

ARAB-EU

Business Facilitation Network



FEI at a glance



*By Mr. Tarek Tawfik, Deputy Chairman,
Federation of Egyptian Industries, FEI*

The Federation of Egyptian Industries (FEI) is a non-profit Business Membership Organization (BMO) established in 1958 by presidential decree 452. It is seen as a business and employer organization that represents more than 43000 establishments in different fields of the economy classified under 17 industrial chambers (classification herein below).

FEI management and newly elected board decided recently to revisit FEI strategy (vision & mission) in order to continue playing its role as an effective and efficient platform reflecting the dreams and needs of the broad industrial community to bridge the gap between government and private sector, thus enhancing economic growth and employment.

FEI is actually conducting studies through professional consulting bureaus on several urgent topics of common interest to the industrial community, for their advice and input. Among these topics; the **minimum wages policy** to be adopted and its impact on the industry and society, the **value added taxes** and its impact on the economy as a whole and on the consumers, the **energy** and **industrial** policies, the **labor law** reform and the **social security** structure from an industrial perspective.

Content

- 02** An innovative program in Egypt
- 05** Impediments for Social Dialogue – the case of Libya
- 08** Social dialogue in Libya – a step in the right direction
- 09** Report of Annual Meeting
- 10** MENA-EU Business Salon
- 11** News & Events
- 13** About the Arab-EU business Facilitation Network



The outcome of these studies will then be subject to a social dialogue for final tuning. Based on that, FEI will be able to formulate its new strategy and accordingly address the functional restructuring of its organization. Moreover, FEI has requested from the industrial chambers under its umbrella to come up with updated strategies to better serve a wider spectrum of their members.

We trust that the effort poured in this direction will definitely lead to a sustained service oriented BMO empowered to service the Egyptian industry.

Before signing off I feel obliged to value the effort spent by the Confederation of Danish Industries (DI) in establishing the first of its kind Arab-EU Business Facilitation Network to maximize Arab exports to the EU and to encourage inter Arab trade and also to value the support that DI is extending to the Federation of Egyptian Industries and its chambers through a noticed spirit of understanding and friendship.

FEI consists of 17 industrial chambers:

- **Building Materials**
 - **Chemical**
 - **Engineering**
 - **Information Technology & Communication**
 - **Leather Tanning**
 - **Petroleum & Mining**
 - **Printing**
 - **Textile**
 - **Readymade Garments**
 - **Cereals**
 - **Cinema**
 - **Food**
 - **Leather**
 - **Metallurgical**
 - **Pharmaceutical Cosmetics & Appliances**
 - **Private Sector Healthcare Providers**
 - **Wood Working & Furniture**
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An innovative program in Egypt to leverage the small farmers and better link them to their markets

**Sponsored by the Chamber of Food Industries and the
Knowledge Economy Foundation**

The Egyptian Chamber of Food Industries is launching a new program for its members at large to improve their supply chain and in particular their agricultural produce supply combined with a focused CSR project targeting the small farmers. A recent survey confirms that the horticulture value chains represent the highest potential for both the food processors and the small farmers. The sizeable growth of the Egyptian exporters for both fresh produce and processed food to Europe over the last 10 years have been primarily in the horticulture sector and 100% achieved by the private sector.

Indeed, the growth of the export markets for quality Egyptian products is encouraging exporters and processors to extend their sources of supplies thus dealing with small farmers, whereas small holdings represent 70%+ of arable lands in Egypt. The agri-food sector supply chain represents 50%+ of the Egyptian economy and contains the largest percentage of MSMEs. The poorest segments of the population are moreover found in this sector.

The Chamber has therefore concluded a partnership with the Knowledge Economy Foundation, a civil society organization created by leading agrifood and IT entrepreneurs, to address the absence of information culture and lack of knowledge management and dissemination at the core of Egypt's agriculture development challenges by combining development to a business oriented approach.

The Foundation's vision is that knowledge applied to business activities creates the most effective social development shift and bottom-up empowerment while generating entrepreneurship and competitiveness. Its mission is to model the use of ICT tools to produce and disseminate knowledge with an activity specific focus, to leverage the MSMEs growth and linkage to their markets, to create effective value-chains.

