; and
 - the difficulty in creating inter-agency links.
- How to create a link between trade and SMEs statistics?
 - Unification of trade and business records. This has already been achieved in Norway.
 - Entrepreneurship indices: OECD will issue new publications and introduce a new programme on performance indicators but the subdivision of corporations and enterprises has to be good.

- Business records are an important element. However, surveys cannot be conducted in this area since some businesses work individually.
- Egypt will be invited to the OECD conference on business registers, which will be held in November 2008.

Ms. Josse Dorra Fiani, Chairperson & CEO, Fiani & Partners

- The first problem facing SMEs is the difficulty in defining them. Therefore, a benchmark was adopted to define SMEs based on the number of workers since this is the only common factor between formal and informal sectors. Still, many corporations do not declare the full number of workers, whether seasonal or permanent. The second problem lies in the fact that the penalty for not declaring the full number of workers is not deterring enough. Therefore, the government must address this problem.
- In Egypt, small enterprise statistics show that the legal framework is not linked to the number of workers. Data collection agencies include the Tax Authority, which does not rely on the number of workers criterion. On the other hand, official sources relying on number of workers include the Social Fund for Development, the Information & Decision Support Centre (IDSC), Economic Research Forum (ERF) and the General Authority for Investment and Free Zones (GAFI). The main body assigned with data collection is the Central Agency for Public Mobilization and Statistics (CAPMAS).
- Some data collection processes depend on the number of workers and their salaries, although both criteria could be affected by false data. Furthermore, most enterprises do not declare their capital size.
- Recommendations:
 - raising awareness of the importance of data collection to support enterprises;
 - developing inter-agency collaboration;
 - agreeing on a specific definition of small enterprises; and
 - changing inherited thoughts that encourage public sector employment.

Session 7 : “Developing Women Entrepreneurs: The Policy Challenge “

Session Chair:

Ms. Susan Joekes, Programme Officer, Globalisation, Growth and Poverty Program, International Development Research Centre (IDRC)

Presenters:

Dr. Zeinab Safar, Advisor to the Secretary General, National Council for Women

Dr. Yomna El-Sheridy, President, Businesswomen Egypt 21

Ms. Rania El-Khatib, Executive Manager, Jordan Forum for Business & Professional Women, Jordan

Main points addressed by the presenters:

Dr. Zeinab Safar, Advisor to the Secretary General, National Council for Women

- It is important to participate effectively in reducing the current gender gap through training, providing technical support for women to enable them to establish and expand their SMEs, as well as providing the necessary human resources to develop and train fresh female graduates and help them enter the labor market.
- The Women Business Development Center (WBDC) conducted a survey to identify basic problems encountered by businesswomen such as: lack of market information, difficulty of market entry, lack of trained and competent labor, lack of production skills, existing financial systems and competing with imported goods.
- It is crucial to provide SMEs with training, business advisory services and information through the internet, workshops and seminars.
- WBDC provides SME related training on the following aspects:
 - How to start a small or medium enterprise
 - The importance of leadership.
 - How to expand your business
 - Feasibility studies.
 - Effective communication skills.
- WBDC conducted a number of training programmes for current and potential businesswomen in a number of Egyptian governorates. It also signed cooperation agreements with Shell. Through cooperation agreements, WBDC conducted 10 training programmes including 260 female students from the governorates of Cairo, Fayoum, Minia and Luxor.
- WBDC experiences revealed the significance of negotiation skills, time management, as well as accounting and administrative skills.
- In January 2003, 200 female graduates were granted scholarships and trained to receive Microsoft accredited certificates. Owing to these certificates, they were able to design websites and electronic learning products. WBDC employed a number of female graduates. It also focused on practical training and sales management skills through the internet.
- WBDC is cooperating with the World Bank to implement a gender equality initiative which has already succeeded in Mexico. WBDC also offers training courses in the following areas:
 - the importance of gender equality in enterprises;
 - good practices of gender equality;
 - recruitment;

- training; and
- provision of a safe working environment.

Dr. Yomna El-Sheridy, President, Businesswomen Egypt 21

- Women represent 49% of the total population.
- Women support 31% families.
- Women's labour is still marginal.
- Women's competitiveness decreased due to reduction of public sector employment and increase of private sector employment.
- SMEs provide 95% of job opportunities (75% in the non-agricultural sector).
- Women must play a strategic role through self-employment.
- Financial institutions and policy makers must be willing to develop a programme to fulfill this urgent need.
- It is important to overcome social pressure.
- When given an opportunity to share the responsibility, women achieve remarkable success.
- Women's role is an integral part of the Egyptian economy.
- Businesswomen represent 14% only of the total percentage of entrepreneurs.
- Businesswomen Egypt 21 is a self-financed NGO, supporting businesswomen's contribution to develop the Egyptian economy. Its strength lies in its members who can achieve together what they cannot achieve on their own.
- Businesswomen Egypt 21 promotes women's participation in international fairs and trade conferences. It also supports capacity building and skill development.
- Women have fewer opportunities than men when it comes to building trust, as well as promoting necessary skills and communications to start and manage a successful business.
- Businesswomen Egypt 21 strives to achieve gender equality in commercial and political aspects including the right to vote and to be nominated for important positions.

