



# World SME Update

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

Date: 1-15/05/2016

Volume 52, Number 30

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## ARGENTINA

### Government launches boost SMEs: loans and financial relief for job creation

The government today ( May 10, 2016) introduced a set of measures to boost the development of small and medium enterprises, the main job creators in Argentina, including greater access to credit, deferred payment of VAT and automation of administrative procedures. President Mr. Mauricio Macri and ministers Production, Mr. Francisco Cabrera, and Labor, Mr. Jorge Triaca, and the head of the Federal Public Revenue Administration, Mr. Alberto Abad, announced today the beginning of a "revolution of SMEs" from a set of fiscal, administrative and financial aimed at small and medium enterprises across the country.

*"This is the first step of many more that we need to continue and we must consolidate in an SME Act, we are working to find intelligent tools that take us in the direction of development,"* said the president Mr. Macri.

Production Minister said that *"our obsession is job creation and SMEs are the most dynamic sector of the economy. Since December 10 we are working with small and medium producers to bring concrete solutions to real problems. This package responds to what SMEs need to grow: credit, tax relief and administrative simplification"*.

#### Executive actions

The ads are the result of dialogue with SMEs and the Chambers, where the lack of credit and financial difficulties as the most difficult at the time to expand production and create new jobs obstacles identified. Among the measures to solve today announced:

**Productive loans.** The quota loanable Credit Line Investment Productive all 15.5 14% was expanded. The increase would mean an additional \$ 63,000 million. Furthermore, access to short - term financing which rose from 30% to 50% of the quota was expanded. In addition, through the Bank for Investment and Foreign Trade (BICE), the line is created My First Credit for all SMEs than ever they agreed to financing. This program consists of an integral asistencia combinando technical, accounting and financial assistance.

**Tax relief.** The obligation to pay Value Added Tax (VAT) will be delayed 30 to 90 days and allow the universe of SMEs have \$ 4,700 million greater financial liquidity for working capital. 68% of SMEs automatically receive a certificate of withholding tax, while the rest will be more flexible requirements. In the same vein, thresholds

retention VAT and income tax, which were not updated will rise from the year 2000.

**Administrative simplification.** In order to remove bureaucratic times, reduce the tax breathlessness and concentrate resources of SMEs in production and business tasks are simplified by means of automation mechanisms and reducing withholding amounts and quantities.

For SMEs in export profile, the deadline for foreign exchange earnings to 365 days for all products and tariff positions so that they can have greater predictability and improve their competitiveness in the world extends. *"SMBs will in the next day financial relief and access to credit as never before. We are the government of SMEs, so we will be the government of creating genuine employment"* defined Mr. Cabrera.

### Bill

The government also predicted that will be sending to Congress a package of legislative measures eliminating taxes, tax incentives to promote investments and funding opportunities.

This project includes:

- Deduction of an 8% investment tax amount determined in corporate earnings, with stops at 2% of sales. For investments from 01.07.2016 to 12.31.2018, in amortizable in Income Taxes (new and used goods and works and installations, excluding automobiles) goods.
- VAT refunds from investments made in the same period in the form of a bonus tax credit.
- Elimination of the tax on minimum presumed income for SMEs.
- Allow greater compensation tax on bank debits and credits to Micro and Small.
- A chapter devoted exclusively to the development of Financing through Notes, Mutual Guarantee, bonus rate, among other measures

## AUSTRALIA



### New Singapore partnership creates opportunities for innovation

Today's (May 6, 2016) announcement by Prime Minister Mr. Malcolm Turnbull of the Comprehensive Strategic Partnership with Singapore will strengthen the relationship between the two countries, growing our scientific and innovation collaboration, as well as building defense and trade links.

The Minister for Industry, Innovation and Science, the Hon Mr. Christopher Pyne MP, said the partnership would cement efforts by both countries to work together to achieve common goals through research and development (R&D) cooperation, sharing of R&D facilities and business to business research.

*"This new partnership includes a strong focus on innovation, as well as the scientific projects that assist both countries, and will have important impacts by contributing to prosperity in the Asia-Pacific region,"* Mr Pyne said.

