



World SME Update

(A Global Update On SME News, Events, Policies & Programs)

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ALBANIA



EBRD approves new strategy for Albania

The European Bank for Reconstruction and Development (EBRD) has adopted a new strategy for Albania, which lays out the Bank's investment priorities over the next four years.

The strategy for 2016-19 looks to boost competitiveness of the private sector, expand and strengthen regional linkages and promote sustainability of public utilities.

- 1. Support private sector competitiveness:** The EBRD will support corporates and SMEs directly through debt and equity financing and through advisory services. The Bank will also work with commercial banks and microfinance institutions to improve access to financing for companies in Albania. Finally, the EBRD will increase its support for the government's efforts to improve the investment climate.
- 2. Expand markets by strengthening regional linkages:** The EBRD will work, alongside the European Union and other multilateral partners, to promote regional integration and to improve cross-border transport and energy infrastructure. This will improve connectivity, support cross-border trade and investment and strengthen energy security.
- 3. Promote sustainability of public utilities through commercialization and private sector participation:** The EBRD will support the deep restructuring of the power sector and finance municipal and environmental infrastructure.

In all these activities the EBRD will seek to align its operations with the priorities of the government of Albania and cooperate closely with the European Union, international financial institutions and bilateral donors.

Since the start of its operations in Albania, the EBRD has invested almost €1 billion in over 70 projects in various sectors of the country's economy.

BELARUS



SME Policy Index: Significant improvements in business environment in Belarus

Belarus has made significant improvements in the development of small and medium-sized enterprises (SMEs), reads SME Policy Index: Eastern Partner Countries 2016 - Assessing the Implementation of the Small Business Act for Europe. The launch event for the SME Policy Index took place in Minsk on 27 January, 2016.

The report states that in recent years Belarus has paid more attention to SME development, including in terms of insolvency procedures. Some success has been achieved in areas relating to human capital, mainly thanks to consistent action by the government to recognize entrepreneurial learning as one of priorities and to implement certain programs for improving entrepreneurial skills.

The report stresses that the SME development should be seen as part of the common policy to promote the development of the private sector in general, liberalize the economy and enhance its competitiveness. With this in mind, the creation of a level playing field for all businesses, irrespective of their size and ownership structure, will be key for Belarus to achieve sustained economic growth in the medium to long term.

In his welcoming remarks Belarus' Deputy Economy Minister Mr. Anton Kudasov said that report is a result of the joint work of the Belarusian government agencies, public associations of businessmen, the Organization for Economic Cooperation and Development (OECD) and its partners the European Commission, the European Bank for Reconstruction and Development (EBRD), and the European Training Foundation (ETF) in 2015. *"The assessment provided in the report helps identify strengths and weaknesses of the process in designing and implementing effective SME policies, compare performance across countries and policy areas, measure convergence towards the policy principles of the Small Business Act for Europe,"* he said.

According to the deputy minister, the analysis is supplemented by country-level policy recommendations, including the improvement of the investment climate, development of business promotion infrastructure, access to finance and human capital development. According to Mr. Anton Kudasov, Belarus cooperation with the European Commission and the OECD will be continued. A new project is planned for 2016. It is a board expert assessment of the improvement of SME professional skills through business promotion services.

"The project will be implemented in partnership with the OECD. The participation in the project will help our country study the best practices and know-how applied at the international and national levels, and make use of them in designing and implementing reforms in Belarus," he said.

Mr. Anton Kudasov stressed that not everything in this field depends on Belarus. In his words, the products of small and medium-sized businesses, goods and services which they produce, intellectual property objects need to be sold. *"If we do not join efforts to improve the conditions of trade and the exchange of goods and services, the development of small and medium-sized enterprises will be inefficient. The state of affairs in*

the field of commodity exchange, trade agreements and their fulfillment in the European continent is not perfect because of a number of political events – the trade between the EU and the Eurasian space has recently faced certain problems,” he said.

Mr, Anton Kudasov expressed hope that Belarus contributes to tackling these problems rather than multiplying them. “We hope that the conditions for trade will be developed and brought to life within the framework of our cooperation. I hope we will continue fruitful cooperation as part of joint projects to support SMEs,” he concluded.