Ms. Rania El-Khatib, Executive Manager, Jordan Forum for Business & Professional Women (JFBPW), Jordan

- JFBPW is a non-profit organization established in 1976 and registered under this name in 2001. Her Majesty, Queen Rania Al-Abdullah, is its honorary president.
- JFBPW provides equal opportunities, rights and leadership roles in the business sector and participates effectively in the social and economic development of Jordan. It represents, supports, develops and empowers businesswomen in Jordan through:
 - technical education;
 - networking; and
 - technical training and support.
- Beneficiaries of JFBPW services are female owners and managers of SMEs, professional women such as physicians and lawyers, as well as institutions supporting women.
- To make a change, JFBPW works with decision makers, legislatures, economic leaders, media and the community to achieve progress in this regard. Programmes and operational units undertake many tasks and services targeting mainly businesswomen. JFBPW activities include:
 - training women to work in SMEs;

- holding networking fairs;
- holding workshops;
- developing skills;
- providing vocational training; and
- providing family programmes.
- JFBPW recent achievements:
 - providing 600 advisory services;
 - establishing a database of registered businesswomen in Jordan;
 - receiving the award of “Mark of Best Practice” from King Abdullah II Center for Excellence; and
 - holding the first national conference for businesswomen.
- Implemented projects and internal development operations include institutional development by establishing an accounting system, amending internal regulations, forming an updated strategic plan, restructuring, capacity building, forming specialized committees and other matters.
- Challenges facing businesswomen include:
 - focusing on quality services of women-run SMEs;
 - maintaining the implementation of best practices;
 - building capacity in certain fields; and
 - achieving financial sustainability.
- Visibility and solutions:
 - establishment of a network to support businesswomen;
 - legislative change;
 - marketing solutions; and
 - establishment of information and data solutions on the national level.

Discussions:

- To provide WBDC with funding, WBDC provides a number of paid subsidized services, which are inexpensive when compared to other similar services.

Plenary Session

On Reports from all Parallel Sessions¹

Moderator: Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance

Session 1: Legal Frameworks and Regulatory Environments – SMEs and the Reform Challenge

- Procedures must be streamlined to attract the informal sector.
- There is a need for unification and formulation of a central reform strategy.
- A road map should be drawn for reform.
- The Guillotine Approach should be adopted and regulatory impact assessment of procedures and laws should be performed before their implementation.
- There is a need to get client feedback or evaluation.

Session 3: Entrepreneurship and Innovation: Emerging Policy Issues

- Jordan participated in the Global Entrepreneurship Monitor (GEM) Report.
- It is important to create a culture of entrepreneurship in Egypt, and urge citizens to give up the idea of working in the public sector.
- It is significant to raise awareness among school students and to adopt new and innovative ideas.
- It is crucial to strengthen links between universities in the Arab world.

Session 4: Developing Young Entrepreneurs – The Policy Challenge

- Measures to encourage Egyptian youth to start their own enterprises:
 - Encouraging the Ministry of Higher Education to form entrepreneurship programmes/curricula.
 - Involving all stakeholders.
 - Applying need-oriented training.
 - Launching a national campaign to highlight success stories and stress the importance of SMEs.

Session 5: Enhancing Policy-Research-Consultation Interface: A Policy Implementation Challenge

- SMEs did not receive support until recently.
- It is crucial to improve the business environment.
- It is important to involve the civil society and all stakeholders in policy making and law enactment.

Session 6: SME Data and Information – A Critical Base for SME Policy

- The SME definition is still highly debated and cannot be decisively resolved. However, it is possible to agree on SME size, data and compliance with international standards.
- It is significant to conduct SME surveys. Their findings will be used to determine the progress achieved through preparing good business records and linking administrative data, related to agencies such as the Tax Authority and the Social Security Fund, with other data.

¹ For more details, please refer to each session's section.

- It is possible to use a small part of the data collected to draw a picture of the prevailing situation; it is not a complicated matter.
- It is important to benefit from case studies.
- It is crucial to consult and coordinate with data collectors and users, i.e. the government, the private sector and other parties.

Session 7: Developing Women Entrepreneurs: The Policy Challenge

- There is a need to exert more effort to overcome obstacles and challenges facing businesswomen.
- Business activities of businesswomen should be monitored and their performance should be evaluated in order to determine the challenges facing them.
- The prevailing culture forces women to exert double efforts to enter the business field and to free themselves of the restrictions holding them back. Moreover, women are also prevented from entering the business field due to the lack of confidence in their ability to succeed and their fear of entering into the world of technology and dealing with new experiences.
- High interest rates on micro finance, which could reach 25%, pose a significant problem.
- It is important to maintain the sustainability of specialized training courses.

Closing Session

Session Chair:

Mr. Peter Paproski, Head of Aid, Canadian International Development Agency (CIDA)

Presenters:

Mr. Azmy Mostafa, Head of the Technical Office, Social Fund for Development (SFD)

Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance

Main points addressed by the presenters:

[Mr. Azmy Mostafa, Head of the Technical Office, Social Fund for Development \(SFD\): "The National MSE Strategy"](#)

- Many documents and experiences were reviewed before the National Strategy Framework document was drawn up in association and consultation with different parties in order to formulate a precise, effective, realistic and enforceable strategy.
- The following ministries were commended for their efforts: the Ministry of Investment for improving the investment environment, the Ministry of Finance for improving the tax system and the Ministry of Trade and Industry for establishing industrial zones.
- The strategy will not be effective without plans, mechanisms and identification of roles and tasks.
- The basic principle of a successful business is to do what you do best and let others do what they do best.
- It is important to learn from NGOs involved in the SME sector and to identify best practices for micro loans provided by these entities.
- It is significant to examine experiences of SME owners.
- It is crucial to establish a network to exchange information and experiences.
- SFD will launch a huge advertising campaign not to attract more clients, but to familiarize the public with existing services. It will present ideas rather than goods.

[Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance](#)

- The presenter stressed the large amount of problems prevalent in Egyptian governorates, especially in Upper Egypt. Those problems may not be found in Cairo.
- It is significant to spread the culture of business.
- During the past seven years, SMEPol raised awareness in many governorates and managed to bring together governmental organizations and SME owners to consult them and hear their opinions on the SME Competitiveness Strategy before adopting it. Consequently, a sense of hope was created among SME owners who attended these meetings due to government presence and consultation with them in an attempt to build bridges of understanding among both parties. Most problems emerged from lack of awareness of procedures in addition to complications prevalent in governorates other than Cairo.
- The picture is not as dark as some may think; as efforts are always exerted to solve existing problems. During the past few years, the level of awareness was raised and a difference was made in procedures streamlining, which was clearly manifested in recent workshops.
- After the issuance of “The SME Government Services Guide”, a question was raised on how a citizen should react if s/he discovered that the procedures mentioned in

the Guide are different from those actually applied by a certain body or authority. At this point, the idea of creating a hotline was raised.

Discussions:

- Laws must be revised and establishment of enterprises must be facilitated. Moreover, more focus should be directed towards creating training that is consistent with such laws in order to alleviate poverty and achieve economic development.
- Ideas should be coordinated. In addition, concerned parties should specify targeted groups, services and requirements without multiplication of concerned bodies to avoid redundancy.
- The Egyptian Federation of the Chambers of Commerce includes 26 member chambers in all governorates. Each chamber includes a division for each activity. If a person faces a problem, s/he can contact the relevant division within the governorate to examine the problem.
- Egypt has all the necessary elements: a clear law, an authority to implement it, existing strategies and others under preparation, an awareness of the importance of SMEs, laws, easier financing than before and commercial chambers including small enterprise representation. However, the problem lies in the implementation of laws, bureaucracy, interpretation of laws and flexibility in applying them. Therefore, it is crucial to apply legal and regulatory reforms, implement flexible programmes suitable for different situations, and tackle the issue of corruption to establish the necessary procedures to deal with it.
- Another problem is the lack of awareness campaigns of the services provided to SME owners. In addition, entities working in this sector are unaware of each others' roles and tasks on the one hand, and those of the government and SME owners on the other hand. This shows the significance of the media role in raising awareness and establishing a common website of SME owners to familiarize interested parties with their enterprises and present success stories to be followed and failure stories to be avoided. It is true that TV campaigns are expensive but they are more effective than other media.

The conference conclusion stated that "There is no perfect approach suitable for all countries and sectors under all circumstances. However, we can start from where others ended. Efforts exerted by SMEPol must not be set aside; it must be used in the coming stages of development."

Annexes

Annex 1 Conference Agenda

Tuesday, January 15, 2008

8:30 – 10:00 Registration

10:00 – 10:45 Opening Remarks (Farhaty 1 & 2)

H.E. Dr. Youssef Boutros Ghali, Minister of Finance
Ambassador Philip MacKinnon, Canadian Ambassador to Egypt
Dr. Eglal Rached, Regional Director, International Development Research Centre,
Middle East Regional Office

10:45 – 12:15

Plenary: “SME Policy Development in Egypt: Where we were in 2000 - where we are in 2007” (Farhaty 1 & 2)

Moderator: Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance

Presenters:

Mrs. Manal Hussein, Deputy Minister, Ministry of Finance

Mr. Nabil Rashdan, Advisor to the Minister, Ministry of Finance

Dr. Samiha Fawzy, Deputy Minister, Ministry of Trade and Industry

Mr. Hany Seif El-Nasr, Managing Director, Social Fund for Development

12:15 – 13:45

Lunch (Farhaty 1 & 2)

13:45 – 15:15

Parallel Sessions

Session 1: Legal Frameworks and Regulatory Environments – SMEs and the Reform Challenge (Farhaty 3)

Session Chair: Eng. Tarek Thabet, Managing Director, Megacom Consulting

Presenters:

Ms. Nevine El Shafei, Vice Chairman, General Authority for Investment and Free Zones(GAFI): Responding to the Doing Business Indicators

Mr. Alf Monaghan, Senior Advisor, USAID: The Guillotine Approach to Regulatory Reform

Mr. Azmy Mostafa, Head of the Technical Office, Social Fund for Development: Reducing Informality

Session 2: SME Financing: Policy Issues and Trends (Farhaty 1 & 2)

Session Chair: Mr. Ihab Kassem, Assistant Sub-Governor, Banking Operations, Central Bank of Egypt

Presenters:

Mr. Magdy Moussa, Director, Middle East, PlaNet Finance, The Impact of Microfinance in Egypt

Mr. Georges Boré, Senior General Manager, Corporate Banking and Investment, HSBC, Egypt: Banks and the SME Market

Ms. Heba El-Serafy, Director, Research and Markets Development, Cairo and Alexandria Stock Exchanges, Small and Medium Enterprises Stock Exchange NILEX

Session 3: Entrepreneurship and Innovation: Emerging Policy Issues (Laylaty 1)

Session Chair: Mr. Mohamed Osman, COO, Société Financière et de Commerce (SOFICO)

Presenters:

Mr. Laith Al-Qasem, President, Arabian Business Consultants for Development, Jordan

Dr. Bassel Hussein Roshdy, Chief Investment Officer, IT Ventures & IT Investments

Mr. Youssry El-Ghitany, Executive Director, Entrepreneurs Business Forum

Mr. Amr Gohar, Board of Directors, Egyptian Junior Business Association

Session 4: Developing Young Entrepreneurs – The Policy Challenge (Laylaty 2)

