



Confederation of Danish Industry

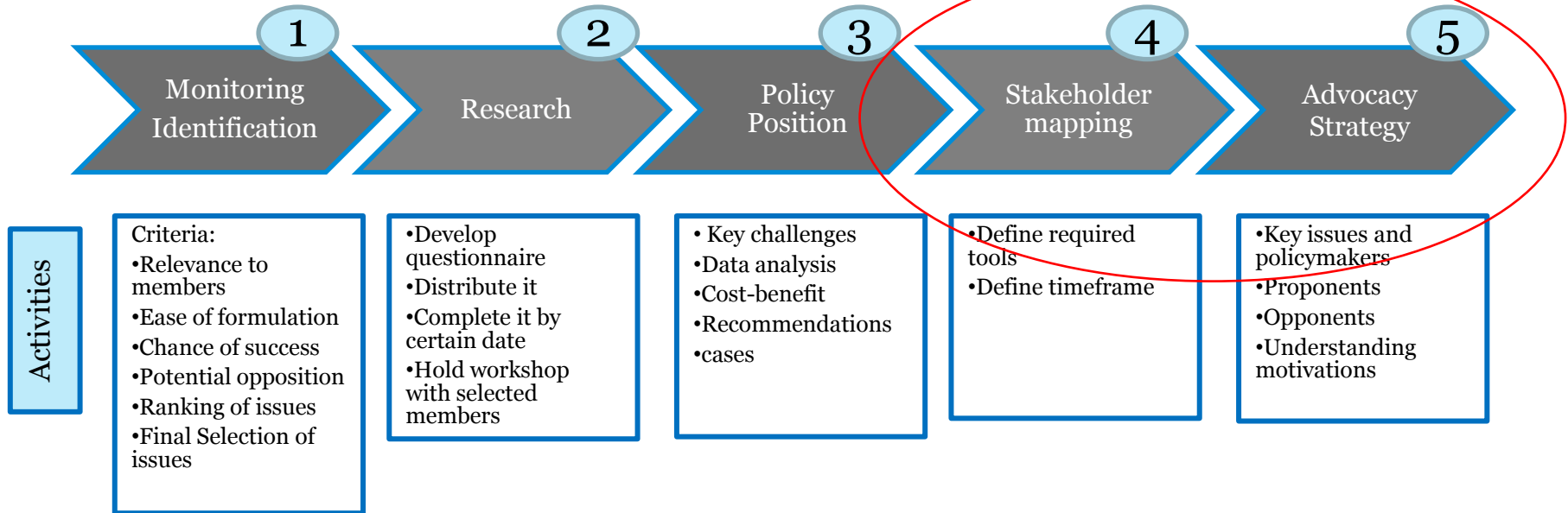


# Arab-EU Network

## *Doha, Qatar*

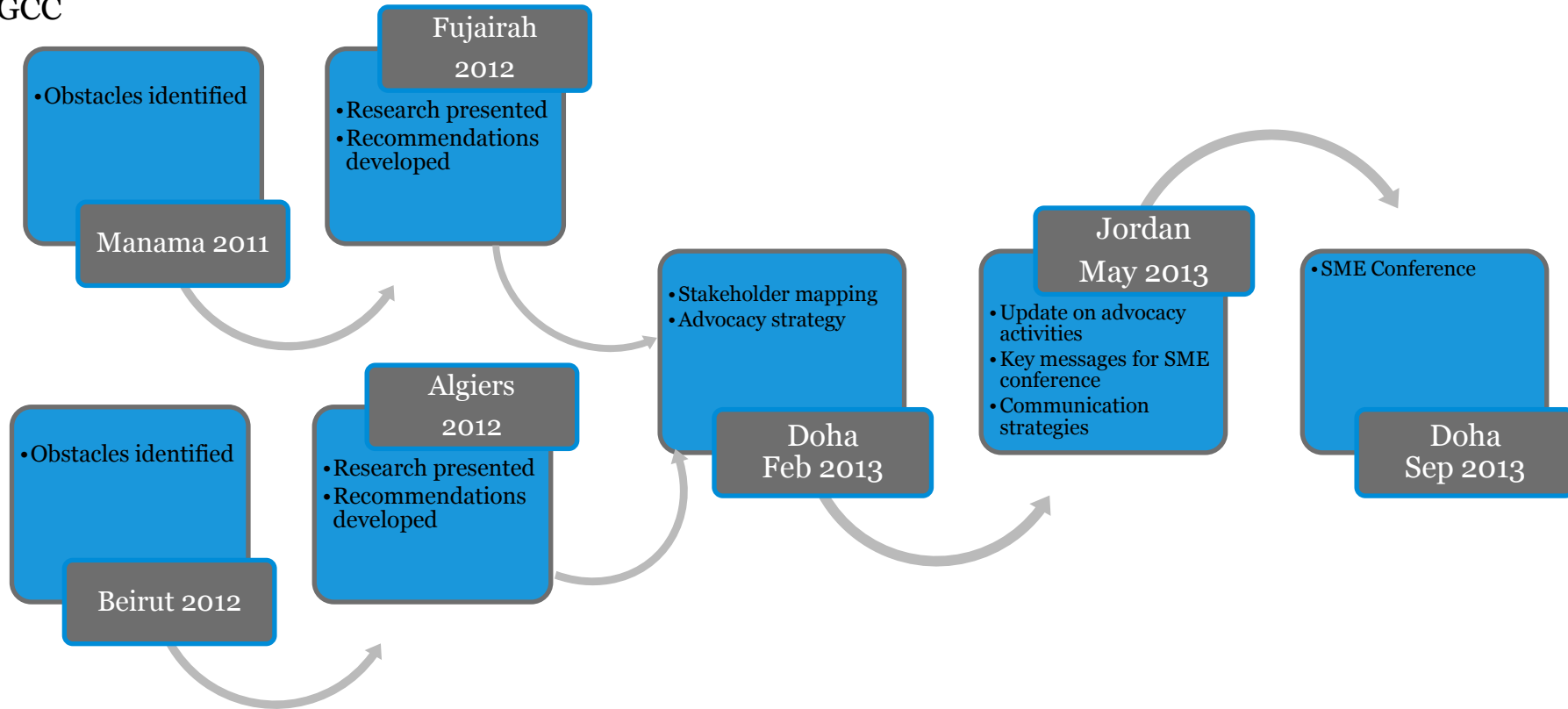
*Jesper Friis, Senior Consultant, DI*

# The policy advocacy process



# Next phase

GCC



North Africa & Levant

# Working group in Manama, 20<sup>th</sup> of October 2011

## Main obstacles

1. Access to finance
2. Internal capacity in SMEs
3. Innovation

# Main obstacles - North Africa & Levant

Access to Finance

Access to Foreign Markets

Access to Information

Human resources (lack of skills & training)