The Foundation "Agrifood Network" addresses the key problems of absence of linkages in the agrifood supply chain, through the adaptation to Egypt needs of the successful Indian and African models using ICT-based



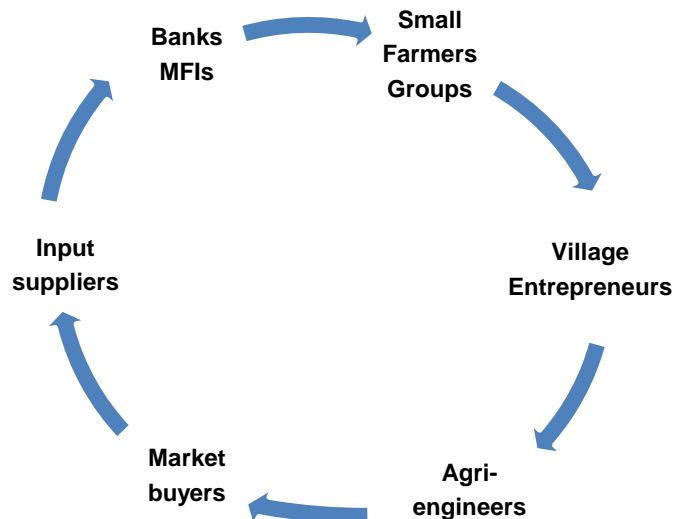
solutions to help small farmers accessing their markets, while enabling large operators to control their supplies as well as providing interactive tools and information to leverage exchanges among all stakeholders.

The Chamber and the Foundation cooperation will target the set-up of direct linkages between the Chamber members and the groups of small farmers selected and monitored by the Foundation with a focus on specific commodities as well as the set-up of women small farmers groups, and the creation of new job opportunities for the rural youth resulting from the program.

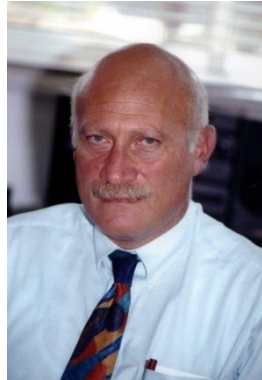
The activation of direct linkages between food processors and exporters and the small farmers will also generate a number of new agribusiness projects such as mini cold chains and packing facilities as well as customized logistics services.

The scaling-up of the Chamber of Food Industries and the Knowledge Economy Foundation cooperation could expand the Agrifood Network scheme to additional value chains such as dairy and fisheries.

The Agrifood direct linkage model to create a bottom-up development strategy



- Creating/supporting small farmers groups (average 100 farmers with average one feddan each) mentored by Village Entrepreneurs (VE) who act as interface with the Foundation, operating as info-sales kiosks.
 - Creation of the first database of small farmers traceability and profile, aggregated per group, within a mobile/web platform including a marketplace, Egyptian and European market prices, series of databases for each of the horticulture supply chain players.
 - The Chamber operates a unit to manage the supply horticulture needs of its members using the Agrifood Network to connect with the farmers and the range of stakeholders.
 - Farmers and Village Entrepreneurs have permanent access to their eco system to leverage their operations.
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*By Yousri Tinawy,
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Chamber of Food Industries (CFI)*

Impediments for social dialogue – the case of Libya

A new report identifies the potential and barriers for social dialogue in Libya between the labor market partners with an emphasis on how the Libyan Businessmen Council, employers and workers can benefit from, and contribute to, social dialogue in Libya. It points to various challenges, but also contains encouraging trends which underlines the opportunity to unleash the vast potential that social dialogue holds.

Based on a line of interviews conducted with state ministries, worker representatives and companies in Libya in the period from August-September 2013 a new report reveals general mistrust between the actors involved in social dialogue and a labor market environment characterized by conflict and a lack of culture of dialogue. However, both employers and workers are positive towards the idea and concept of social dialogue and both parties believe that they would benefit from it. There is a general perception that increased interaction among workers, employers, and the state could remedy several of the severe challenges that Libya faces in its labor market and business environment.



Social dialogue in the labor market entails bringing together the main stakeholders in an economy to establish a consensus in dealing with societal problems. The positive effects of social dialogue are manifold. By trying to solve societal problems through dialogue with the main stakeholders it contributes to a peaceful and stable labor environment, with limited labor conflicts. The process of consultation and dialogue is inherently democratic and social dialogue thus contributes to good governance, enables information sharing and makes labor market policies become more effective.

The Libyan environment for social dialogue

Historically the union landscape in Libya has been weak, as no independent unions were allowed to form under the Gaddafi regime. A National Trade Union Federation was set-up by the Gaddafi regime in 1972, which was used to control workers and integrating them into the totalitarian system of the regime. On the employer side and following liberalization efforts of the Gaddafi regime in the beginning of the 2000s, Libyan Businessmen Council was established by law in 2003.