Session Chair: Mr. Greg Goodwin, Executive Director-Special Projects, Ministry of Community Services, Government of British Columbia, Canada

Presenters:

Dr. David Kirby, Dean and Vodafone Chair, School of Business Administration, British University in Egypt, Fostering Entrepreneurship in the Education System

Mr. Mohamed Cherif Bouaoud, Central Director for Monitoring and Development Programs, National Agency for Supporting Youth Employment (ANSEJ), Algeria: Supporting Young Entrepreneurs

Ms. Fatma Sirry, SIFE Egypt Country Director, Students in Free Enterprise (SIFE)

15:15 – 15:45

Refreshment and Networking Break

15:45 – 17:15

Plenary: “SME Policy: Lessons from International Experience” (Farhaty 1 & 2)

Moderator: Dr. Eglal Rached, Regional Director, International Development Research Centre, Middle East Regional Office

Presenters:

Ms. Sara Dien, Economic Counsellor, South African Embassy in Egypt: SME Policy in South Africa

Mr. Mohd Ghazali Mohd Yunos, Head/Principal Consultant, Technology Venture Development, Techno-Economy & Commercialisation Centre, SIRIM Berhad, Malaysia: SME Policy in Malaysia

19:00 – 22:00

Gala Dinner (Farhaty Ballroom)

Wednesday, January 16, 2008

9:30 – 11:00 Parallel sessions

Session 5: Enhancing Policy-Research-Consultation Interface – A Policy Implementation Challenge (Farhaty 1 & 2)

Session Chair: Mr. Tamer El-Meehy, Managing Director, Entrust Management & Development

Presenters:

Dr. Samir Radwan, Advisor to the Chairman, General Authority for Investment and Free Zones (GAFI)

Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance, Egypt: The SMEPol Project Experience

Eng. Fouad Thabet, Chairman, Federation of Economic Development Associations: SME Policies and the Civil Society

Session 6: SME Data and Information – A Critical Base for SME Policy (Farhaty 3)

Session Chair: Ms. Lois Stevenson, Senior SME Specialist and SMEPol Project Coordinator, International Development Research Centre (IDRC-MERO)

Presenters:

Mr. Terry Evers, Director of the Small Business and Special Surveys Division, Statistics Canada, Canada

Mr. Andreas Lindner, Head, International Trade and Globalization Statistics, OECD Statistics Directorate, Paris

Ms. Dorra Fiani, Chairperson & CEO, Fiani & Partners

Session 7: Developing Women Entrepreneurs: The Policy Challenge (Akhnaton Room)

Session Chair: Ms. Susan Joekes, Program Officer, Globalization, Growth and Poverty Program, IDRC

Presenters:

Dr. Zeinab Safar, Advisor to the Secretary General, National Council for Women

Dr. Yomna El-Sheridy, President, Business Women Egypt 21

Ms. Rania El-Khatib, Executive Manager, Jordan Forum for Business & Professional Women, Jordan

11:00 – 11:30 Refreshment and Networking Break

11:30 – 12:45 Reports from all Parallel Sessions (Farhaty 1 & 2)

Moderator: Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance

12:45 – 13:45

Lunch (Farhaty Foyer)

13:45 – 15:15

Plenary: “Micro, Small and Medium Enterprise Policy Development in Egypt: The Path Forward within the Context of Reform” (Farhaty 1 & 2)

Moderator: Mr. Peter Paproski, Head of Aid, Canadian International Development Agency (CIDA)

Presenters:

Mr. Azmy Mostafa, Head of the Technical Office, Social Fund for Development.

Mr. Mohamed Abdel Aziz, Manager, SME Unit, Ministry of Finance, Egypt.

Annex 2
Biography of Speakers

Biography of Speakers²

H.E. Dr. Youssef Boutros-Ghali

Minister of Finance

H.E. Dr. Youssef Boutros-Ghali has a BA in Economics from Cairo University, a PhD in Economics from the Massachusetts Institute of Technology (1981-1986). His Excellency is a Former Associate Professor of Economics in the Faculty of Economics and Political Science at Cairo University. His Excellency's work experience included being a Senior Economist at the International Monetary Fund (IMF), an Economic Adviser to the Prime Minister and the Governor of the Central Bank of Egypt, Member of the Board of Directors in the National Bank of Egypt and Director of the Center for Economic Analysis at the Council of Ministers. H.E. Dr. Boutros-Ghali held the positions of Minister of State for International Cooperation, Minister of State at the Council of Ministers, Minister of State for Economic Affairs, Minister of Economy, Minister of Economy and Foreign Trade and Minister of Foreign Trade. Since July 2004, His Excellency has been the Minister of Finance. Dr. Boutros-Ghali lectured economics at the American University in Cairo and the Massachusetts Institute of Technology in the USA and is an author of 22 papers and books on a wide range of theoretical and development issues in the field of economics.

H.E. Mr. Philip MacKinnon

Ambassador of Canada to Egypt

His Excellency Mr. Philip MacKinnon has joined the Department of External Affairs in 1974 and served abroad in Tunis, Seoul, Geneva and Vienna. In Ottawa, he undertook assignments in a number of divisions, including the United States Division; the Industry, Investment and Competition Policy Division; and the Nuclear Division. H.E. Mr. MacKinnon also served as Director of International Security Policy and CSCE [Commission of Security and Cooperation in Europe] Affairs, Director of the United Nations and Commonwealth Division and, from 1998 to 2001, Director of the Western Europe Division. From 2001 to 2004, he served as Ambassador to the Islamic Republic of Iran. H.E. Mr. MacKinnon has a BA in History and Philosophy from Queen's University; and an MA in History and Philosophy from the University of Toronto.