Innovation and R & D

Lack of Technical and Marketing Support

Difficult to participate in Foreign International Exhibitions

# Access to finance GCC - Main obstacles

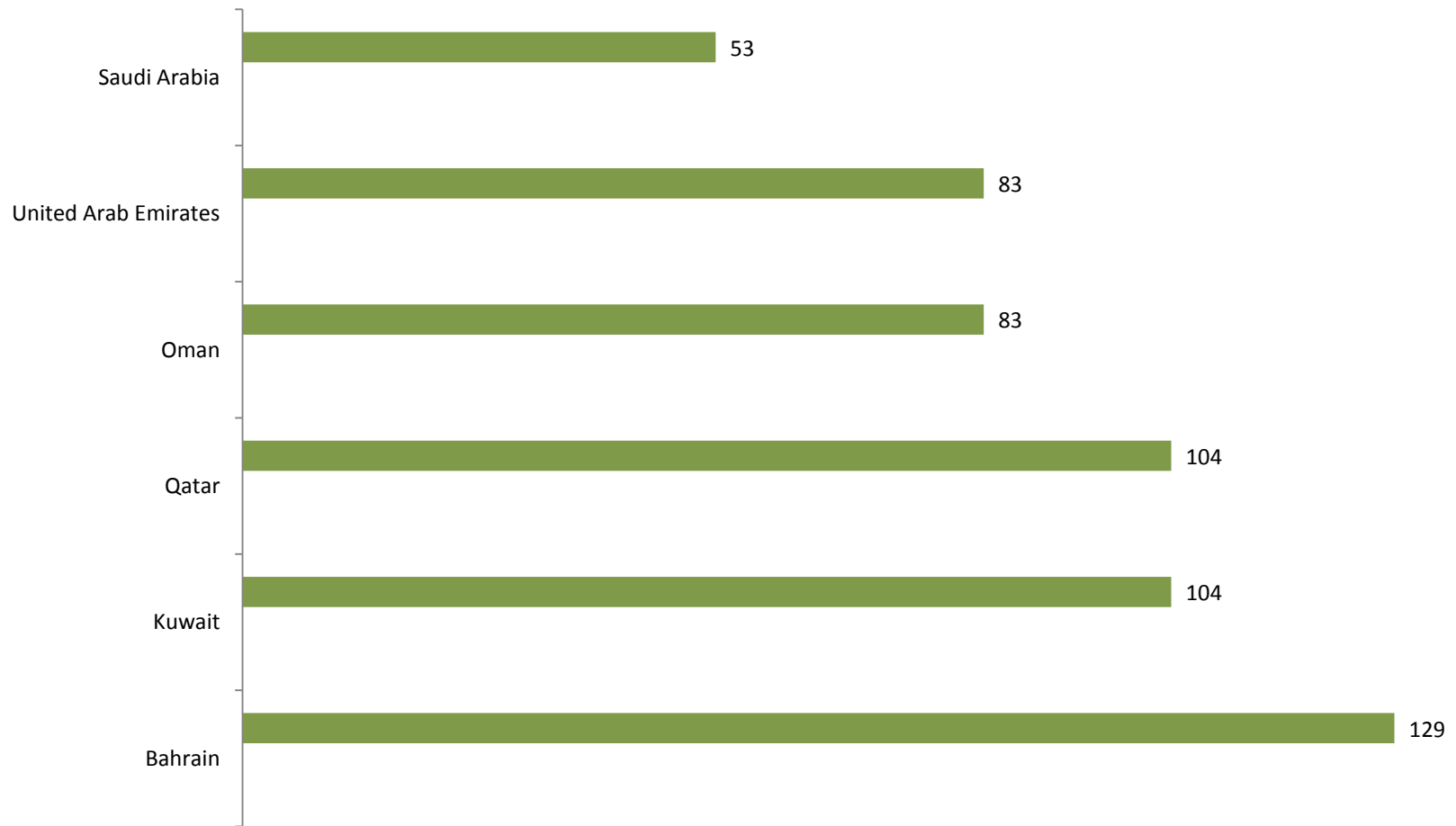
1. The banks requirements of information and collateral are difficult to meet for SMEs.
2. SMEs lack the skills to provide the information in form of accounts and business plans that the bank requires.

# North Africa & Levant

## Access to Finance

*“Our experience is that our members have trouble getting access to the funds they need for growth or innovation, and often the requirements to financial structure and collateral are unrealistic”, Member AE-network*

# Ease of getting credit



Source: Doing Business 2013. World Bank 2012



# Innovation GCC - Challenges

1. Lack of innovation culture among the population of the GCC countries.
2. Poor linkages between Universities and companies in some countries

# North Africa & Levant

## Innovation

*“We would like to engage our members more in partnerships and initiatives challenging and developing our industry, but funding and relevant information is almost impossible to get”, Member AE-network*

# Innovation

## MENA rankings

Input Sub-Index	Output Sub-Index	Efficiency ratio	Global Innovation Index
28. UAE	41. Qatar	21. Jordan	33. Qatar
30. Qatar	46. Jordan	54. Kuwait	37. UAE
35. Bahrain	51. UAE	59. Tunisia	41. Bahrain
39. Saudi Arabia	54. Kuwait	73. Lebanon	47. Oman
42. Oman	55. Oman	78. Egypt	48. Saudi Arabia
61. Kuwait	58. Tunisia	90. Oman	55. Kuwait
62. Lebanon	60. Bahrain	91. Qatar	56. Jordan
64. Tunisia	63. Lebanon	94. Morocco	59. Tunisia
72. Jordan	70. Saudi Arabia	115. Syria	61. Lebanon
88. Morocco	90. Morocco	118. Iran	88. Morocco
97. Iran	99. Egypt	121. UAE	103. Egypt
101. Algeria	117. Iran	125. Bahrain	104. Iran
104. Egypt	130. Syria	127. Saudi Arabia	124. Algeria
123. Syria	134. Algeria	132. Yemen	132. Syria
138. Yemen	138. Yemen	136. Algeria	139. Yemen

# Skills training GCC - Challenges

1. SMEs in the region lack adequate skills to achieve growth; competitiveness and exports.
2. Inadequate public business support infrastructure in order to assist SMEs to achieve growth.



