

2nd Working Group Meeting of the ARAB-EU Business Facilitation Network

Amman, 27th of April 2014

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09:00-09:15	<ul style="list-style-type: none"> - Welcome by JCI - Information on the SME Regional Conference - Welcome by Confederation of Danish Industry
09:15 – 10:15	<ul style="list-style-type: none"> - Presentation of “Start-Up MENA initiative”, by Carsten Kølbeek, Founding Partner of Rainmaking/StartupBootcamp
10:15 – 10:30	<ul style="list-style-type: none"> - Presentation by H.E. Ambassador Rolf Holmboe: Danish business interests in the MENA region, Business Cases from Lebanon
10:30-11:00	Coffee
11:00-11:20	<ul style="list-style-type: none"> - Presentation of a new investment web-portal, by H.E. Nagi from FGCC
11:20-12:00	<ul style="list-style-type: none"> - State of play of the B2B Platform, including budget and Action Plan for 2014, by UTICA – incl. Questions & Discussion
12:00-12:30	<ul style="list-style-type: none"> - Presentation by DI of TOR for a consultancy firm to conduct a pilot gap analysis in: <i>Egypt - Food & Beverages</i>
12:30-13:30	Lunch
13:30 – 15:15	<ul style="list-style-type: none"> - Prioritization of second policy focus area of 2014: SMEs
15:15-15:30	Coffee
15:30-16:00	<ul style="list-style-type: none"> - Presentation and facilitation by DI on the future formalization of the network
16:00-16.15	<ul style="list-style-type: none"> - Next steps and planning for next meeting
20.30-22.30	<ul style="list-style-type: none"> - Welcome Dinner for Arab-EU network - Dinner speech by His Excellency, the Danish Ambassador to Jordan, Lebanon and Syria

Welcome by JCI

Update on the conference

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Welcome by DI

An aerial, high-angle photograph of a modern city skyline, likely Dubai, featuring numerous skyscrapers and a prominent large dome structure. The sky is hazy, and the overall color palette is dominated by blues and greys, with some warm tones from the sky. The text is overlaid on this image.

Start Up MENA

The leading initiative to foster innovation and entrepreneurship in the MENA region

Danish Business Interests in the MENA region

H.E. Mr. Rolf Holmboe, Danish Ambassador to Lebanon, Syria & Jordan

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Coffee Break

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New Invest in GCC Online platform - FGCCC

The B2B Platform: State of Play & Action Plan 2014 - UTICA

TOR for consultant to do pilot Gap Analysis in Egypt, Food & Beverages - DI

Policy Focus of 2014:

bring together partners and institutions from public and private sectors to better shape vocational training and SMEs' legislative framework to the needs of SMEs

Vocational training

SMEs

May - August

Pilot Gap Analysis

Food & Beverages in Egypt

To be decided today

Sept - Dec

Conclusion & Validation

Potentially more Gap Analyses



Lunch

Policy Priority Issues for 2014

Re-cap from Marrakech...

Previous policy work of the network

	Focal points		Deliverables	
	2011	2012	2012 + 13	2014
Trade Policy	Border clearance (10)			
	Harmonization of standards (10)			UME/UMA
	Agri-trade (10)		Food catalogue (Egypt) Gulfood (UAE)	
		Rules of origin (3)		
		Visa (7)	Red Carpet Program (all)	
		Anti-corruption (5)		
	Vocational training (4)	ECO (Egypt)		
Trade Promotion		SMEs (4)	SME Technical Support Unit (Jordan) SME seminar (Egypt)	StartupBootCamp (Egypt + more)
	Export knowledge (11)		Business Salon (UAE, Sharjah)	Danish Industry House (Qatar)

Re-cap from Marrakech...