*"In particular, greater collaboration between agencies like CSIRO and A\*STAR, Singapore's leading research organisation, will make an important contribution to the success of the Australian Government's National Innovation and Science Agenda, and drive economic growth and jobs for Australia."*

*"Australia will locate one of its five start-up landing pads in Singapore with a commitment to work in tandem on innovation and entrepreneurship to see emerging market-ready technology companies from Australia gain a foothold in Singapore and the wider Asian market. I look forward to seeing the tangible outcomes that will come as we work on developing the partnership through the Joint Strategic Dialogue on Science and Innovation planned for later in the year."*

## CANADA



### Ontario Supporting Young Entrepreneurs and Social Enterprises

Ontario is investing in the next generation of promising entrepreneurs by providing access to training and mentoring to launch their ideas into businesses and scale up their ventures.

Today ( May 10, 2016) at the 11th annual Ontario Centres of Excellence Discovery Conference, the province announced the successful Ontario Social Impact Voucher program will return for the second year. In partnership with the Ontario Centres of Excellence, the program will provide 200 vouchers worth up to \$3,000 each to eligible social entrepreneurs across Ontario to access relevant training programs such as business planning or marketing to help scale up their business.

Last year, 125 vouchers were fully subscribed within the first six months of the program's launch, allowing participants to grow their business in terms of both customers and partnerships through useful training programs. Participants in the pilot program include social enterprises across a range of sectors, including health, cleantech, digital media and information and communications technology and advanced manufacturing.

Ontario is also announcing the winners of the Young Entrepreneurs, Make Your Pitch competition. Six promising entrepreneurs will receive a reserved spot in Ontario's Summer Company program, which provides mentoring and funding to help launch new businesses.

Supporting youth entrepreneurship opportunities and helping start-ups succeed is part of the government's economic plan to build Ontario up and deliver on its number-one priority to grow the economy and create jobs. The four-part plan includes investing in talent and skills, including helping more people get and create the jobs of the future by expanding access to high-quality college and university education. The plan is making the largest investment in public infrastructure in Ontario's history and investing in a low-carbon economy driven by innovative, high-growth, export-oriented businesses. The plan is also helping working Ontarians achieve a more secure retirement.

## DENMARK

### New agreement opens Danish door to global German export network

Thanks to a new agreement between the Danish Chamber of Commerce and the German Foreign Trade Chamber AHK Danish companies from today draw on the AHK's global network of export advisors. Danish enterprises a new door to the world market through cooperation Danish Chamber of Commerce has concluded with the German Foreign Trade Chamber Die Deutschen Auslandshandelskammern, (AHK). In future, Danish companies can draw on the AHK's more than 1,700 employees in over 130 offices in 90 countries around the world in the same way that companies today can buy the services of the Trade Council's offices.

At AHK, Danish export companies among other things help market research, business licenses and payment of wages in countries where they have not established its own place of business. *"the agreement is a unique opportunity Danish companies to get the services they need, so they can implement their export plans successfully. Thus, companies can focus on what they do best, while AHK providing local knowledge, which they do best,"*says director Mr. Laurits Rønn, Danish Chamber of Commerce.

Global volume He signed Tuesday (May 10, 2016) the agreement with the AHK in Berlin and the Danish Chamber of Commerce paving the way for a solid shot in the arm in the form of AHK's extensive knowledge of the global export market for Danish companies. The agreement is a response to growing demand for global export advice among Danish Commerce member companies. *"AHK is the only network in the world that can provide the volume needed. Thanks to an already good relationship with the German Chamber of Commerce was the road from desire to ink not long,"*said Mr. Laurits Rønn.

All Danish companies can make use of the cooperation agreement between the Danish Chamber of Commerce and AHK. Danish Business offers to assist its member companies with initial contact with the AHK and the agreement includes all branches and is only bounded by AHK's reach. Supplement to Danish consultancy in Shanghai has AHK 120 employees who will be able to help even small industries with very complex queries. Cairo office with 15 employees can be good reasons not dive as deep as AHK in Shanghai.