Dr. Eglal Rached

Regional Director, International Development Research Centre (IDRC), Office for the Middle East and North Africa (MERO)

Dr. Rached has been the Regional Director of the Middle East and North Africa Office of IDRC since 1998. She joined the Centre in 1986 as Program Officer, Agriculture, Food and Nutrition Sciences Division. In 1989, she became Senior Program Officer, Environment and Natural Resources Division, Middle East and North Africa and South Asia; then Senior Program Specialist, Environment and Natural Resources Division from 1993-97, during which time she successively led the "Dry land Water Management" and the "People, Land and Water" program initiatives. She has a PhD in Renewable Resources from McGill University, Montréal.

² Listed in the same order in the Conference Agenda.

Mr. Mohamed Abdel Aziz

Manager, SME Policy Development Unit, Ministry of Finance

Mr. Mohamed Abdel Aziz holds the position of the Manager of the SME Policy Development Unit in the Technical Office of the Minister of Finance. He also worked in the field of SME policy development in the office of the Minister of Economy, and Minister of Economy and Foreign Trade. He acquired a BA in Economics from the American University in Cairo, and during his career Mr. Abdel Aziz acquired a unique experience and understanding in; government policymaking and development processes; and program/project development, implementation and management.

Ms. Manal Hussein

Deputy Minister of Finance

Ms. Hussein has been a Deputy Minister of Finance since July 2004. In addition to her responsibilities within the Ministry of Finance, Ms. Hussein is also a Member of the Shura Council. She was Egypt's first female Deputy Minister whereby she assumed this position in July 2003 under the former Ministry of Foreign Trade based on the Prime Ministerial decree issued within the context of the Government of Egypt's initiative to create a new generation of qualified young leaders within the government. She is also a member of the Women's committee at the National Democratic Party Policy Secretariat. She has held a number of senior positions, including Project Coordinator for the United Nation Development Program (UNDP) on Economic Reform and Structural Adjustment Project (ERSAP), and Advisor to the Minister of Economy and Foreign Trade on Small and Medium Enterprise Development.

Mr. Nabil Rashdan

Advisor to the Minister of Finance

Mr. Rashdan has been the advisor of the Minister of Finance since 2004. He coordinates and supervises the execution of different economic projects that are supported by international donors and organizations. He is the head of six committees that are established for the purpose of coordinating between government entities in implementing structural economic reforms. Mr. Rashdan has played a key role in coordinating with external consultants sought by the Ministry of Finance to undertake the ongoing reform. Prior to joining the Ministry of Finance, he worked at the Ministry of Foreign Trade and in the Small Enterprises Development Organization (SEDO) at the Social Fund for Development (SFD) (1994 – 2001). Mr. Rashdan holds an MBA in International Business from the Maastricht School of Management in MSM Maastricht, the Netherlands.

Mr. Mohamed Hany Seif El-Nasr

Managing Director, Social Fund for Development (SFD)

Mr. Seif El-Nasr is currently the managing director of the Social Fund for Development. He is also currently a member of the Shura Council and member of the board directors of several financial and public institutions for small enterprises. His working experiences included working as the president of the Arab Bank Corporation (ABC) in Egypt. His experience also includes being a member of the Commercial International Bank (CIB) and he was also the Director General of the Arab-African Bank. He is also currently a member of the Industrialization and Modernization Council (IMC). Mr. El-Nasr has a BA in Business Administration from Cairo University.

Ms. Neveen El-Shafei

Vice Chairman, General Authority for Investment and Free Zones (GAFI)

Ms. El-Shafei is the Vice Chairman – Policy Advocacy and Economic Performance in the General Authority for Investment and Free Zones (GAFI), and is responsible for issuance of policy papers concerning various sectors (Financial, Leasing, Carbon Finance, Fertilizer sector). Ms. El-Shafei earned her B.A in Economics from the American University in Cairo in 1985. She is managing the business simplification procedures in conjunction with IFC and other international institutions. Moreover, she has set-up an electronic database for compilation and analysis of company financial statements, in addition to general assessment and analysis of Egypt’s investment climate by tracking selected local and international reports and/or collaboration with various international institutions such as UNCTAD, World Bank, IMF, etc. Ms. El-Shafei was the Advisor to the Chairman – Investor Relations and Executive Director in the field of corporate finance in Fleming CIIC, in addition to extra working experience in the field of investment and corporate banking.

Mr. Ihab Kassem

Assistant Sub-Governor, Banking Operations, Central Bank of Egypt

Mr. Ihab Kassem has 23 Years of banking experience. Mr. Kassem has been exposed to different markets in the Middle East and Africa by carrying key positions in Operations & Cash Management in Citibank Cairo, Dubai and Johannesburg. His responsibilities included Regional Cash Management Support for North Africa and working with Citibank regional Cash Management office. Mr. Kassem is also the head of Re-engineering & Operational Risk Management in Egyptian American Bank.

Mr. Magdy Moussa

Director for the Middle East Region, PlaNet Finance

Mr. Magdy Moussa is currently working with PlaNet Finance as the Director for the Middle East Region. Mr. Moussa has more than 20 years of experience in development, 16 of which have been in finance, management, and administration. He worked for USAID, Environmental Quality International (EQI), Near East Foundation (NEF). Mr. Moussa has gained specific experiences in designing and managing microfinance programs. In addition to MFI capacity building, he has materially contributed to the development of a national framework for the Microfinance industry in Egypt, Sudan, and on a regional scale in Syria. In a voluntary capacity, he is also a member of several associations including the Egyptian Women Health Improvement Association (WHIA).