The revolution in Libya has brought significant changes to the landscape in the Libyan labor market. A host of new actors are in the process of establishing themselves, while older actors are trying to adapt to the new reality. The key labor market actors – the state, employers and workers – are faced with severe challenges as the Libyan labor market is in dire need of structural reform, develop sound policies and increase the dialogue between the actors. Companies seem dissatisfied with the lack of skilled labor, absent legal framework and enforcement, as well as the possibilities to recruit migrant labor. Workers on their part are also concerned by the lack of legal framework to secure their rights and proper work conditions.

Several labor disputes have taken place in 2013 and has hit the economy broadly, especially due to strikes in the important oil sector. These strikes are testimony to the fact that the relationship between workers, employers and the state in Libya is very constrained.

Mistrust between the parties

Libyan companies perceive their workers to be distrustful, have questionable work ethics, poor qualifications and demanding, while the state is perceived to be lacking capacity ensure a conducive business environment. Workers also have a negative perception of their counterparts in social dialogue: the employers and the state. They perceive employers as greedy and not attentive to the workers' rights and conditions. The state is perceived to be either unwilling or unable to protect the workers' rights and do not engage enough in the labor market to settle disputes between workers and the employers. The worker representatives are open to having unions represent their interest, but the national unions currently in place in Libya are not perceived very favorable by the few workers, that are actually aware of their existence. A recent national survey confirms that this is a more general sentiment in the Libyan public as 90 % of Libyans have average to low trust of professional syndicates.

Overall, following key challenges needs to be addressed in order to increase the social dialogue in Libya:

- **No culture of dialogue**
- **Deep mistrust and negative perceptions**
- **Lack of capabilities among the involved actors**
- **Important regional differences**



Positive developments

Despite abovementioned challenges, a number of positive trends are characterizing the Libyan labor market landscape.

The Ministry of Labor is currently drafting a new labor law to replace the 2010 labor law still governing the labor market. The 2010 law is inadequate and as a consequence, the draft labor law contains a number of provisions, largely copied from the 1970 labor law, which will secure an increased role for social dialogue in Libya by ensuring rights such as collective agreements, conflict resolution mechanisms, and the right to strike. The companies and workers are generally positive towards these new policies and are eager to see them being implemented, as the current legislation is seen as hampering the flexibility on the labor market.

In addition to this both workers and companies are very positive towards the idea of having organizations represent their interests and engage with the other labor market actors on their behalf.

Lastly, Libya might benefit from experience from its neighbor, Tunisia, which has had a key focus on promoting social dialogue following the revolution and has developed a National Council of Social Dialogue. The strong focus on social dialogue in Tunisia have made a significant contribution to their transition efforts, and the ILO content that the interaction between the labor market actors in Tunisia today is very strong.

Altogether, the report summarizes following positive trends:

- **Legal framework is in the process of being developed and will ensure a legal basis of increased dialogue**
- **Positive perception among actors of social dialogue**
- **Positive perception of the idea of employer and worker organizations**
- **Learning opportunities from neighboring Tunisia**

The report “Potential for Social Dialogue in the Libyan Labor Market” is written by JMW Consulting, October 2013

Social dialogue in Libya – a step in the right direction



The new report “*Potential for social dialogue in the Libyan labor market*” is a good stepping stone for advancing social dialogue in Libya. On the occasion of the launch of the report, Libyan labor market parties assembled to discuss labor market matters and ways to enhance future cooperation.

The event was opened by the Libyan labor minister with the presence of employer and worker representatives as well as companies. Following the opening, the employers’ organization, Libyan Businessmen Council (LYBC), met with the Libyan union, General Workers Union of Free Libya (GWUFL) to exchange views on the labor market, and discuss challenges and opportunities to improve the situation.

The meeting was organized by the Confederation of Danish Industry (DI) in cooperation with LYBC. Jakob Wichmann, author of the new report on social dialogue, commenced the meeting with a presentation of the main findings and conclusions of the report. On this background, the Libyan labor market parties engaged in a dialogue, facilitated by a social dialogue expert from DI, mapping the current labor market situation, main challenges and possible solutions.

Achieving the full potential of social dialogue is not an easy task, and Libya faces severe in this regard. This meeting was, however, a step in the right direction and the beginning of a strengthened social dialogue in Libya.



Report of Annual Meeting

Sharjah, UAE, 20.11.2013



In connection with the MENA-EU Business Salon 19-20th of November 2013

In connection with the MENA-EU Business Salon the AE-network conducted its Annual Meeting the 20th of November. Delegations from Algeria, Denmark, Egypt, GCC, Jordan, Libya, Morocco, Syria, and Tunisia participated. Following topics were presented and discussed:

— **The Maghreb Employers' Forum to be held in Marrakech, Morocco 17-18th of February 2014, and in connection with this the 1st working group meeting of the AE-Network**

Ms. Sophia El Idrissi presented the Maghreb Employers' Forum to be held in Marrakech, Morocco on the 17-18th of February. The First Working group meeting of the AE-network will be held on the **16th of February** in connection with this conference.

