



The Small and Medium Enterprise Policy Development Project (SMEPol)

The Policy Development Experience



"SMEPol is the only organization making a difference toward coherent SME policy in Egypt"

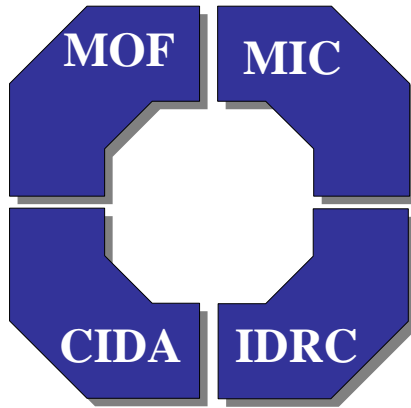
Outline

- SMEPol Timeline & Facts
- Policies
- Outcomes and Impact
- Lessons learned



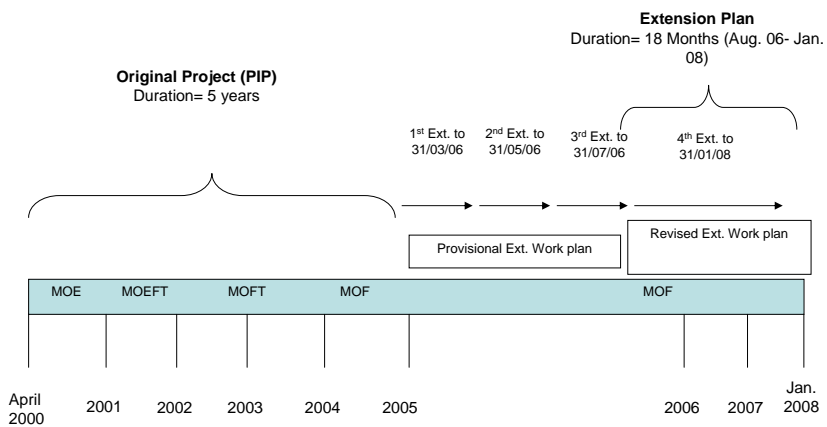
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SMEPol Project Partners

