

# ARAB-EU

## *Business Facilitation Network*

May 24<sup>th</sup>, 2013

### **2<sup>nd</sup> working group meeting, Amman, Jordan, May 16-17<sup>th</sup> 2013**

#### **Participating delegations**

##### **GCC**

Federation of GCC Chambers of Commerce & Industry  
Federation of UAE Chambers of Commerce & Industry  
Oman Chamber of Commerce & Industry  
Qatar Chamber of Commerce & Industry  
Bahrain Chamber of Commerce  
Qatar Chamber of Commerce & Industry

##### **Tunisia**

UTICA

##### **Libya**

Libyan Businessmen Council

##### **Palestine**

FPCCIA

##### **Jordan**

Jordan Chamber of Commerce; Amman Chamber of Commerce; Zarca Chamber of Commerce

##### **Morocco**

Confédération des Entreprises du Maroc

##### **Egypt**

Chamber of Food Industries, FEI

##### **Denmark**

Confederation of Danish Industry

#### **Not participating delegations**

**Algeria** - Forum de Chefs Entreprise

#### **Summary**

The second working group meeting of 2013 took place in Amman, Jordan on May 16-17<sup>th</sup>, 2013 and was kindly hosted by the Jordan Chamber of Industry. The working group meeting was the second of three in the 2013 project circle. The discussions were focused on the continuation of the points of agreements from the meeting in Doha in February with the overall purpose of exchanging experiences, developing the advocacy activities and agreeing on an action plan until the next working group meeting and the conference in the province of Sharjah 18-20 November.

#### **May 16<sup>th</sup> 2013**

After warm welcome greetings from the Jordan Chamber of Industry and the Confederation of Danish Industry, a new member of the network, FPCCIA from Palestine, was welcomed to the network. Mr. Jamal Jawabreh is pleased to join the network and has significant experience to contribute with. Following that, the EU Ambassador to Jordan, Ms. Joanna Wronecka, informed that the EU is working towards SME growth in the MENA region, especially through the reduction of non tariff barriers (NTBs) as well as the enhancement of standards. In terms of the visa situation a 'facilitation visa' for selected countries has been proposed, but as the issue has importance to all members it needs broad approval. The EU currently has a public hearing on the visa issue, also in Arabic, which is described in detail below.

The meeting proceeded with an insightful presentation by Dr. Gamal Soltan and Dr. Jacob Wichmann. Based on thorough analysis of the public perception of important political issues in Egypt, Libya and Tunisia, they concluded that the business society in the MENA region should:

- Address the public directly, for instance through media campaigns, organized forums or published articles.
- Talk to the political parties in order for them to adjust their priorities according to the private sector's needs
- Commence dialogue with the labor unions – an organized leadership of the employees means the laborers speak with one voice and is preferable to unorganized labor
- Demonstrate its ability to respond to public concerns such as health issues
- Improve or even re-invent the image of the private sector as being composed by vast amount of SMEs, not simply big MNCs

The recommendations stems from the vital finding that the political parties are generally open towards suggestions, ideas and recommendations from the private sector.

The second presentation was given by Business Development Center (BDC) in Jordan, who explained how their non-profit company has managed to push the topic of entrepreneurship onto the agenda of Jordanian politicians and even onto the curriculum of several schools and universities in Jordan. The presentation served as a best practice example to the remaining delegates and therefore led to interesting discussion. BCD worked both with entrepreneurial skills and mentality.

The last topic of the day was an introduction into strategic communication and relationship building with the media by DI journalist, Gordon Trier Holm. As a part of the session the delegates were asked to state their vision of their respective BMOs. These have been summarized in the box below.