BANGLADESH



ADB to Provide Loans to SMEs, Women Entrepreneurs in Rural Bangladesh

The Asian Development Bank (ADB) will provide \$200 million in loans to small and medium-sized enterprises (SMEs) in rural Bangladesh to help them gain access to medium- to long-term credit. The credit facility will target in particular firms run by women, who are mostly engaged in subsistence trade and retail activities, and are typically less educated and have less access to SME finance than men.

“Rural firms and firms run by women struggle to get loans from banks. That means both they and the Bangladesh economy lose out,” said Mr. Peter Marro, Principal Financial Sector Specialist, in ADB’s South Asia Regional Department. *“We want to help cottage industries and SMEs to expand and flourish, including those operated by women.”*

Loans will be targeted at small firms outside of the metropolitan areas of Dhaka and Chittagong, with at least 15% allocated for women entrepreneurs.

There are about 7.2 million SMEs in Bangladesh. They account for 90% of all companies and employ 70-80% of the nonagricultural workforce in Bangladesh. In 2014, SMEs contributed 25% of Bangladesh’s gross domestic product and 40% of the manufacturing output. However, SME growth is constrained by the inadequate access to finance and electricity, poor transportation, increasing labor costs, and lack of skilled manufacturing labor – especially in rural areas.

The project also includes \$2 million in technical assistance from the Japan Fund for Poverty Reduction to help establish incubation facilities at educational institutions to promote entrepreneurship, and support entrepreneurs’ development units at Bangladesh Bank. It will also set up dedicated women’s desks in financial institutions, and strengthen the capacities of women entrepreneurs in accessing available credit facility through financial and legal literacy as well as in managing their enterprises.

This assistance will help in the development of SME clusters to boost their capacity to access bank financing and strengthen the backward and forward links of SMEs to the formal sector, particularly the larger export-driven industries.

ADB, based in Manila, is dedicated to reducing poverty in Asia and the Pacific through inclusive economic growth, environmentally sustainable growth, and regional integration. Established in 1966, it is owned by 67 members – 48 from the region

CHILE



Céspedes inaugurates first Business Development Center of Iquique free to support SMEs in the region

This afternoon (January 23, 2016) the Minister of Economy, Development and Tourism, Mr. Luis Felipe Céspedes, opened the Business Development Center of Iquique, where entrepreneurs and SMEs in the area will receive technical, individual and free advice to enhance their productivity and sales business.

The Secretary of State said that *"these centers play an important role in the strategy of improving the development of SMEs so that they do better in our economy can grow, develop and increase their sales and jobs."*

To this he added that this space is open to all who have an innovative idea and need to improve their management and learn from the experience of others.

During the event where he also attended the Intendant of Tarapaca, Ms. Claudia Rojas, Mr. Céspedes explained that *"in this space the micro and small business owners can sit down and talk with experts about your business plan, ideas for expansion, marketing, marketing, investment, anything that allows them to keep improving their business."*

The center, which will be operated by the Foundation for the Development of the University of Tarapaca, adds to the network of 50 centers that will be operational by 2017, as announced in the government program of President Michelle Bachelet and considered in the Productivity Agenda, Innovation and Growth of the Economy Ministry.

GHANA



Ghana fund releases grant to boost SMEs

Ghana has set aside funds to support businesses that require long term investment, but cannot access short term loans. The country's Export Trade, Agricultural and Industrial Development Fund (EDAIF) approved a tranche of 50 million cedis to set up equity fund targeting investment to small and medium enterprises (SMEs) that engage in agro-processing, export trade and industrial development.

Equity financing would be injected into agro-processing and extended to enterprises that trade in vegetables, fruits and juices, meat and dairy and edible oils. The agency's officials say it would also provide investments to start-ups, early stage companies and enterprises. Funding would also be expanded to include those engaged in packaging materials, apparels, woodworks, handicrafts, paper and pulp as well as aluminum and metals.

Between August and December 2015, the EDAIF board approved financing facilities amounting to 52.3 million cedis to beneficiaries in the public and private

sectors, the fund's chief executive officer Mr. Barfour Osei said.

The latest grant is made up of 20.3 million cedis in interest free repayable funds and 13.2 million cedis as credit for the purchase of equipment, tools and accessories for agro-processing and 5.7 million cedis in loans for rice, cashew and poultry production. The remaining 13.1 million cedis would support EDAIF-sponsored cassava, which will receive 8.6 million cedis while 4.5 million will go into mango projects.