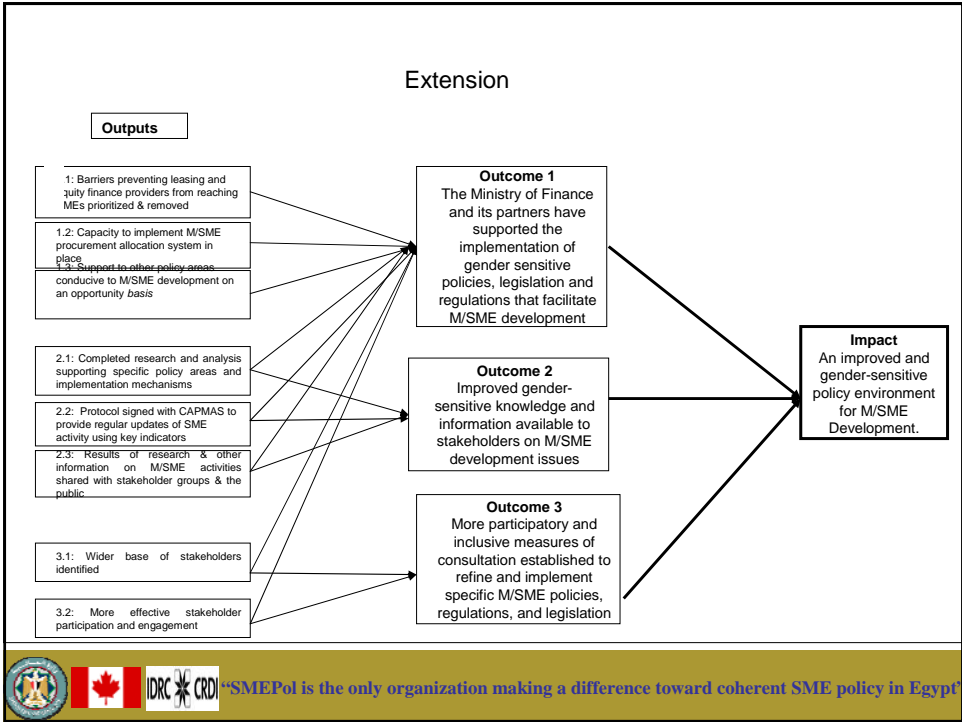
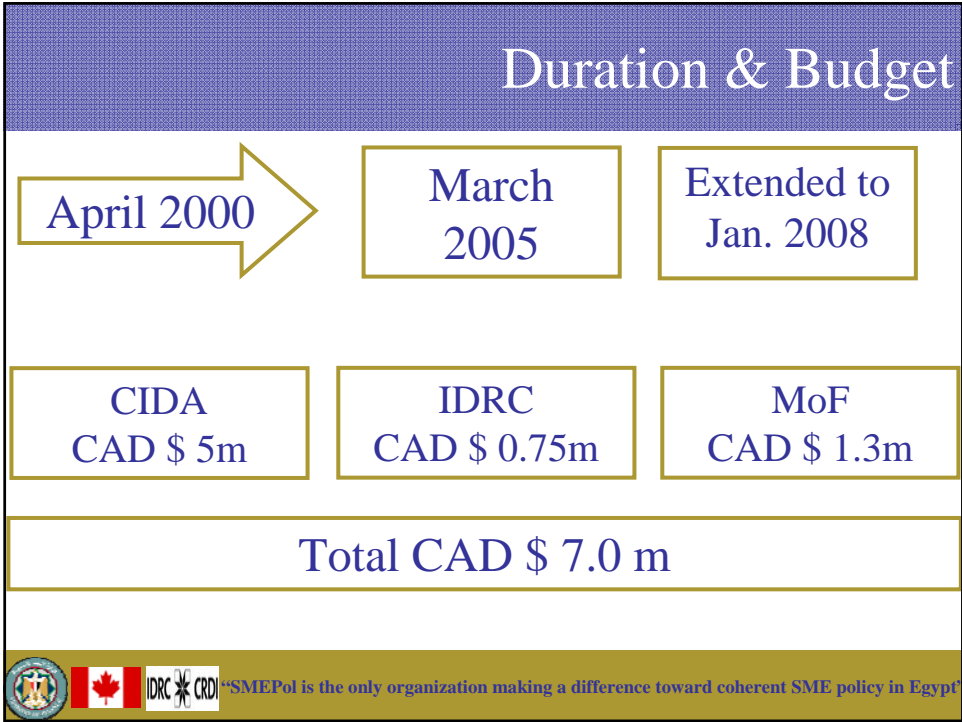


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Timeline & Facts



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Policies Tackled

- General framework for MSME development in Egypt (e.g. competitiveness)
- Operational Definition (e.g. unified definition)
- Access to Finance (e.g. microfinance, credit, venture capital, leasing)
- Access to government procurement (e.g. allocation of 10%, tracking system, bidding documents)
- Legal and regulatory issues (e.g. establishment, growth, OSS, RIA)
- Export development (e.g. trading houses, customs)
- Taxation for SMEs (e.g. accounting standards)
- MSME data (e.g. integrated systems)
- Entrepreneurship (e.g. women entrepreneurs, growth firms)
- Cross thematic issues: gender, environment, child labor



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Outcomes & Impacts

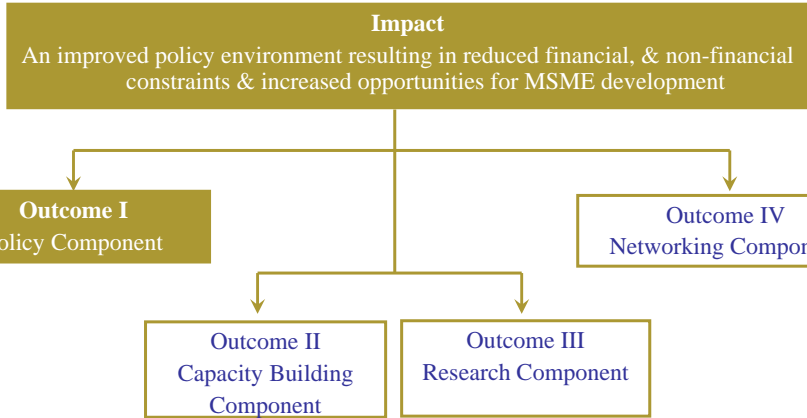
Policy Development (General)