#### **VISIONS OF THE RESPECTIVE BMOs**

- To become a world-wide organization serving the interests of our members. More specifically, to become a world-class organization playing the key role in promoting the global competitiveness of Egyptian processed food and beverages with Egyptian brand managers recognized for their service and product quality by consumers in Egypt and around the World.
- To serve the private sector and to promote trade improvement.
- To support FDI into Saudi Arabia and to ensure upgrading and value adding of the entire production chain.
- To aid the GCC SMEs into globalization.
- To promote partnerships with the private sector
- To lead and protect the private sector interests
- To become a model of excellence through promotion of private sector interest, networking, lobbying.
- Réussir la transition politique par le développement économique- (Utica – Tunisia)
- To be the advocate of the private sector and to assist the city in becoming more competitive while becoming a centre of excellence (Sharjah Chamber)
- To assist our members and defend their interests with public and social partners.
- To affect the economic development by means of creating jobs and building capacities of SMEs. Moreover, to promote entrepreneurship and in that way empower youth and women to increase their participation in the economy by becoming job creators.



**May 17<sup>th</sup> 2013**

Ph.D. and Director General for JCI, M. Mahrouq commenced by sharing experiences from the JCI and its role in supporting SMEs. While Jordan MSMEs account for only 40% of the GDP they represent 99.6% of all companies in the country and are responsible for 70% of the employment. These figures only reinforce the global picture which demonstrates the importance of SMEs in job creation and growth.

Following the SME presentation, several delegates took the floor to give their insights on SMEs:

**Morocco:** the SMEs generally suffer from the same challenges: (1) Poor communication and marketing (2) Lack of finance (3) Lacking behind in innovation and R&D. Therefore, the CGEM has created and implemented an SME observatory, including a research database.

**Oman:** Oman Chamber of Commerce and Industry had launched a large campaign last year to support SMEs. The campaign includes following elements: (1) The encouragement of entrepreneurship and the change of the curriculum in schools and universities (2) The launch of a new government fund to help SMEs and (3) Training of SMEs. The commercial banks give special interest loans to SMEs, which is covered by the government.

The **Syrian** delegate, Mr. Essam Zamrick, informed that a similar arrangement was present in Syria. Mr. Zias Homsy from **Jordan** requested more elaborated statistics on the subject from Oman to be circulated. ( Please see Points of Interest below).

**Egypt:** FEI/CFI was working to promote an SME authority – funded by the Government - that should become a “one stop shop” to solve the issues that SMEs face.

Lastly, an interactive workshop finalized the meeting. The delegates were in groups asked to define the vision, strategic goals, and activities of the Arab-EU network. Against this backdrop a strategic manual for the Arab-EU network will be formulated and circulated shortly.

#### **Next steps**

The meeting emphasized the common challenges faced by SMEs in the MENA region and thus stresses the importance of collaboration and knowledge sharing between the BMOs. The presentations from the meeting as well as the upcoming newsletter should serve as tools in this process. Valuable feedback on the newsletter was collected from the respective delegations and will be incorporated in the next edition published in July 2013.

The next working group meeting will be held in relation to the Partners in Progress conference, 18-20<sup>th</sup> of November in Sharjah, UAE, arranged by Sharjah Chamber of Commerce & Industry, represented by Mr. Hussain Mohamed Al Mahmoudi.

The tentative planning for 2014 includes:

Feb. 2014: Annual meeting in Copenhagen, Denmark

April 2014: Regional SME Conference, Amman, Jordan

June 2014: Working group meeting, Marrakesh, Morocco

#### Points of interest

- All presentations from the working group meeting are available on [www.ae-network.com](http://www.ae-network.com)
- More information about BDC and their “Maharat Program” can be found on [www.bdc.org.jo](http://www.bdc.org.jo), as well as on Twitter, Facebook and LinkedIn: @Maharat Program.
- An Arabic version of EU’s open consultation on improving procedures for obtaining short-stay Schengen-visa can be found [here](#)
- Regarding SME growth policies in Oman: “*The Central Bank of Oman (CBO) directed licensed local and foreign banks in the Sultanate to increase credit facilities for the SMEs. As per the directive they are required to allot 5 per cent of the total banking credit facilities to these institutions no later than by the end of December 2014. He said that this rate is the minimum that should be met and that banks are free to exceed this limit so that they can effectively contribute in the development of SMEs by providing credit at low interest rates and less costs.*” Please find more information [here](#).



Yours sincerely,

Niels Tanderup Kristensen  
Manager