The Northern, Brong Ahafo and Ashanti regions are expected to benefit from phase one of the project. The fund would also support the establishment of three processing factories and over 1000 beneficiaries are projected to get financial aid to cultivate nearly 4,000 acres of cassava to feed factories.

"Approvals for the Mango project covered maintenance of existing farms of over 5,000 acres and the cultivation of additional 2,800 acres across the country," Mr. Osei said in a statement.

In Ghana, readily available data on SMEs is scarce but statistics from the country's Registrar General's Department suggests that 92 percent of companies registered are micro, small and medium enterprises. SMEs in Ghana are said to provide about 85 percent of employment and contribute about 70 percent to the country's Gross Domestic Product.

Industry players believe SMEs are exposed to greater opportunities than ever for expansion and diversification across sectors, attributing it to growing market size. However, they are faced with absence of adequate and timely banking finance, limited capital and knowledge, non-availability of suitable technology, low production capacity, ineffective marketing strategies and lack of capacity to identify new markets.

They are also constrained by non-availability of highly skilled labour, bureaucratic delays and the complex maze of rules in following up with various government agencies to resolve problems.

GERMANY



EIF and KfW sign agreement to provide EUR 500m for German SMEs

The European Investment Fund (EIF) and the German promotional bank KfW have signed an agreement to increase lending to innovative small and medium-sized enterprises (SMEs) as well as Small Mid-caps, benefiting from the support of the European Fund for Strategic Investments (EFSI), the heart of the Investment Plan for Europe

The new agreement allows KfW via on-lending banks to provide innovative companies in Germany with access to a total of EUR 500m of financing over the next 2 years. This InnovFin SME guarantee agreement enables KfW to offer innovative companies additional financing at favourable conditions, with the support of a guarantee provided by the EIF and backed under Horizon 2020, the EU Framework Programme for Research and Innovation.

EIB Vice-President, Mr. Ambroise Fayolle said: *“Innovation is a key priority for the EIB Group and this deal demonstrates our commitment to financing innovative companies. The Investment Plan for Europe instrumental in enabling the EIB Group to boost support for SMEs and Mid-Caps in need of finance. KfW continues to be a crucial partner for us in Germany. By providing risk financing, we can help to strengthen the role of businesses both in Germany and across the European Union.”*

Commenting on the signature, EIF Chief Executive, Mr. Pier Luigi Gilibert said: *“I am pleased to be signing the InnovFin SME Guarantee agreement here in Berlin with our long-term partner KfW for the benefit of German businesses. Under previous agreements, KfW has supported many successful SMEs and I am convinced that together we can improve access to finance for even more innovative companies over the next two years”.*

European Commissioner for Research, Science and Innovation Mr. Carlos Moedas said: *“Germany is one of the leading EU Member States for innovation and I am pleased that it is dedicating more resources to financing innovative companies. The InnovFin SME Guarantee deal signed today with KfW Bankengruppe will open up new ways of funding innovative companies to enable them to grow and create jobs.”*

Dr Ingrid Hengster, member of the KfW Executive Board said: *“Innovation fuels progress and competitiveness. Financing innovation entails a certain level of intrinsic risk. This risk is now being spread between the EU, the EIF, the financing partners and KfW, making it easier and more affordable for bold entrepreneurs to implement good ideas.”*

The aim of the InnovFin SME Guarantee is to encourage banks or other financial institutions to lend to SMEs and small mid-caps (firms with fewer than 500 employees) in need of investment and/or operating capital to finance research, development and innovation activities, with EU financial support. Financial institutions are being selected by the EIF following a call for expression of interest for financial intermediaries across Europe.

INDIA



PM Modi unveils Start-up India plan, eases norms to enter, exit

Prime Minister Mr. Narendra Modi announced on Saturday (January 16, 2016) a string of initiatives to support the country's start-ups, including three years of tax and compliance breaks aimed at cutting onerous government regulations and red tape.

Mr. Modi also reiterated plans to set up a Rs 10,000 crore start-up fund, first announced by finance minister Arun Jaitley in the interim budget of 2014-15. He also said start-ups would benefit from cheaper and faster patent applications, a capital gains waiver if the money is reinvested in a similar venture, as well as easier exit for failed projects.