*"Danish Chamber of Commerce sees the agreement as a complement to the Trade Council's services. AHK can mainly privately financed German organization offering services (eg. Payroll services) and a volume that no Danish authority or organization manages. AHK has offices in over 20 countries where Denmark is not at present, and has more than 1,400 employees more than Export Council,"*said Mr. Laurits Rønn.

AHK's services commercially based after an initial free consultation to identify the needs and maturity. The agreement does not cover export advice about Germany where AHK of good reasons not active.

## GERMANY



### ADB, Germany join forces on climate action, technical and vocational education and training

In their "Frankfurt Declaration", the Asian Development Bank (ADB) and the German Federal Ministry for Economic Cooperation and Development (BMZ) agreed to join forces for progress on climate action and Technical And Vocational Education and Training (TVET).

The declaration spells out the intention by ADB and Germany to launch an Asia Climate Finance Facility (ACliFF) in 2017. The facility will leverage public and private sector investment in climate change mitigation and adaptation in support of the goals of the COP 21 Paris Agreement. The facility will assist developing countries in Asia and the Pacific through new and innovative co-financing measures, including guarantees and climate risk insurance, which support country-led implementation of Nationally Determined Contributions for reduction of greenhouse gas emissions, as well as for investment in resilience.

ADB and BMZ also signed a declaration of intent to deepen and increase cooperation to promote TVET in Asia. The joint effort will aim to better match education and training with the skills that employers are demanding and boost workplace-based training. They aim to foster inclusive growth including the economic empowerment of women, which is in the spirit of the women's economic empowerment initiative launched by Germany during German G7 presidency. ADB is one of the largest multilateral donors for vocational training in developing Asia. Among the activities planned for the coming year is a joint regional vocational training conference.

Germany is ADB's biggest European shareholder and in 2015, it was the biggest bilateral co-financier of ADB projects. This year is the first time that ADB's Annual Meeting is being held in Germany.

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, ADB in December 2016 will mark 50 years of development partnership in the region. It is owned by 67 members - 48 from the region. In 2015, ADB assistance totalled 27.2 billion US dollar, including co-financing of 10.7 billion US dollar.

## GREECE



### Investment Plan for Europe: First EFSI deal signed in Greece by EIF and ProCredit Group to provide loans for innovative SMEs

The European Investment Fund (EIF) and ProCredit group have signed a guarantee agreement to increase lending to innovative small and medium-sized enterprises

(SMEs) and small mid-caps in Greece. This transaction benefits from the support of the European Fund for Strategic Investments (EFSI), the heart of the Investment Plan for Europe.

Under the new agreement ProCredit group will provide EUR 20 million of loans to innovative companies in Greece over the next two years. The loans will be supported by an EIF guarantee under the “EU InnovFin finance for Innovators” initiative with financial backing from the European Commission's Horizon 2020 programme. The agreement signed today will make it possible for the ProCredit group to offer innovative companies additional financing at favourable conditions.

Speaking at the signing event, European Commissioner Mr. Dimitris Avramopoulos, responsible for Migration, Home Affairs and Citizenship, said: *“I am honoured to be here in Thessaloniki to witness the signing of the first EFSI deal in Greece. Small companies in Greece are in great need of financing to grow their businesses and create jobs. The agreement signed today by the EIF and ProCredit with the support of the Investment Plan will help Greek SMEs access new finance. I encourage other banks to join forces with the EIF and set up similar agreements under the Investment Plan so that we can help more Greek companies flourish.”*

EIF Chief Executive, Mr. Pier Luigi Gilibert commented: *“I am delighted to be signing the first EFSI SME agreement in Greece for innovative companies. Support for innovative SMEs will help to facilitate growth and jobs. ProCredit group has partnered with us to roll-out the InnovFin programme in other countries and I am sure that together we can play a part in delivering finance for SMEs and small mid-caps in Greece.”*