- Prime Ministerial endorsement of new strategy “Enhancing SME Competitiveness in Egypt”
- Analytical support for the MSE Law and Strategy under SFD
- Minister’s SME Policy, Procurement, VC, Informal to Formal committees established
- Regulatory changes (e.g. SME tax system, OSS, SME Guide, RIA and the Guillotine)
- Venture capital Fund of Funds
- Leasing sales tax (lease back)



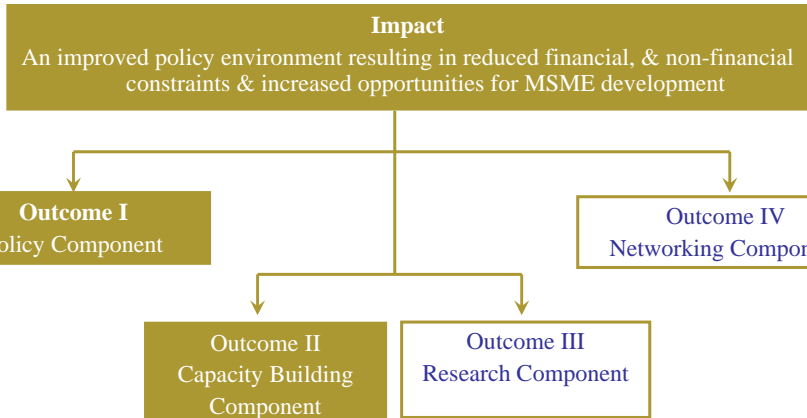
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SMEPol in Details



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Outcomes & Impacts

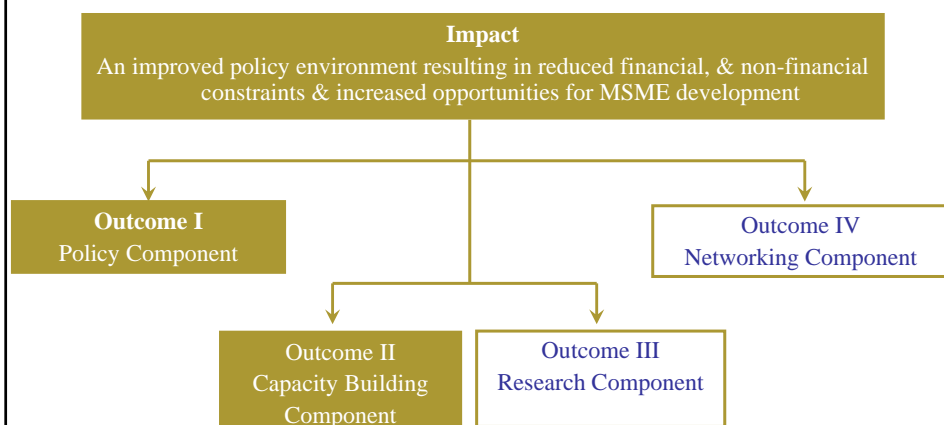
Capacity Building

- Over 8000 person days of training for the GDMA & DU
- 4 training workshops for policy committees in addition to a study tour for the VC committee
- Team orientation/mentorship
- Study tours to Canada, U.S, South Africa, and China in partnership with other ministries and donors
- 18 Regional Workshops (all the preparations for these workshops were done through the GDMA and DU)