— **The "Chambers, Business Associations: Drivers of Change" SME regional conference to be held in Amman, Jordan 28-29th of April 2014, and in connection with this the 2nd working group meeting of the AE-Network**

On behalf of Dr. Al-Mahrouq Ms. Hiba Abu Taleb presented the regional SME conference to be held in Amman, Jordan, on 28th-29th of April 2014. With the overall topic of "Chambers, Business Associations: Drivers of Change" the conference aims at gathering relevant stakeholders from Jordan as well as from the region to discuss ways and means to best support and empower SMEs in the respective countries. The second working group meeting of the AE-network will be held in connection with the conference.

— **The creation of an online B2B platform**

Mr. Kais Sellami presented the idea of a creation of a dedicated web platform/portal for enterprises from MENA and the EU. The B2B platform will encompass businesses from both regions with the purpose of qualified matchmaking and thereby increased trade between the two regions. Through a selection process involving membership criteria and fees, only relevant and reliable businesses will become members and thus the platform will constitute a viable solution to the current challenges in terms of finding reliable business partners from either region.

— **The current means of communication of the network**

Ms. Karen Panum from DI outlined the current means of communication of the network: the webpage, www.ae-network.com, and the quarterly newsletter (available on the webpage) and received feedback in terms of content and forms of communication.

— **The future formalization of the network**

Mr. Niels Tanderup Kristensen from DI outlined the status quo of the AE-network and the tasks in 2014. The vision is to build an umbrella organisation from the AE-network in order to meet future needs.



MENA-EU Business Salon

The Sharjah Chamber of Commerce and Industry (SCCI) in collaboration with the Confederation of Danish Industry, the Federation of UAE Chambers of Commerce and Industry, Arab-EU Business Facilitation Network, and the Federation of GCC Chambers successfully organized the MENA-EU Business Salon, which took place from the 19th-20th of November, 2013 at the SCCI's main building and hosted more than than 140 participants from the MENA and EU region.

Besides creating network and building network at institutional as well as individual level, the purpose of the two day event was to further increase the level of expertise for senior chamber officials from the European nations towards the MENA and vice-versa. The aim of the Salon was furthermore to act as a catalyst for further mutually-beneficial cooperation projects between chambers in the two regions in the future.

The official report along with all information about the Salon can be found [here](#).





News & Events

➔ A New Visa Program: “Red Carpet”

A major impediment to conducting business between the EU and the countries within the GCC, North Africa and the Levant has been the slow process in obtaining a visa. Business trips and visits to the EU had to be planned ahead to ensure that the necessary visas could be obtained in due time. As trade between the regions has been increasing simplifying the visa application process has been a key interest for companies on both sides.

Outline of the Red Carpet Program

The Red Carpet Program introduces simplified procedures for obtaining Danish Schengen visas for applicants who travel regularly to Denmark for business purposes. The aim is to assist those companies, organizations, NGO's etc. that have business relations with a Danish company or organization. A Danish Schengen visa gives access not only to Denmark but countries in the Schengen Area. The area consists of 26 European countries that have abolished passport and immigration controls at their common borders. It functions as a single country for international travel purposes, with a common visa policy. The members of the area are listed below:

Austria	Belgium	Czech Republic	Denmark
Estonia	Finland	France	Germany
Greece	Hungary	Iceland	Italy
Latvia	Lithuania	Luxemburg	Malta
Netherlands	Norway	Poland	Portugal
Slovakia	Slovenia	Spain	Sweden
Switzerland			

The Red Carpet Program is open to private and public companies or organizations provided they meet the requirements mentioned on the local Danish embassy's website. The accreditation of a company or organization must have taken place before an employee/associate can benefit from the Red Carpet Program.

Who can be enrolled in the Program?

The following are examples of entities that may be offered an accreditation:*

- Well-established local subsidiaries of Danish companies
- Well-established local companies with a subsidiary in Denmark
- Companies that regularly sends employees to Denmark
- A local company with an exclusive partnership with a Danish company
- A local company whose employees need to travel frequently to Denmark for business
- Local companies with an interest in investing in Denmark
- Local institutions (NGO's, travel agencies etc.) which cooperate closely with similar Danish institutions.



* The Danish Mission alone decides whether or not a company qualifies.

What does the Red Carpet Program Offer?