Policy workshop

Step 1

- Overview of previous policy focal points

Step 2

- Prioritization: Two key policy focal points for 2014

Step 3

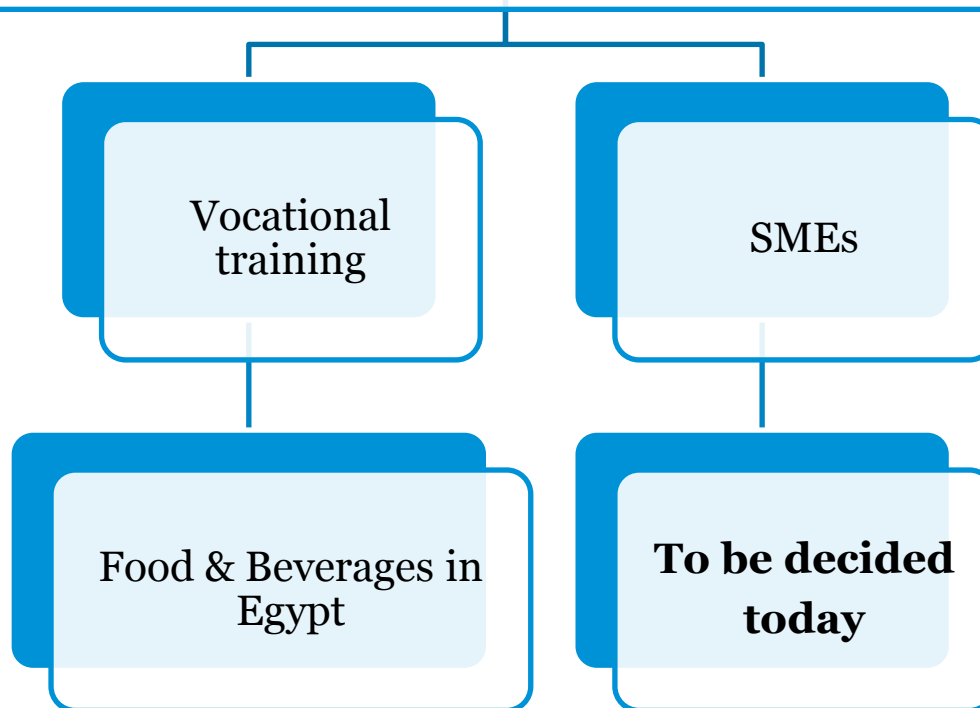
- Prioritization: Two recommendations for each policy focal point

Step 4

- Policy Advocacy Strategy:
 - Phase 1: Defining challenges & ambitions
 - Phase 2: Defining stakeholders, objectives, activities

Policy Focus of 2014:

bring together partners and institutions from public and private sectors to better shape vocational training and SMEs' legislative framework to the needs of SMEs



Re-cap from Marrakech...

Policy Advocacy Strategy



Policy work 2014

POLICY AREA	RECOMMENDATIONS	PRIORITY	ACTIVITY
VET	7 recommendations	Pilot Gap Analysis of VET for the Food & Beverage sector in Egypt	TOR for Consultant
SMEs	6 recommendations	TO BE DECIDED TODAY	TO BE DECIDED TODAY

Recommendations revisited

SME ENVIRONMENT

- A. The Governments should actively and financially support Industrialists to participate in international sectoral exhibitions to help them access foreign markets
- B. Put in place financial **and legislative** support schemes targeting specifically exporters supplemented by programs aimed at assisting exporters in tapping new markets
- C. 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.
- D. **Specific legislation/regulations for SMEs (SMEs should be considered in the laws of investment)**
- E. **Enlightenment in procedures and regulation relevant to SME enhancement**
- F. **SME Investment Bank**

VOCATIONAL & EDUCATIONAL TRAINING

- A. **Bring together partners and institutions from public and private sectors to shape cooperative vocational training**
- B. **Educational institutions should establish strong ties with industrial institutions in order to help students procure training and secure employment upon graduation.**
- C. **Set up goal for the educational system that can support economic development in our countries and a strong competitive private sector.**
- D. **Focus on the quality of TVET Programs (technical vocational education and training) to attract young people and link it to the market.**
- E. **Focused programs on specific sectors such as agriculture, service and trade etc. to the needs of the market**
- F. **Technical Assistance for specialised vocational training centres**
- G. **Encourage educational-industry cooperation towards building a knowledge-based economy and launch programs to match university activities/research with industry needs/problems [MOVED FROM SME]**