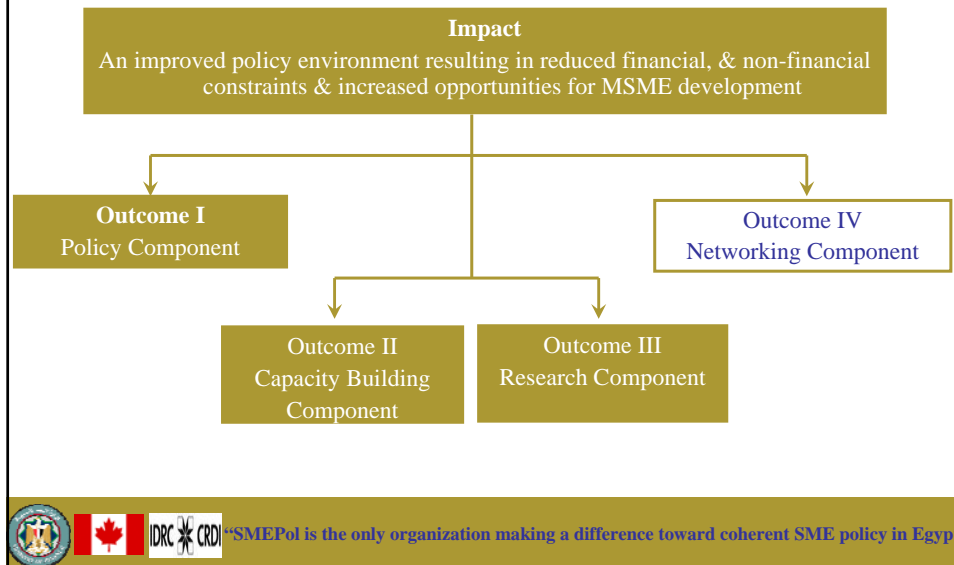
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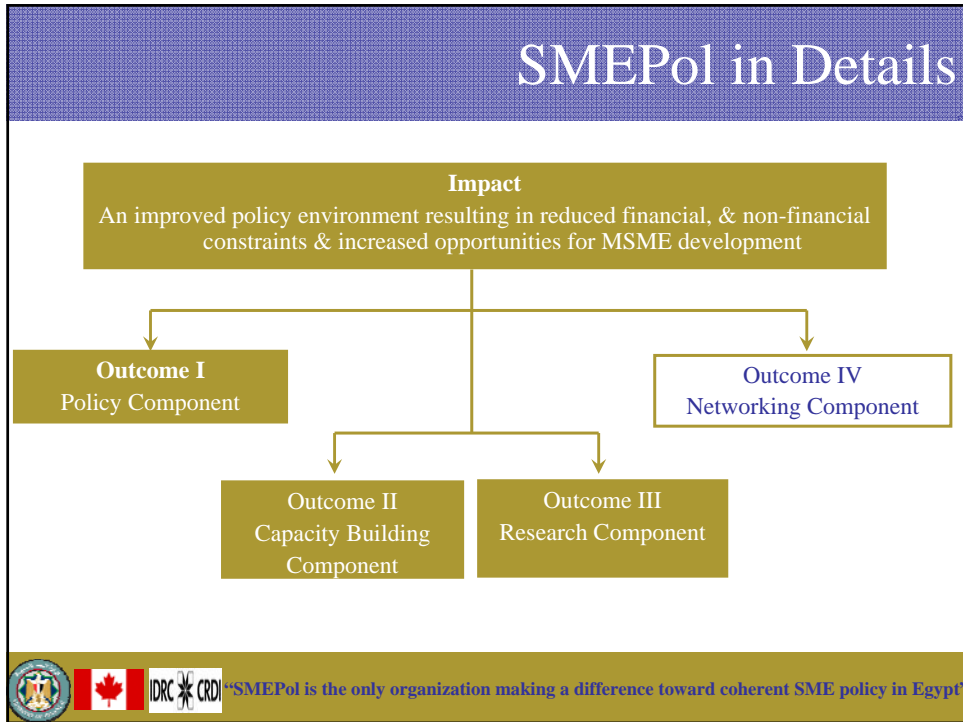