Mr. Borislav Kostadinov, member of the Management Board of ProCredit Holding, added: *“We are especially pleased that this agreement will support us in our endeavors to strengthen the competitiveness of Greek SMEs. In order to complete its presence in its core region, the ProCredit group has recently extended its outreach by establishing a foothold in Thessaloniki operated by our Bulgarian subsidiary. As the leading house bank for small and medium-sized enterprises in this region, we partner the InnovFin programme in seven countries and I am positive that SMEs in Northern Greece will benefit substantially. Investments in modern technology, innovative thinking and environmental orientation are key factors for the future development of strong and internationally competitive SMEs.”*

This is the first InnovFin transaction in Greece signed with EFSI support. The deal reflects the EU's commitment to rapidly launch concrete initiatives under the EFSI, accelerating lending and guaranteeing transactions capable of boosting jobs and growth in the EU.

## INDIA



### Cabinet approves National Intellectual Property Rights Policy

*“Creative India; Innovative India: रचनात्मक भारत; अभिनव भारत”*

The Union Cabinet yesterday (May 12, 2016) approved the National Intellectual Property Rights (IPR) Policy that will lay the future roadmap for intellectual property in India. The Policy recognizes the abundance of creative and innovative energies that flow in India, and the need to tap into and channelize these energies

towards a better and brighter future for all.

The National IPR Policy is a vision document that aims to create and exploit synergies between all forms of intellectual property (IP), concerned statutes and agencies. It sets in place an institutional mechanism for implementation, monitoring and review. It aims to incorporate and adapt global best practices to the Indian scenario. This policy shall weave in the strengths of the Government, research and development organizations, educational institutions, corporate entities including MSMEs, start-ups and other stakeholders in the creation of an innovation-conducive environment, which stimulates creativity and innovation across sectors, as also facilitates a stable, transparent and service-oriented IPR administration in the country.

The Policy recognizes that India has a well-established TRIPS-compliant legislative, administrative and judicial framework to safeguard IPRs, which meets its international obligations while utilizing the flexibilities provided in the international regime to address its developmental concerns. It reiterates India's commitment to the Doha Development Agenda and the TRIPS agreement.

While IPRs are becoming increasingly important in the global arena, there is a need to increase awareness on IPRs in India, be it regarding the IPRs owned by oneself or respect for others' IPRs. The importance of IPRs as a marketable financial asset and economic tool also needs to be recognised. For this, domestic IP filings, as also commercialization of patents granted, need to increase. Innovation and sub-optimal spending on R&D too are issues to be addressed.

The broad contours of the National IPR Policy are as follows:

**Vision Statement:** An India where creativity and innovation are stimulated by Intellectual Property for the benefit of all; an India where intellectual property promotes advancement in science and technology, arts and culture, traditional knowledge and biodiversity resources; an India where knowledge is the main driver of development, and knowledge owned is transformed into knowledge shared.

**Mission Statement:** Stimulate a dynamic, vibrant and balanced intellectual property rights system in India to:

- foster creativity and innovation and thereby, promote entrepreneurship and enhance socio-economic and cultural development, and
- focus on enhancing access to healthcare, food security and environmental protection, among other sectors of vital social, economic and technological importance.

**Objectives:** The Policy lays down the following seven objectives:

- I. IPR Awareness: Outreach and Promotion - To create public awareness about the economic, social and cultural benefits of IPRs among all sections of society.
- II. Generation of IPRs - To stimulate the generation of IPRs.
- III. Legal and Legislative Framework - To have strong and effective IPR laws, which balance the interests of rights owners with larger public interest.
- IV. Administration and Management - To modernize and strengthen service-oriented IPR administration.
- V. Commercialization of IPRs - Get value for IPRs through commercialization.

- VI. Enforcement and Adjudication - To strengthen the enforcement and adjudicatory mechanisms for combating IPR infringements.
- VII. Human Capital Development - To strengthen and expand human resources, institutions and capacities for teaching, training, research and skill building in IPRs.

These objectives are sought to be achieved through detailed action points. The action by different Ministries/ Departments shall be monitored by DIPP which shall be the nodal department to coordinate, guide and oversee implementation and future development of IPRs in India.