Prioritizing SME Policy Focus: Recommendations

SME ENVIRONMENT

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Prioritization

After discussion the votes of the four groups of the most important recommendation were:

- Group 1: E
- Group 2: D
- Group 3: D
- Group 4: F

Process:

- Each group gave justification for their choice – only one with written notes were Group 1:
 - Because it will help SMEs have new specific regulation and a frame for investment
 - The network can bring value added by the proposing enhancement measures
 - Minimize costs of start up
 - Accelerate job creation
 - Influence government policies as a network
- It was discussed whether and in which ways D and E were overlapping.
- **F was discharged and it was decided that D and E would be discussed more in detail.**

Mapping of impact of success

- The groups had to discuss what policies and services for members they had had success with in order to share experience and lessons learned in this area. Of the various policies and services discussed, each group should select preferably two policies and two services that should be listed on a scheme according to the assessed impact and assessed number of members it affect.
 - Lower Left corner: None.
 - Upper left corner: None
 - Upper Right Corner:
 - **Palestine: supply for school and public events served for SMEs (policy)**
 - **FEI: Revolving loans at low rate (2.5%) with one year grace period (service)**
 - **JCI: The JCI Technical Support Unit for SMEs which provides consulting and serves for SMEs like access to finance (service)**

Mapping of success cont.

- Lower Right corner:

- **Algeria:** 0% interest for the loans provided to SMEs (around 18,000 companies per year use this) (policy)
- **Qatar:** The Qatar foundation offers consultancy for SMEs and startups, audits, and it helps them grow and develop (service)
- **Syria:** Link or platform between guarantors and investors (service)
- **Algeria:** customs green line: pre-audited companies customs clearance form in which the companies are checked post clearance if necessary (policy)
- **Palestine:** a PPD mechanism has been set-up through which the company taxation has for instance been lowered from 30 to 20% and through which SMEs participation in public procurement has been improved (policy)
- **UTICA:** investment bank for SMEs (owned by the other banks) (service)
- **Morocco:** 20% of public tenders dedicated to SMEs (this is also the case in Tunisia and other countries) (policy)
- **Palestine:** Networking between big companies and small ones as sub-contractor (service of the policy of the PPD mechanism)
- **Palestine:** awareness about policy work (e.g. work on labor law and taxation law) that is done through the PPD initiative (service)
- **For young entrepreneurs :** allowed to create startups for international trade with a startup capital of just of 15,000 USD instead of 100,000USD (policy)

The future formalization of the AE-network

New secretariat in Amman

- The secretariat will support activities and assist the network partners in logistical issues and to implement more initiatives.
- The secretariat will be servicing the coordination of the network, while DI and all the partners are focused on the policy and trade promotion content.
- DI will continue its role as project director overseeing the work of the secretariat.
- In practical terms this means that the person we will be hiring as head of the secretariat will be working at JCI and JCI will host the secretariat based on their kind proposal.
- In more operational terms, the head of the secretariat will be responsible for organizing meetings, arranging travel and accommodation, as well as follow up on implementation of activities and communication issues.
- We will also have every second meeting in Jordan as well as slowly increase the capacity of the secretariat so that it over time becomes a strong secretariat.
- We will develop a road map so that the secretariat is up and running by 1st of January 2015.
- The secretariat will be fully funded by DI in 2015

Next steps

2014 Activities

- **Annual meeting in Copenhagen – September 28-30**
 - Sunday September 28: Arrival
 - Monday September 29: Meetings at DI + Site Visit
 - Tuesday September 30: Participation at DIs Annual Business Summit with 1000 CEOs, company presentations and speeches by prime minister and experts etc.
 - Wednesday October 1st: DI learning tour - Furtur living and business strategies: (urban planning, building design, product design, energy efficiency design, interior design, technolgies of tomorrow etc.)
 - Thursday October 2nd: Departure

2014 Activities cont.

- **2nd Edition of the ARAB-EU Business Salon, Sharjah November 2014**
 - EU-GCC trade – HOW CAN we contribute to each others COMPETITIVESS?
 - Intellectual Property: Driving Competition
 - Digital Growth
 - Education and Business for Innovation: Acting Together
 - Which Business Agenda for the Next Five Years?