While the announcements will likely help improve the environment for start-ups in India, it wasn't immediately clear how measures such as three-year tax breaks

could help small-bore, innovative ventures that struggle for years to break even

Mr. Modi's speech was made in the presence of some of the biggest names in Indian and global start-ups who gathered in New Delhi for the launch of one of Mr. Modi's flagship projects - "Start-up India, Stand-up India".

"People who have achieved success are not just entrepreneurs but also adventurous. Success of entrepreneurs depends on their ability to take risk," he said. *"That's how [taxi aggregator] Uber became [god of wealth] Kubera,"* Mr. Modi said to peals of laughter from the audience.

India is home to the third-largest number of technology start-ups after the United States and Britain, and they attract billions of dollars in funding every year, despite crippling government regulation and red tape - a hurdle Modi referred to in his speech. *"A lot can happen if the government did not meddle. We are here so that you can tell us what we should not do,"* he said.

Modi said the government would make it easier for founders to exit their companies, responding to concerns that though it is difficult to start a company in India, it is almost impossible to shut one down. *"We understand that to build a large and successful corporation, you cannot escape failure. I want to promote those who have the courage to fail. Those who run from water will never learn to swim. You have to drown once to be able to learn to swim,"* he said.

The prime minister also sought to encourage start-ups in government purchases, which now have rigid qualifications based on experience and turnover. *"Turnover will rise if they get an opportunity. Experience has to begin somewhere. We are seriously looking to give relief on those, without compromising on quality. Nobody should be denied an opportunity because he is new,"* he said.

JAMAICA



Special Economic Zone Act Passed

The Ministry of Industry, Investment and Commerce welcomes the passing of the Special Economic Zone Act in both the Senate and the House of Representatives. The legislation represents a milestone achievement as part of the Global Logistics Hub Initiative and facilitation of investments into Jamaica.

Special Economic Zones represent a wide variety of geographically-demarcated areas that offer simple and efficient business regulations and procedures to investors. The Special Economic Zone Act has effectively repealed the Jamaica Export Free Zones Act, making way for the designation, promotion, development, operation and management of Special Economic Zones; the establishment of a Special Economic Zone Authority and the granting of benefits and other measures in order to attract domestic and foreign investments.

Minister Mr. Anthony Hylton in commenting on the legislation stated, *"We envision that the zones will attract new economic activities, supported by the provisioning of new infrastructure. It will also allow domestic suppliers to sell to companies located in the SEZs*

and potentially become part of global supply chains. Importantly, incubators will be a key feature to ensure our MSME sector has an opportunity to be part of this growth initiative."

In preparation for the transition from the Freezone regime to the SEZ regime, the Ministry has conducted consultations with existing Free Zone entities to allow for a smooth process. Existing Freezone operators such as Gulfray Americas Limited, which recently announced a US\$350 million investment in the build out of the Spanish Town Free Zone and Kingston Wharves Limited, which is investing \$J 1.8 billion in the build out of its Total Logistics Facility are among investors that will transition to the Special Economic Zone regime.



Industry minister establishes MSME office

Minister of Industry, Investment and Commerce, Hon. Anthony Hylton today (January 15, 2016) announced the establishment of an MSME Office to act as a single focal point for the management of issues related to micro, small and medium sized enterprises (MSME).

The MSME Office which begun operations on January 1, 2016, will play a critical role in the implementation of the MSME and Entrepreneurship Policy. It will also facilitate greater alignment between the Ministry and work carried out across Government, through various implementing agencies and external stakeholders, from its location at the Ministry's New Kingston offices.

Making the announcement at the first Strategic Planning Retreat for the merged Board of the Jamaica Business Development Corporation (JBDC), the Micro Investment Development Agency (MIDA) and Self Start Fund (SSF), Minister Hylton stated, *"the establishment of the Office is a signal step in confirming the importance of the sector to inclusive growth and wealth creation."*

The Minister also announced Mrs. Andrene Collings as the head of the new MSME Office. She brings to the post over thirty years of management experience in the public and private sector, with previous portfolio responsibilities at the Ministry in the areas of commerce, policy development and trade.