The National Intellectual Property Rights (IPR) Policy will endeavor for a “Creative India; Innovative India: रचनात्मक भारत; अभिनव भारत”.

## JAMAICA



### GOVERNMENT COMMITTED TO MSME DEVELOPMENT

Several initiatives geared towards development of the Micro, Small, and Medium Enterprise (MSME) sector are being pursued across government during 2016/17.

The disclosure was made by Minister of Industry, Investment and Commerce, Hon. Mr. Karl Samuda, while speaking at the opening ceremony of the Jamaica Business Development Corporation's (JBDC) 9th Annual Small Business Expo on May 12, 2016 at the Pegasus Hotel, New Kingston.

The initiatives include:

1. Capacity development workshops to transform MSMEs, where the capacity of some 120 MSMEs will be developed to design and execute business models. This will also improve the ability of MSMEs to access financing. It is expected that at least 10% of the participants will become listed on the Junior Stock Exchange.
2. SME Capacity Building & Sustainability – 300 SMEs will compete for the best entrepreneurial activity contributing to economic growth and employment. The contestants will benefit from capacity building and the opportunity for mentorship and funding through matching with investors.
3. National Consultative Mechanisms - Thematic Working Group on MSMEs – which will be the primary consultative mechanism for dealing with issues pertinent to the development of the sector, while serving as an evaluative mechanism to ensure consistency of the policies and programmes within the Medium Term Socio-Economic Policy Framework (MTF) for 2015-2018, and Vision 2030.
4. Innovation Grant from New Ideas to Entrepreneurship (IGNITE) – where 30 MSMEs with innovative ideas will benefit from assistance to commercialise their projects. The pilot project will last for two years and will target new businesses.

Minister Mr. Samuda said his Ministry, as a signal of its commitment to the MSME

sector, established a dedicated MSME Office in January of this year. This Office, he said, will play a critical role in the implementation of the MSME and Entrepreneurship Policy, while aligning the work of the Ministry with that of other key stakeholders in government, private sector, and academia.

The Minister noted that the JBDC will continue to spearhead the efforts to make the MSME sector more business-focused, and ready to take advantage of the opportunities for growth.

In that regard, he said *"the JBDC will continue to provide the MSMEs with the necessary information, services, training and business development support that will enable these entities to become greater players in global value chains, and to improve their standards."*



## MALAYSIA

### Ministry to raise profile and exposure of Sabah SMEs

The Ministry of Industrial Development hopes to raise the product profiles and exposure of local Small and Medium Entrepreneurs (SMEs) this year through a 'meet the buyers' session with the participation and collaboration of established wholesalers, distributors and retailers from Peninsular Malaysia.

This year we hope to raise the profile and exposure of SMEs as well as micro - enterprises by organising a 'meet the buyers' session where established wholesalers, distributors and retailers would be meeting our SME's to discuss the possibility of supply collaboration. For this session so far five big buyers from West Malaysia have agreed to participate. They are Tesco, Mydin, Giant, DHL and Agro-Bazaar Singapore who are coming in as anchor buyers and distributors.

As such I would like to urge SME companies who have the product and goods and are looking to expand your market to come to the Sabah Trade Centre on May 27-28 to meet with these buyers as this would be a golden opportunity to further promote and expand your market," said ministry Permanent Secretary Mr. Datuk Hashim Paijan. He said this during a press conference in conjunction with the Sabah SME Week 2016 at Wisma Tun Fuad Stephens, here on Monday.

According to Mr. Hashim this event will take place during the fifth edition of SME Week Sabah on May 27-29 which is organised by the ministry in collaboration with the SME Corporation Malaysia, Sabah office, the Department of Industrial Development and Research and related government agencies and bodies. The event is held as part and parcel of the SME Week Malaysia held nationwide from May 23-June 4.