Outcomes & Impacts

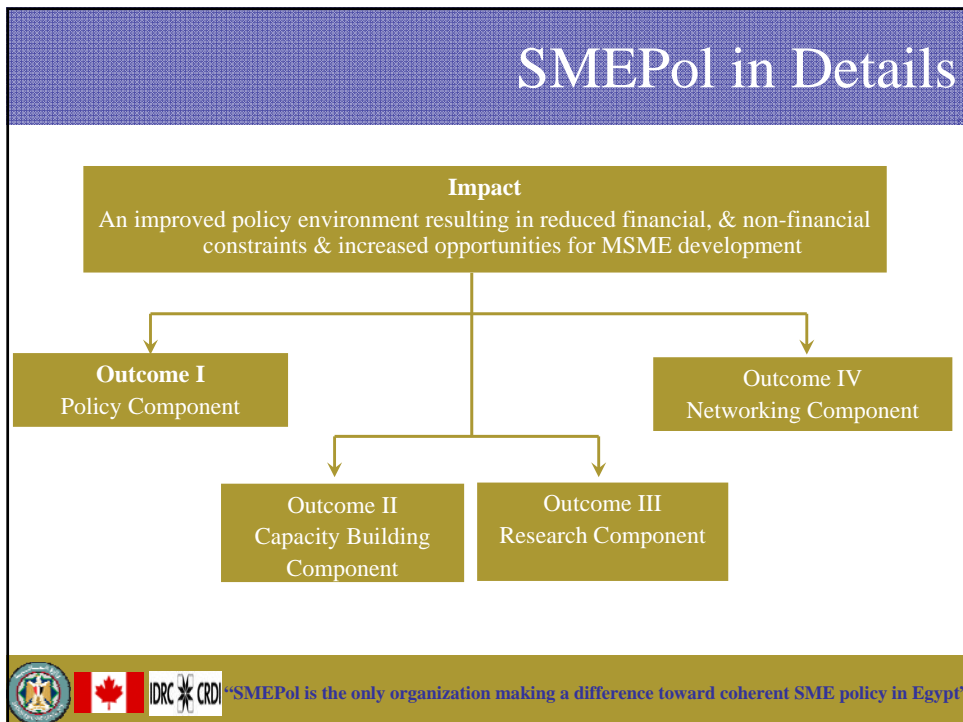
Research & Information

- Over 3,700 pages of knowledge on MSME-related issues in 39 policy-oriented research studies and reports.
- 42 research reports prepared and distributed to stakeholders

SMEPol in Details



SMEPol in Details



Outcomes & Impacts

Networking & Public Awareness

- Stakeholder consultation institutionalized in ministry
- Regional workshops engaging SMEs in solving problems
- Over 40 Conferences, roundtables, focus groups, and workshops involving over 350 different organizations and stakeholders
- Publications were produced and distributed
- Direct consultations with over 3000 SME owners
- Website (English & Arabic) on SME Development
www.sme.gov.eg 50,012 hits



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SMEPol Influence: In the Eyes of Others

"The results to date show that SMEPoL has had an impact on both the SME policy environment in Egypt and the SME policy development process within MoF"

"Clearly, there has been an enhancement of staff capacity for policy development. A group of core staff within the GDMA have the necessary training now to take over the policy formulation process, which was one of the original intentions of SMEPol."

Mary Lynch



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SMEPoL Influence: In the Eyes of Others

“SMEPoL is the only organization making a difference toward coherent SME policy in Egypt”

Ahmed Salem, Cooperative Society for Small Industries

“SMEPoL has had substantial success on influencing the strategies and formal policy documents of the GoE. SMEPoL has succeeded in directing the outcomes of formal research and stakeholder consultations, through enhanced human and institutional capabilities, to influence formal policy documents of the GoE beyond the intended scope of the project”

Evaluation of SMEPoL by Overseas Development Institute



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Lessons

Contextual Lessons

1. Context of Reform
2. Relevance / Need
3. Mandate / Authority
4. Champion(s)
5. Country Presence
6. Research capacity

Project-Related Lessons

1. Explicit Policy Focus
2. Partnership (& Embedded)
3. Risk Management
4. Flexibility
5. Project Resources
6. Consultative Approach
7. Strategic Opportunism
8. Research Quality
9. Consider Implementation Issues



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SME Unit: What's Next?

- **Institutionalization of the Unit**
- **Support implementation of selected policies; procurement, financial services, RIA, taxation and competitiveness**
- **Assist in coordination among key ministries/agencies**
- **Continue to strengthen evidence base for SME Policies via in-house studies**



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Thank you



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