The Strategic MSME Retreat of the merged Board is geared at charting the direction for programmes and projects to support MSMEs throughout the business lifecycle. The new institutional arrangements that will be created to replace the three separate MSME institutions and implement targeted MSME programmes and projects, featured prominently in the discussions. The decision is in-keeping with the Government's effort to transform the business environment and reduce bureaucracy.

MALAYSIA



SMEs Urged To Use E-commerce Platform To Strengthen Exports

Small and Medium (SMEs) enterprises are urged to use the e-commerce platform to

strengthen their exports. International Trade and Industry Minister Mr. Datuk Seri Mustapa Mohamed said local SMEs have to leverage various existing initiatives such as e-Payment, MYCyberSALE, e-Usahawan and eTRADE channels to boost their export options.

He added that the e-commerce platform could boost trade from the SMEs to 20 per cent to 23 per cent by 2020 from the current 16 per cent to 18 per cent. *"This year, we have put a number of initiatives to ensure the SMEs export a lot more of their products,"* he told reporters after the launch of the inaugural Cross-Border eCommerce Conference here, Monday (January 18, 2016).

Mr. Mustapa also said that the e-commerce platform was among the agenda in both the Trans-Pacific Partnership Agreement (TPPA) and Regional Comprehensive Economic Partnership, signaling the importance of the platform as a tool to increase export. For instance, he said Chapter 14 of the 12-nation US-led TPPA mentioned that e-commerce is a game changer not only for Malaysian SMEs but also for all signatories.

TPPA member countries, namely Australia, the United States, New Zealand, Canada, Mexico, Peru, Chile, Brunei, Singapore, Japan, Vietnam and Malaysia account for almost 40 per cent of the world's gross domestic product and a third of global trade. *"Therefore, the SMEs need to adapt to the new business environment and follow market rules as the country progresses,"* he added.

Meanwhile, Mustapa today witnessed five document exchanges between Malaysia External Trade Development Corporation (Matrade) and eTrade Online Marketplaces. Among the parties were Alibaba.com Singapore e-commerce Ptd Ltd, eBay International AG and Amazon Asia-Pacific Holdings Ptd Ltd.

eTrade programme was established on Oct 1, 2014 and houses 426 local SMEs with a wide range of products including pharmaceuticals, automotive as well as cosmetics and toiletries. The conference was co-organised by Matrade, International Trade and Industry Ministry, National Chamber of Commerce and Industry Malaysia and the Bumiputera Manufacturers and Services Industry Association of Malaysia.

In conjunction with the conference, Mustapa also chaired the inaugural meeting of inter-agency, National eCommerce Council. He said the meeting would set the industry agenda and issue coordination for related agencies including the ministry and Bank Negara Malaysia. *"We want to come up with aggressive campaigns to make sure this sector continues to grow at an impressive rate,"* said Mr. Mustapa.

MALTA

First bank in Malta to implement new SME financing initiative

The European Investment Fund (EIF), part of the European Investment Bank Group, and Bank of Valletta (BOV) have signed the first SME Initiative transaction in Malta. The agreement was signed today (January 26, 2015) in Valletta by EIF Deputy Chief Executive Mr. Roger Havenith and BOV Chairman Mr. John Cassar White.



The agreement with Bank of Valletta aims to facilitate access to finance for over 800 Maltese SMEs by enabling the Bank to offering financing at even lower interest rates and less collateral requirements. It is expected that SMEs, including start-ups, in need of financing will benefit from EUR 60 million of finance in Malta.

The SME Initiative Malta is a joint financial instrument of the European Commission, EIB Group and the Government of Malta which aims at stimulating SME financing by providing partial risk cover for SME loan portfolios originated by financial institutions. Alongside EU Structural and Investment Funds resources contributed by the Government of Malta, the SME Initiative is co-funded by the European Union through Horizon 2020 resources as well as EIB Group resources.