Georges Boré

Senior General Manager, Corporate Banking & Investment, HSBC Egypt

Mr. Georges Boré is currently responsible of Large, Medium and Small Market Segments as well as Payments, Cash Management, Trade and Custody services. Mr. Georges holds a Masters in International Economics and an MBA from the City University of New York, USA. Prior to his appointment in Egypt, Mr. Georges worked as the Head of Payments, Cash Management and e-commerce at HSBC France, Paris Headquarters. Before that, he was the Head of Europe for Institutional Banking; Corporate and Institutional Banking Division at HSBC PLC- Group Headquarters London. Georges worked with CCF – Paris Headquarters prior to London where he was the Senior Regional Manager – International Finance Division in charge of North Africa, Middle East and Turkey for Corporate clients and Banks focusing on Trade and Export Finance as well as assessment of country and bank risks. Mr. Georges worked with Banque Française du Commerce Extérieur -Paris Head Office where he was responsible for

Product Development, Marketing and Sales for Financial Institutions. He worked in Banque Fédérative du Crédit Mutuel- Strasbourg Head Office, where he was Account Manager for a portfolio of medium and small enterprises.

Mr. Mohamed Osman

Chief Operations Officer, Société Financière et de Commerce (SOFICO)

Mr. Osman is the Chief Operations Officer of SOFICO. He earned his B.S in Mechanical Engineering from the American University in Cairo in 1999. Throughout his experience, he worked in several areas such as business development, strategic planning, crisis management and financial analysis. He is currently a board member of a number of companies including: SOFIPET , TICO, Egyptian Company for Garments JET, Sofisport, Smash Management, Bayanat, Sofiland and Sectors for Construction.

Mr. Laith Al-Qasem

CEO, Arabian Business Consultants for Development

Mr. Al Qasem began his technology career as an engineer for Hughes Aircraft Ground Systems Group in Fullerton, California in 1983. Mr. Al-Qasem designed and lead the Jordan Vision 2020 national economic initiative, which integrated the efforts of ten economic sectors in the country's first private sector. Mr. Al-Qasem's career spans both technology and investment. He was intimately involved in 19 technology oriented start-up companies. Several of these companies evolved into Jordanian and regional icons in the Information Technology field. As such, Mr. Al-Qasem has intimate knowledge of SME development and he believes that SME development is the cornerstone of national economic development and diversification in the Arab world. He successfully managed a technology incubator for 3 years and managed Jordan's first venture capital company and for 13 years. He is a Qualified trainer in financial restructuring, strategic planning, and a certified trainer in the ITC business management system (BMS). Mr. Al-Qasem has developed an interest in creative thinking and has developed several creative thinking courses based on the design and development of thinking frameworks. Mr. Al Qasem received an M.B.A with a concentration in finance and investment management, and he also graduated from the University of Michigan, where he received a B.Sc. in Mechanical Engineering.

Dr. Basel Hussein Roshdy

Chief Investment Officer, IT Ventures & IT Investments

Dr. Basel Hussein Roshdy's areas of expertise are private equity, funds creation and management, new ventures development, mergers and acquisitions, and financial/investment advisory services. Basel has more than 15 years of professional experience in the investment and corporate finance sectors including 9 years with IT Ventures & IT Investments Group of companies and funds, whereby he witnessed and participated in the creation and evolution of the success stories. Dr. Basel has worked on a large number of investment cases, including complicated deals structuring and new funds creation. Dr. Basel was also the Planning & Control Manager of a largely-diversified Saudi investment group. His experience also includes acting as a finance and investment instructor/trainer. Dr. Basel has a doctoral degree in corporate finance and capital markets (in Securitization) from the American University of London. Dr. Basel is a member of several local and international organizations, and he serves on the board of directors of many operating and investment companies (including newly-established Luxembourg private-equity funds) inside and outside Egypt.

Mr. Yousry Ahmed El Ghitany

Programs Manager, Entrepreneurs Business Forum (EBF)

Mr. El Ghitany is currently responsible to manage all forum's activities including managerial and financial procedures. Prior to working with EBF, Mr. El Ghitany worked as the Economic and Social Affairs Coordinator at the Alexandria Business Association (ABA). He was responsible for many committees, which included committees for Education, Human Resources and Environment development. He also worked as an executive director & programs manager by being responsible to manage, follow up & evaluate Social & Economic Projects in the Egyptian Real Estate Association. Mr. El Ghitany has also attended training courses, which included a workshop on SME's Business Advisor Program.

Mr. Amr Gohar

Board of Directors, Egyptian Junior Business Association (EJB)

Mr. Amr Gohar is the CEO & Managing Director for NTCC; a prepaid telephone Service Provider, Chairman of CELLTEK which is specialized in offering a broad range of ICT professional services. Previous employments include Philips, Siemens and Lucent Technologies where he assumed senior management responsibilities allowing for extensive expertise and regional business exposure in both the telecom service provider and vendor environments both from the technical and commercial aspects. In 2000, Mr. Gohar earned a Masters Degree in Business Administration from Netherlands' Maastricht School of Management. He is currently a Board member of the Egyptian Junior Business (EJB) Association and Head of the Entrepreneurship Committee. He is also a member of the Industry Entrepreneurship Council, Egypt's ICT Export Council and the American Chamber of Commerce in Egypt.