# North Africa & Levant

## Access to Foreign Markets

*“We focus on our home market as we do not have the necessary resources to access the foreign markets, and this seems to be the case for most of my business network”, Member AE-network*

# North Africa & Levant

## Access to Information

*“Many of our member companies argue that their business suffers from insufficiency in the provision of information, mainly due to slow and cumbersome processes, limitations in scope, and only access from isolated institutions.” Member AE-network*

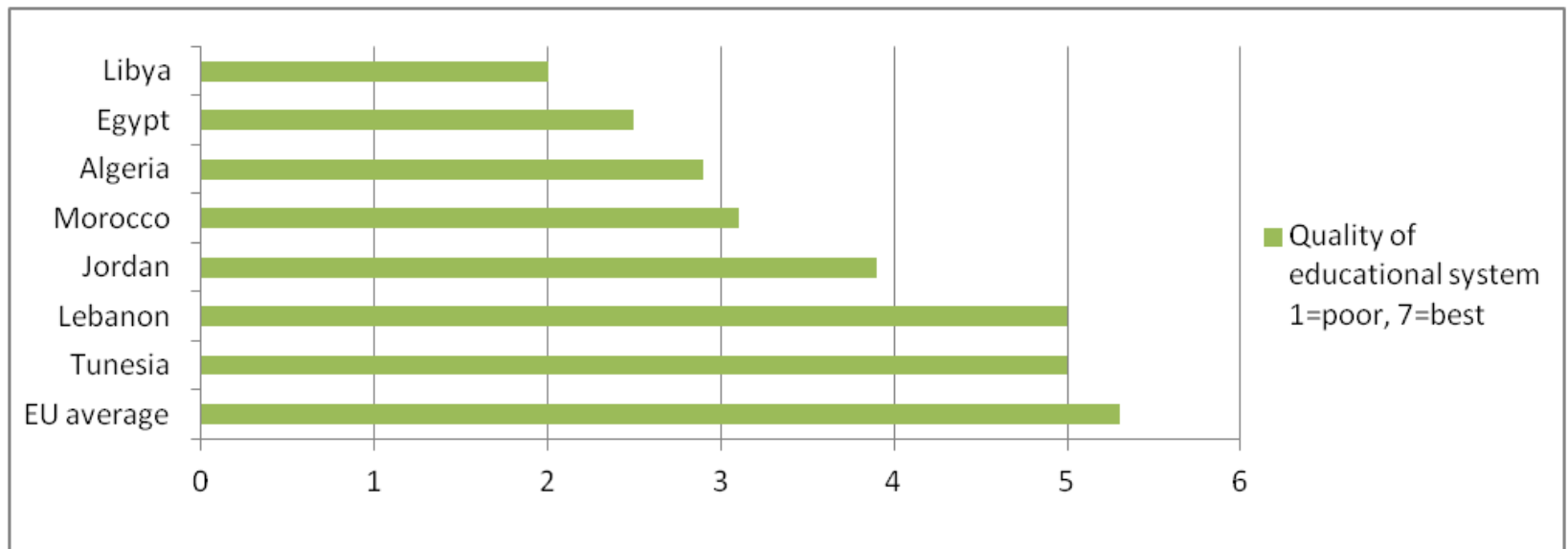
# North Africa & Levant

## Human Resources

*“How we can get more qualified workers, is a question we hear frequently from*

*our members, and unfortunately the answer will often be unsatisfying for them, as skilled workers are hard to find”,  
Member AE-network*

# Quality of education system





# GCC - Recommendations

1. Establish a common SME definition in the GCC countries
2. Improve the quality of data collected on SMEs
3. Investigate how investors can receive better protection in the GCC financial system
4. Investigate if the products of the GCC capital markets are adequately diversified
5. Establish SME support centres to assist with business models and accounting. The support centres should also be able to facilitate loans
6. Establish innovation centres with test facilities
7. Integrate entrepreneurship in the educational system

# Recommendations North Africa & Levant

1. Actively and financially support Industrialists to participate in international sectorial exhibitions to help them access foreign markets and promote domestic products.
2. Put in place financial support schemes specifically targeting exporters, supplemented by programs aimed at assisting exporters in tapping into new export markets (including technical capacity building and promotional support programs).
3. Assist SMEs to access commercial bank funding by providing loan guarantees to reduce the risk of the loan for the bank and thereby provide incentives for commercial banks to be less risk averse. This should ensure access to credit for sound business projects without having to provide collateral.
4. Encourage university-industry cooperation towards the building a knowledge-based economy as well as launch programs to match university research with industry needs.