Commenting on the transaction, Chairman of the EIF Board and Vice-President of the EIB, Mr. Dario Scannapieco said: *"The EIB Group is fully committed to rolling out the SME Initiative and we are pleased together with the Maltese authorities to be announcing the first financial intermediary selected in Malta to start providing finance for SMEs. Bank of Valletta is a leading SME lender in Malta and via the SME Initiative will be a vital partner in providing support for entrepreneurs wishing to start-up, grow and develop their business. We are confident that this agreement will deliver lasting benefits to Maltese businesses."*

Speaking at the signature event, EIF Deputy Chief Executive, Mr. Roger Havenith said: *"I am delighted to be signing the first agreement in Malta under the SME Initiative, the new EU financial instrument in Malta that will generate more than EUR 60 million of SME financing over the coming years. The combination of European Structural and Investment Funds, EU Horizon 2020 and EIB Group resources allows EIF to provide risk-sharing and capital relief to financial intermediaries for the ultimate benefit of SMEs."*

During the signing ceremony, Deputy Prime Minister, Hon. Louis Grech said: *"The Government is alive to the fact that some SMEs in Malta face the problem of limited access to finance. Various studies have shown that commercial banks apply rules that are too rigid with respect to collateral, payback time, and the interest rate. On the other hand, many SMEs do not have the relevant know-how to access finance. When finance has been made available on acceptable terms, Maltese SMEs have responded with enthusiasm". This Initiative underlines our commitment to assist local industry and business to be more competitive. The Government sees this as an important plank in its push to make innovative financing tools available to the country's SMEs. I am certain that the SME Initiative in Malta will be a success."* he concluded

Commenting on the signature, Dr Elena Grech, Head of the European Commission Representation Office in Malta said: *"The launch of the operational phase of the SME Initiative in Malta, the second Member State after Spain to benefit from this innovative funding instrument for small and medium enterprises, is the result of a successful collaboration between National Authorities, European Institutions and Maltese financial institutions (Bank of Valletta). I would like therefore to compliment all parties involved, and particularly the Bank of Valletta and the European Investment Fund, for their commitment and efforts to take this challenge, for the benefit of Maltese enterprises, to boost entrepreneurial activity, create more and better jobs and generate wealth for the wider benefit of the Maltese people."*

Bank of Valletta Chairman Mr. John Cassar White outlined the most important milestones in the Bank's journey to position itself as the Maltese Bank for SMEs: *"Start-ups, micro-enterprises and SMEs are the backbone of the Maltese economy. At Bank of Valletta, we have always recognised this and strove to provide the necessary platforms and tools to ensure these entrepreneurs are able to expand their horizons."* Speaking about the new SME initiative, he explained: *"The experience gained over the years will serve us well in the execution of this instrument, and we look forward to this being another success story to share with our counterparts in the EU."*

Malta is contributing an amount of EUR 15 million from its European Structural and Investment Funds (ESIF) to this new EU initiative. The EUR 15 million contributed by the Government of Malta will be leveraged with commercial lending through a risk-sharing mechanism. This will result in more SMEs benefiting from European resources on advantageous terms, such as reduced interest rates and improved collateral requirements. It is expected that more than EUR 60 million of new SME financing will be supported under this programme. This financial instrument will act as a catalyst for private investment and foster job creation.

The SME Initiative entails an innovative change in the use of ESIF, combining the latter with EU central budget (resources from the Horizon 2020 programme) and EIB group funds.

NIGERIA



SMEDAN trained 25,000 SMEs in 2015

The Small and Medium Enterprise Development Agency of Nigeria (SMEDAN) trained 25,000 small business owners in various vocational and enterprise development programmes in 2015.

The Director-General of SMEDAN, Mr. Mallam Bature Masari, who made this known to reporters in Abuja, said the agency had strategised to provide more services to Nigerians in the current year.

"No fewer than 25,000 small business owners were trained under various vocational and enterprise development training programmes of the agency in 2015. This includes about 4,000 small business operators trained under SMEDAN's 2015 capital project implementation across all states of the federation and the Federal capital, Abuja. In addition to that, more than 1,000 business owners and starters have received various trainings, mentoring and counselling under the National Enterprise Development Policy piloted by SMEDAN. Also, more than 20,000 other business operators accessed SMEDAN empowerment and training programmes through the implementation of the 2015/2016 zonal intervention capital programmes of the National Assembly," Mr. Masari said.

He said the zonal intervention capital programmes of the National Assembly were aimed at bringing succour and economic empowerment to Nigerians in the senatorial districts and federal constituencies.

PAKISTAN



RS316M released for industries & production division

The government has released Rs. 316.351 million for several developmental projects of Ministry of Industries and Production Division under its Public Sector Development Programme (PSDP), 2015-16 for uplift of industrial sector of the country. According the data of Planning Commission of Pakistan, the government has allocated Rs. 790.881 million for 17 developmental projects under Ministry of Industries Division in the PSDP 2015-16.