The program offers the following benefits for applicants that are included in the program:

- Decision within three working days.
- Reduced documentation requirements
- No need to apply in person.
- No need for appointment.
- Multiple-entry visas (minimum one year).

How to apply

The Red Carpet Program requires an agreement with the local Danish Embassy or Consulate. Information on the terms and conditions can be found on the local Danish Embassy's website fasttrackvisa.um.dk.



ICC secretariat opens MENA region office in Doha

On 10th of October 2013 the International Chamber of Commerce (ICC) announced the creation of the first regional office of the ICC secretariat in the MENA, located in Doha, Qatar, with support from the ICC Qatar and the Qatar Chamber.

A new office in Doha

ICC has chosen to open a representative office of its international secretariat in MENA specifically owing to the region's rich opportunities for promoting trade and investment - thereby advancing ICC's global mission. The new office will also help regional business meet the challenges of integrating into the global economy.

The new office will promote and disseminate ICC's global policy and business development work and reach out to MENA stakeholders to raise awareness of ICC. Policy priorities will be consistent with ICC's global policy recommendations, while also taking into account regional specificities and the local circumstances of individual countries.

The regional office will organize a variety of events including practical seminars, workshops, training courses and high-level conferences to promote ICC's work in the MENA region. These events will be designed to focus on areas of ICC work that are of greatest interest and use to business in the region.

The Middle East North Africa region, as defined by ICC, includes: Algeria, Bahrain, Egypt, Georgia, Iran, Jordan, Kuwait, Lebanon, Morocco, Pakistan, Palestine, Qatar, Saudi Arabia, Syria, Tunisia and the United Arab Emirates.

Mohamed Ibrahim, Economic Expert, is leading the policy work within the new ICC MENA office and can be contacted at mo.ibrahim@qcci.org
Read ICC's press release dated 10th of October 2013 [here](#).



ICC was founded in 1919 under the leadership of its first president Etienne Clementel, a former French minister of commerce. Since that time the international secretariat of the organization has been located in Paris, France. It was founded on the belief that strengthening commercial ties among nations is not only good for business but good for global living standards and good for peace.

To that end, ICC provides a forum for businesses and other organizations to examine and better comprehend the nature and significance of the major shifts taking place in the world economy. It also offers an influential and respected channel for supplying business leadership to help governments manage those shifts in a collaborative manner for the benefit of the world economy as a whole. Today close to 200 staff members, representing more than 30 nationalities, work at ICC headquarters. The international secretariat develops and carries out the ICC work programme and remains in close contact with the extensive ICC network of members and regional offices in 130 countries. There are about 6.5 million companies in the ICC network.

About the Arab-EU Business Facilitation Network

The Arab-EU Business Facilitation Network is an alliance of 15 leading Business Membership Organizations (BMOs) from the MENA region. Through the signing of a Memorandum of Understanding, the BMOs have pledged to work strategically together, promoting relevant policy issues within and between their respective countries.

The purpose of the Network is to create a platform from which business associations from the region can discuss the challenges for businesses and identify shared solutions and policy recommendations. A specific emphasis is on improving access to the EU market for businesses in the region. Thus, the Network will contribute to a more enabling business environment for the benefit of growth and development in general.

The 15 BMOs are:

Algeria: [Forum des Chefs des Entreprises \(FCE\)](#)
Bahrain: [Bahrain Chamber of Commerce and Industry \(BCCI\)](#)



Egypt:	Federation of Egyptian Industries (FEI)
Jordan:	Jordan Chamber of Industry (JCI)
Kuwait:	Kuwait Chamber of Commerce (KCCI)
Lebanon:	Association of Lebanese Industrialists (ALI)
Libya:	Libyan Businessmen Council (LBC)
Morocco:	Confédération Générale des Entreprises du Maroc (CGEM)
Oman:	Oman Chambers of Commerce and Industry (OCCI)
Palestine:	Federation of Palestinian Chambers of Commerce, Industry & Agriculture
Saudi Arabia:	Council of Saudi Chambers (CSC)
Syria:	Damascus Chamber of Industry (DCI)
Tunisia:	Union Tunisienne de l'Industrie, du Commerce et de l'Artisanat (UTICA)
UAE:	Federation of UAE Chambers of Commerce and Industry
Qatar:	Qatar Chamber of Commerce and Industry
Denmark:	The Confederation of Danish Industry (DI)

Meetings and reports

Several times a year – on working group meetings and on the Annual Meeting - the participants meet to discuss the outcomes and prospects of the projects in the AE-Network.

All summaries of the meetings as well as Annual Reports can be found on the [AE-network's webpage](#).

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