He said in line with the national aspiration the objective of the SME Week Sabah 2016 was to recognise the role and contribution of Sabah's SMEs in promoting business and economic progress of the State. *"SMEs play a big role in driving economic and business growth in Malaysia where SMEs comprise more than 98 per cent of business establishments in the country. In Sabah SMEs also comprise approximately 97.8 per cent of business enterprises and rank sixth nationwide in terms of numbers of SMEs."*

He said in order to fulfill this objective the State government through the ministry and its partners would be organising a variety of events namely SME Expo, SME Seminar, SME Business Matching, SME Business Clinic and attractions for visitors to the expo and competitions to encourage expo participants to further innovate and improve their products. One of the highlights of the SME Week Sabah 2016 would be the SME Expo which serves as an avenue and platform for SME entrepreneurs to showcase and promote their products and goods.

Through this exhibition we hope to further raise the profile and exposure of the unique and attractive products and good such as handicrafts, food and non-food products and value added services by Sabah entrepreneurs in which a total of 150 SMEs including micro enterprises from various districts in Sabah are expected to participate in. As a venue and platform to further promote the capacity and capability of Sabah SMEs in terms of knowledge, expertise and networking, a one day business seminar will also be organised at which the highlight would be a presentation by Universiti Malaysia Sabah on the way forward for Sabah's SMEs.

Apart from this paper there will be two other presentations on government assistance for SMEs. As such the public is encouraged to attend as the papers offer a lot of information on SMEs and government assistance for them. The number of participants expected to attend is around 350 -500 people. Mr. Hashim said the business challenge competition on May 28 would also offer business aspirants and potential entrepreneurs an opportunity to pitch their business ideas.

This initiative is in line with the government policy of promoting business and entrepreneurship culture among Malaysians," he said, adding that there were three school categories namely for secondary students, colleges, universities and the open category with attractive prizes for each category.

On the one day business clinic he said it was to address problems affecting SMEs in the State including lack of knowledge, skills and exposure to government assistance.

At least 26 government bodies and agencies relevant to SMEs including SME Corp, Mida, Miti, Matrade, Fama, Mardi, Tekun and others would be setting up info-desks to provide tips, advice and information on their respective programmes and development agenda for SMEs."

He added that there will also be attractions for visitors including 20 prizes to be won daily by lucky visitors during the expo week and a competition to unearth her best innovative and promising products for food, non food and handicrafts with attractive prizes, certificates as well as the opportunity to participate in national level exhibitions.

Also present was Department of Industrial Development and Research Deputy Director Stephen Sampil and SME Corp Malaysia (Sabah) Director Mr. Meor Shahril Isma bin Meor Abdullah..

## PAKISTAN



### State Bank of Pakistan issues revised Prudential Regulations for SME Financing

State Bank issues revised Prudential Regulations for SME Financing The State Bank of Pakistan issued revised Prudential Regulations (PRs) for Small and Medium Enterprise (SME) financing today (May 7, 2016), to ensure smooth flow of funds to the sector.

The revised PRs focus more on Small Enterprise, and formulate more specific and simpler regulations for them. The new set of Regulations is believed to further improve the current Regulatory Environment and will boost the efforts to meet financing needs of SMEs. The revised regulations underscore importance of cash flow analysis and other tools assessing the primary source of repayment of SME borrowers. It also emphasizes the use of technology and documentation for disciplined credit control for monitoring of credit quality.

Since Medium Enterprises are relatively less credit constrained in accessing loans compared to Small Enterprises, the Regulations governing them have not been changed.

However, the definition for Medium Enterprises has been changed and their individual & aggregate borrowing limits revised upwardly. After review, the SME Prudential Regulations have now the following structure:

- i. General Prudential Regulations that apply on both Small and Medium Enterprises
- ii. Specific Prudential Regulations for Small Enterprise Financing
- iii. Specific Prudential Regulations for Medium Enterprise Financing

The Revised PRs are applicable with immediate effect for the fresh financing facilities. However, since the banks/DFIs need to segregate their existing SME portfolio according to the new definitions and revised classification criteria, Banks/DFIs are allowed a maximum implementation period up to September 30, 2013 for the existing portfolio. The new set of Prudential Regulations can be accessed at SBP web-site <http://www.sbp.org.pk>.