So far Rs. 96.508 million has been released for Sialkot Business and Commerce Center as against the allocation of Rs. 241.270 for fiscal year 2015-16, the data added. Meanwhile, a sum of Rs. 34.400 million has been released for establishment of design institute specially for energy sector plants by up grading existing design centers at Heavy Mechanical Complex Taxila as compared to the total allocation of Rs. 86 million. In order to enhance the exports of gems and jewellery from the country during current financial year, the government has released Rs. 24 million for development of Pakistan Gems and Jewellery Development Company as against the total allocation of Rs.60 million for the current fiscal year.

For exploiting the trade and economic potential existing in the province of Balochistan, the government has released Rs. 16.900 million for establishing of infrastructure in Quetta Industrial Trading Estate phase-2, where as government has allocated Rs. 42.250 million for the said project, it added. Under PSDP, 2015-16, a sum of Rs. 20 million released for Peshawar light engineering centers and Rs. 20 million for Hyderabad engineering support center and Rs.20 million for light engineering up gradation center for SMEs in Balochistan respectively. Under development programme for current financial year, the government has released Rs. 10 million for establishment of 0.2 MGD intake and brine disposal for desalination plants at Gaddani, Jiwani and Pasni as against the total allocation of Rs. 26 million.

QATAR



Qatar Development Bank Launches Franchise Project to Encourage local SME International Growth

Qatar Development Bank (QBD) announced its latest project to develop local SMEs, 'The Franchise Project,' during a press conference held on Sunday at the bank's headquarters.

The project will promote international growth for local brands by showcasing successful franchise models, including all the necessary strategic, legal consultations, operational and marketing tools prepared by experienced consultants to give the local Qatari brands to expand globally.

CEO of Qatar Development Bank, Mr. Abdulaziz Bin Nasser Al-Khalifa, said: "We at Qatar Development Bank strive to create meaningful opportunities to support local SMEs. There are several stages applicants need to go through to benefit from The Franchise Project, from evaluating a company's readiness, to discussing next steps and requirements, and creating evaluation reports to pinpoint development areas." QDB put a set of eligibility criteria to participate in The Franchise Project, such as the business has to be 51% Qatari, to be in operation for 1 year minimum, and to add value to the economy, education, manufacturing and services, as well as food and beverages sectors.

Mr. Al-Khalifa added: "Any business is a franchisable business, however some might need fine-tuning or more development to be ready to expand. In the case of QDB's The Franchise Project, SMEs with active Qatari owners are eligible to take the Franchisability Quiz to determine if they qualify for the next stage of assessment. We will be committed in Qatar Development Bank to take 10 local SMEs to expand globally in 5 countries in the next three years." Qatar Development Bank seeks to provide the tools to help develop the Qatari private sector and SMEs in line with national economic diversification, to activate private sector contributors to build a sustainable and competitive local economy.

RUSSIA



MAYOR: by 2030 the share of small and medium businesses in the GDP will double

The concept of development is connected with the activities of the Federal Corporation for the development of SMEs, the creation of market niches for business, technological developments, available financing.

Ministry of Economic Development expects a doubling of the share of small and medium businesses in the GDP in 2030, despite the difficult economic situation. This was announced at the business forum, organized by the "Support of Russia", Deputy Minister of Economic Development Mr. Oleg Fomichev. "Landmarks, especially given the current economic situation, ambitious. If we talk about generalizing indicator that really want to perform, even though all of our calculations show that it very difficult to approach - is increasing the share of SMEs in GDP doubled - from 20% to 40% " he said.

According to him, these guidelines MED lays in the draft strategy of development of small and medium-sized enterprises (SMEs) until 2030. The government decided to reformat the document slightly, to develop a conceptual part of a state policy guidelines until 2030 and the "road map" to specific activities over the next two years. By 2030, the mayor also expects an increase in turnover of 2.5 times the small and medium companies with respect to 2014 in real terms.

"It's also a doubling of turnover per employee in the sector in relation to 2014. Increasing almost twice the share of manufacturing in the structure of small and medium-sized businesses, and an increase from 25% to 35% the share of employment in small medium-sized enterprises", - said Mr. Fomichev.