Mr. Greg Goodwin

Executive Director of Special Projects, Ministry of Community Services, Government of British Columbia in Canada

Greg Goodwin was the first Project Co-ordinator for the Small and Medium Enterprise Policy Development Project (SMEPol) from 2001 until 2006 when he returned to Canada. He currently has responsibility for a wide ranging portfolio of initiatives: such as the British Columbia-Asia Municipal Twinning Project. He was the first Executive Director of Cowichan Business Development Centre, Duncan, Canada and was previously Acting Chairman and General Manager of the Manitoba Development Corporation and the Communities Economic Development Fund in Winnipeg until 1988. He holds a Masters in Natural Resources Management from the University of Manitoba and a Bachelor of Science in Environmental Conservation from the McGill University.

Professor David A. Kirby

Dean, Faculty of Business Administration, Economics and Political Science, The British University in Egypt

Dr. David A. Kirby is a Founding Dean, Faculty of Business Administration, Economics and Political Science at The British University in Egypt. Prior to joining the University, he was Professor of Entrepreneurship in the School of Management at the University of Surrey in which capacity he established a pre-incubator on the University's Research Park and had responsibility for establishing the University's Knowledge Transfer activities. He has a long experience in the field of entrepreneurship and small business management as a teacher, trainer, researcher and consultant, both in the UK and overseas. In 2006, he received The Queen's Award for Enterprise Promotion. He is a former Director of the

UK Institute for Small Business and Entrepreneurship and a former Senior Vice President and Director of the International Council for Small Business. He has sat on a number of UK Government working parties and advisory bodies, and as a result of his personal research has published 115 journal articles and 16 books and research monographs.

Mr. Mohamed Cherif Bouaoud

Central Director for Monitoring and Development Programs, National Agency for Supporting Youth Employment (ANSEJ), Algeria

Mr. Bouaoud graduated from the Agricultural Technology Institute in Algeria in 1981. He earned a post graduate diploma in Animal products and Nutrition Agricultural Technology from Paris University. He has also earned a post graduate diploma in Agricultural Development Policy from France in 1993.

Ms. Fatma Sirry

Students in Free Enterprise (SIFE) Egypt - Country Director

Ms. Sirry helped launch SIFE Egypt in 2003. She received a licentiate Degree in Simultaneous Interpretation from Al-Azhar University and started her personal career as Administrative Assistance in Chase National Bank. She served in that capacity for six years and then embarked on her own business venture when she founded the first Egyptian Business Center in 1985. Her business helped multi-national companies recruit staff and managers and offers translation and other business services.

Mr. Mohd Ghazali Mohd Yunos

Head/Principal Consultant, Technology Venture Development, Techno-Economy & Commercialization Centre, SIRIM Berhad Malaysia

Mr. Ghazali holds a Bachelor Degree of Mechanical Engineering from the University of Wollongong, New South Wales, Australia (1984 - 1988). He has been working at Techno-Economy & Commercialization Centre, SIRIM Berhad for 18 years where his responsibilities included the Incubator and Enterprise Development Programme, Enterprise Development Services, and others. He has participated in many conferences and workshops on SME Policy Frameworks, Business Incubation, Research and Development as well as Innovation Systems and Technology Capacity Building Policies to Enhance SME Competitiveness.

Mr. Tamer El-Meehy

Managing Director, Entrust Management Consultants

Mr. El-Meehy is a senior SME development expert with over 18 years of experience in policy advice and institutional development. Through his writings and consultancy work, he has played a key role in shaping the SME development agenda in Egypt, as well as in other countries in the region. He was the first SME development expert in Egypt to highlight the role of development on the policy level, and the need to formulate a consistent and realistic SME development policy framework that is based on scientific research and best practices in the field. He has played a leading role in establishing and facilitating a consultative mechanism through which various stakeholders put plan and develop policy interventions for SME development. Mr. El-Meehy has authored a number of papers and articles on several topics related to Egyptian politics, structural position of women in Egyptian society, and politics of SME development in the MENA region.

Dr. Samir Radwan

Advisor to the Chairman, General Authority for Investment and Free Zones (GAFI)

Dr. Radwan specializes in development economics with particular emphasis on employment policies, labor markets, industrial policies and poverty. A former lecturer at the Faculty of Economics, Cairo University and the institute of Economics and Statistics, Oxford, and a member of St. Anthony's College, Oxford. He worked with the International Labor Organization in Geneva for 1976-2003, after which he was the Managing Director of the Economic Research Forum until December 2006. Dr. Radwan was adviser to the Prime Minister of Egypt for the development of a National Employment Program. As the Executive Director of the Egyptian Competitiveness Council (ENCC), he was the lead author of the Egyptian Competitiveness Report. He has published widely on development issues, led and participated in several policy advisory missions on employment and acted as a consultant to numerous international organizations.

Eng. Fouad Thabet

Chairman, Federation of Economic Development Associations (FEDA)

Eng. Fouad Thabet is a businessman and he is currently the Chairman of the Federation of Economic Development Associations. It is a Federation consisting of 120 non-governmental organizations working in the economic development field through developing micro and small enterprises. Eng. Thabet is the Vice Chairman of the Cooperative Production Union, which includes 420 associations operating in the fields of production and services provision in various sectors. He is also the Chairman of the SME Development Association in Port Said Governorate.