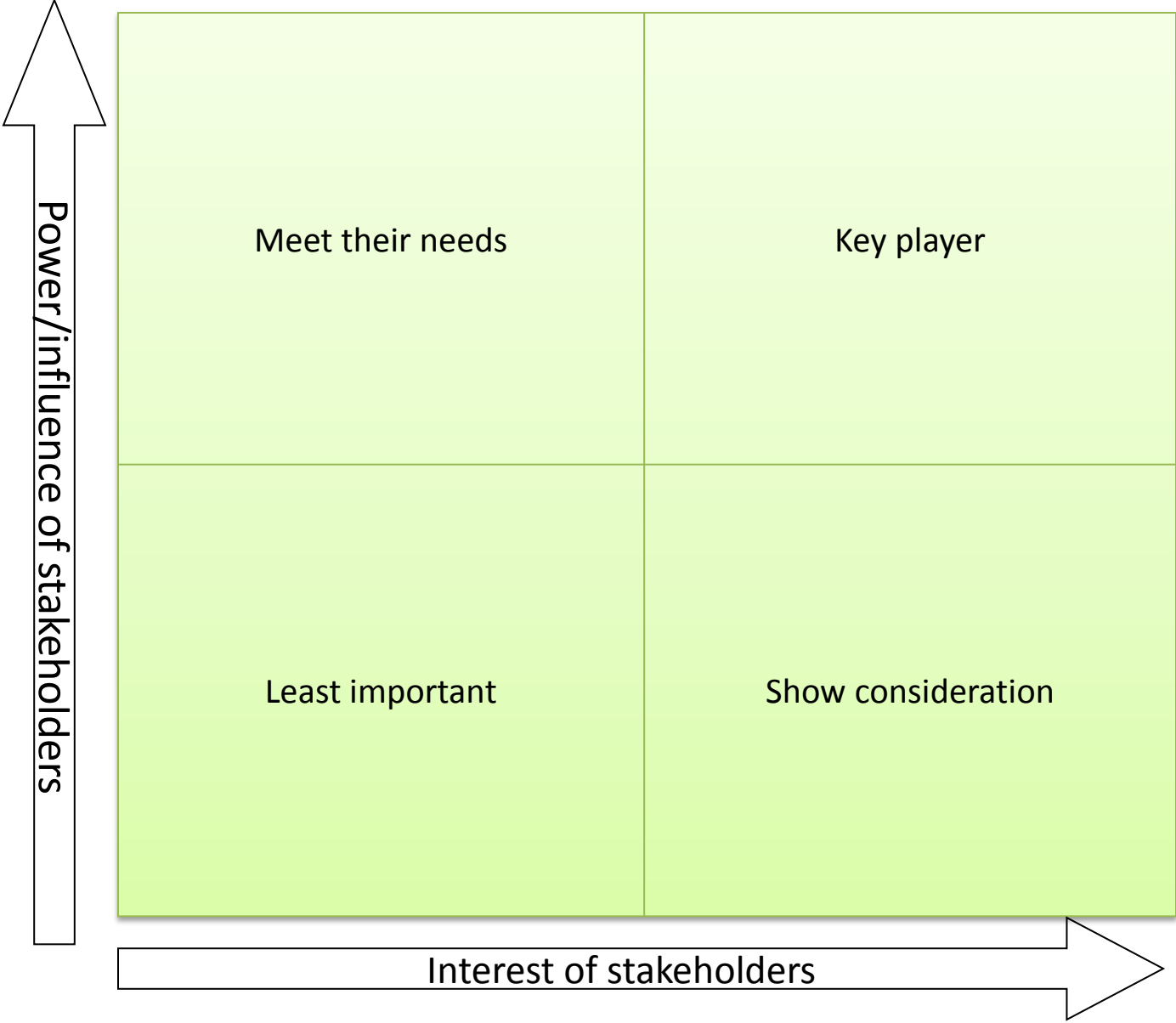
# Identify Stakeholders

Stakeholder	Interest	Influence

## Advocacy Strategy

Calendar	Activity	Objective	Stakeholder

Map



## Detailed activities

**Name of activity (#1)**

**Objective**

**Expected results**

**Format**

**Stakeholders**

**Deadline**

**To do list**