If targets jointly be able to perform, the sector of small and medium-sized businesses will be qualitatively different, the deputy minister said.

Concept until 2030 contains eight units - areas of work on development of small and medium businesses, continued the official. They are connected with the activities of the Federal Corporation for the development of SMEs, the creation of market niches for business, technological developments, available funding, the predictability of the fiscal burden, government regulation, territorial development and personnel.

SOUTH AFRICA



The BCEAO And ICD Sign A Memorandum Of Understanding On Cooperation In Favor Of SME

Mr. Tiémoko Meyliet KONE, Governor of the Central Bank of West African States (BCEAO) and Mr. Khaled Al-Aboodi, CEO & General Manager of the Islamic Corporation for the Development private sector (ICD), signed a Memorandum of Understanding on Cooperation.

This MoU provides a framework for partnership and establishes the guidelines and the terms of cooperation between the ICD and the BCEAO to support financing for SMEs / SMIs in the West African Economic and Monetary Union (WAEMU).

Considering that the promotion of SMEs / SMIs is an important lever for the fight against poverty and for the emergence of the economies of Member Countries of the UEMOA, the Council of Ministers of the Union adopted, at its meeting of September 29, 2015, the "mechanism to support financing for SMEs / SMIs in the WAEMU" whose implementation monitoring was entrusted to the BCEAO.

By virtue of this MoU, ICD provides support for the operationalization of the support mechanism to finance for SMEs / SMIs in the WAEMU by a direct participation up to USD 30 million to the the establishment of a Sharia compliant investment fund for SMEs/ SMIs. In addition, in coordination with BCEAO, ICD at best effort basis, will attract other investors in order to increase the size of the fund up to USD 100 million.

On its part, the BCEAO is responsible for the implementation of the support system to finance SMEs / SMIs in the WAEMU. It supports the following:

- providing incentives for credit institutions to finance SME / SMI;
- conducting studies on support and coaching structures in favor of SMEs / SMIs and on the impact of the support scheme to finance SMEs / SMIs in the WAEMU;
- promoting complementary instruments tailored to the financing of SMEs / SMIs (credit bureau, leasing, venture capital, etc.).

Both institutions acknowledged the importance of SME/SMI in the economic

growth in general and the private sector development in particular in the member countries of the WAEMU. They emphasized their common will to work towards strengthening their cooperation, including the financing of the economies of the Union.

On this occasion, Mr. Khaled Al Aboodi, CEO & General Manager of the ICD, that the MoU will strengthen ICD's support towards the regional economies of WAEMU while providing knowledge and mobilizing resources to support SMEs / SMIs.

On his part, Mr. Tiémoko Meyliet KONE, the Governor of BCEAO, welcomed this new partnership, which should contribute to the promotion of SMEs / SMIs in the member countries of WAEMU. This promotion is important for economic transformation of the zone. It is expected that the partnership will foster economic growth and create jobs manly for young people.





World Association for Small and Medium Enterprises (WASME) is a global non-profit organization headquartered at Noida, India that has been spearheading the cause and development of Small and Medium Enterprises (SMEs) world over since its inception in 1980. Over three decades, WASME has emerged as one of the most representative, effective and leading international organizations, working towards the promotion of SMEs worldwide through policy advocacy, information dissemination, conferences, seminars, events, trainings, publication, network linkages and many **more**.

WASME enjoys consultative status with concerned agencies in UN system such as **ECOSOC, UNCTAD, ITC, WIPO, UNIDO, UNESCO, UNICITRAL, UNESCAP and ILO**, several intergovernmental and international organizations like **WCO, OECD, ICSB, APEC, APCTT, etc.**

WASME's fortnightly SME e-Bulletin "**WORLD SME UPDATE**" aims to keep abreast its readers with latest information on various developments taking place in SME sector around the globe. If you have any news/ information on the issues related to Government policies & programs and latest developments in the SME sector i.e. technology and innovations, success stories, case studies, research and methods, planning and programmes, training and developments, finance and management, and marketing that you would like to share with the world SME community, please do send those to us at.

We always welcome your valuable feedback/comments on the SME e-Bulletin to further enhance our services on information dissemination. Hence, please send us your valuable guidance and meaningful articles as a regular contribution to SME e-Bulletin and our website in the larger interests and benefits of SMEs world over.

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