Ms. Lois Stevenson

Senior SME Development Specialist, International Development Research Centre (IDRC) / SMEPol Project

Ms. Stevenson is currently on assignment with the International Development Research Centre (IDRC) as Senior SME Specialist in their Middle East and North Africa Regional Office in Cairo. In this capacity, she is Coordinator of the Small and Medium Enterprise Policy (SMEPol) Development Project. Ms. Stevenson has been working in the area of small business and entrepreneurship policy for the past 16 years. Prior to joining the Government of Canada in 1990, Ms. Stevenson was a university professor teaching and researching in the areas of entrepreneurship and small business management. She is also Past-President of the International Council for Small Business (ICSB) and the Canadian Council for Small Business and Entrepreneurship (CCSBE). She has books published on topics related to the role of entrepreneurship in economic development and comparative country analysis of SME/entrepreneurship policy, and she has conducted studies of entrepreneurship policy in 14 countries. This work has resulted in the publication of a series of books on the nature and construction of entrepreneurship policy.

Mr. Terry Evers

Director, Small Business and Special Surveys Division (SBSSD), Statistics Canada

Mr. Evers has a degree in Geography and Sociology and a diploma in Informatics. Having spent 34 years in Statistics Canada, he has extensive experience in all aspects of survey design, systems development, data collection and dissemination. Over the years he has worked on a wide variety of business and social statistical programs. As Director

of SBSSD, Mr. Evers is responsible for the Small Business Program in Statistics Canada which includes a large recurring national survey on SME demand for financing and the SME Statistics Project. Prior to this, Mr. Evers was the Assistant Director in the Business Register Division of Statistics Canada. As such, he was responsible for all activities related to the collection, processing, profiling and updating of the Business Register. Mr. Evers currently sits on the OECD Entrepreneurship Indicators Steering Group, Industry Canada's Small Business Research Advisory Committee, and the Paper Burden Reduction Initiative Working Group.

Mr. Andreas Lindner

Head of the Trade and Globalization Statistics, OECD Statistics Directorate

Andreas Lindner, a German international economist and statistician, is Head of the Trade and Globalization Statistics Section of the Statistics Directorate at OECD. In his long career at OECD, he specialized in various statistical key domains such as business statistics, trade statistics, and globalization statistics. Mr. Lindner is an elected member of the International Statistical Institute (ISI), and also member of the IAOS and of several international statistical groups. He was responsible for the statistical workshop of the OECD Ministerial meeting in 2004 in Istanbul on SMEs, which has led to the development of SME statistics at OECD along with entrepreneurial indicators and business demography statistics and is developing further SME statistics in the context of linking SMEs to trade statistics, globalization and statistical system design.

Ms. Susan Joekes

Program Officer, Globalization, Growth and Poverty, International Development Research Center (IDRC)

Ms. Joekes is an economist specializing in international economic relations, competition and regulation and labour markets with a special interest in gender analysis. Before joining IDRC in 2000 she was based at the Institute of Development Studies, University of Sussex, England. She also worked at UNCTAD, Geneva and the International Center for Research on Women, Washington DC. She has published widely on issues of gender, trade, competition, adaptation to environmental change and development and has carried out consultancies for many multilateral and bilateral development agencies. She is currently based in the Middle East and North African Regional Office of IDRC as a member of the Globalization, Growth and Poverty program initiative.

Dr. Zeinab Safar

Technical Advisor to the Secretary General, National Council for Women

She currently has many responsibilities in the Women Business Development Center and she is also a member of the Consultative Council (Upper House) since 1995. She is a Professor and the head of the Mechanical Engineering Department, at Cairo University. Her area of Expertise is in small industries, gender related issues, environmental systems and control, energy conservation, air pollution control, and thermal power systems. Dr. Safar is the recipient of the Change Agent Award 2007 in Computing of the Anita Borg Institute, USA. Dr. Safar have published more than 70 papers in the areas of energy, environment and sustainable development in international journals and conferences. Dr. Safar had her Ph.D. and M.S. in Mechanical Engineering from University of Pittsburgh in 1969 and 1973. She worked in Cairo University and other universities in USA and Germany.

Ms. Rania Khatib

Executive Manager, Jordan Forum for Business & Professional Women (JFBPW)

Ms. Rania Khatib is currently the CEO of JFBPW. Prior to that, she was an HR Manager at Al Quds College and she was the Manager of European Information Correspondence Centre in Jordan, where she worked in several AID programs such as EJADA and USAID ATASP projects. She also worked in the tourism sector as well with different entities and teaching was part of her career profile too. Currently and besides her fixed job with JFBPW, she is also a Human Resources and Management freelance trainer, a consultant and a member of IMC in Jordan. Voluntarily, she is an active member of an Arab Organization for Human Rights in Jordan. She is also the Regional Coordinator for Arab Students Observatory for Victims of Occupation and Blockade in the General Union for Arab Students.

Mr. Peter Paproski

Counsellor and Head of Aid for Canada in Egypt

Peter Paproski is currently Counsellor and Head of Aid at the Canadian Embassy in Cairo. Previous assignments have included: heading the Canadian International Development Agency's (CIDA) Technical Cooperation Programme in Bosnia and Herzegovina, senior advisor to CIDA's president, senior policy analyst in urban and subnational governance, CIDA representative in Haiti, and manager of numerous development programmes and projects both in and outside of CIDA. Since 1983 at CIDA, he has worked with government officials, NGOs, municipalities (on assignment with the Federation of Canadian Municipalities, universities, the private sector and international development banks. His experience has involved extensive development work and writing on issues of shelter, regional and urban planning and management, community development and local governance. Mr. Paproski holds a BSc from the University of Alberta (Edmonton), an MA in Educational Studies from McGill University (Montreal), and has pursued post-graduate studies in Urban Development at University College London (UK).