## RWANDA



### Made in Rwanda campaign to boost domestic market in the Country - minister Kanimba.

The Ministry of Trade and Industry has unveiled a new strategy to promote Made-in-Rwanda products. Nicknamed the "Domestic Market Recapturing Strategy", the plan involves collaborative efforts of the media to boost Made-in-Rwanda campaign.

The minister of Trade and Industry (MINICOM), Honorable Mr. Francois Kanimba disclosed this in a one day meeting which brought together more than 100

manufacturers, owners of media houses and journalists at MINICOM Headquarters, in Kigali capital, yesterday.

Speaking to journalists, the minister of Trade and Industry, Mr. François Kanimba said that the role of the media in such campaign is crucial. *“While we are targeting to change the mindset of our people towards consuming locally made products, it’s very critical to value the role of the media and manufacturers in reaching out to all categories of people. To change the mindset of our people and to boost the value chain of production, it’s vital to conduct and sustain the Made in Rwanda campaign,”* Trade and industry minister Mr. François Kanimba told stakeholders.

Minister Mr. Kanimba said that under the second Economic Development and Poverty Reduction Strategy (EDPRS-2), the government is targeting to increase its exports to a tune of 28% per year by end of 2018. In his presentation on strategies and marketing of manufactured products, Albert Rudatsimburwa, a media owner in Kigali, said branding, marketing, advertising, competitiveness, supporting and reinforcing the brand building to the next stage, is crucial, but it should be spearheaded by the media.

To identify priority sectors that can quickly contribute to Rwanda domestic market recapturing, The Ministry of Trade and Industry conducted a study on “Domestic Market Recapturing Strategy” (DMRS) that was validated in February 2015. The study indicated that the total foreign exchange savings induced by the DMRS could reach almost USD 450 million per year. The total potential foreign exchange savings resulting from the DMRS account for 17.8% of the import bill. Almost one third of this would come from the cement sector. This would reduce Rwanda’s average annual import bill by almost 6%.

The DMRS has three key potential sectors to recapture the domestic market: Construction materials (USD 206 m): Cement, Iron & steel, Aluminum products, paints & varnishes, plastic tubes, ceramic/ granite tiles.

Light manufacturing (USD 124 m): Textile & garments, pharmaceuticals, soaps & detergents, reagents, packaging materials, wooden furniture and insecticides, Agro-processing (USD 112m): sugar, fertilizer, edible oil, dried fish, maize & rice. The made in Rwanda expo which was held in February is one of the activities of a robust awareness campaign. The ministry of Trade and Industry plans to organize the second made in Rwanda expo in December to boost local market.

Minister Mr. Kanimba said that a road map for Made in Rwanda campaign has been developed to boost the manufacturing of local products. The campaign started in March 2016 and will end December 2016..

## **SOUTH AFRICA**



### **Centre opened to support SMMEs in bio manufacturing sector**

Science and Technology Minister Mr. Naledi Pandor has opened a bio-

manufacturing centre that aims to support small, medium and micro-enterprises (SMMEs) at the Council for Scientific and Industrial Research (CSIR), in Pretoria.

The centre, named the Bio-Manufacturing Industry Development Centre (BIDC), is a first of its kind in South Africa and aims to support SMMEs involved in bio-manufacturing in meeting their customer needs within short time-frames and be able to exploit market opportunities.

The BIDC's support for SMMEs is through the development of bio-based manufacturing processes and products. Companies that are incubated at the BIDC have access to ready-to-use bio-manufacturing facilities, support in research and development laboratories as well as access to experts in the fields of agro-processing and bio-processing product development and scale-up.

Speaking at the launch of the centre, on Friday( May 13, 2016) , Minister Mr. Pandor said the local manufacturing sector has been slow to adopt innovative manufacturing technologies leading to limited value addition to raw materials and a steady increase in the country's trade deficit. *"The key strategic focus is to provide an environment for the re-industrialisation of South Africa through the diversification of the economy. The BIDC therefore contributes to the development of new, innovative products and new industrial value chains which revitalise the local industry, stimulate export markets and increase local competitiveness,"* explained Minister Mr. Pandor.

The BIDC - which is a hub for innovation in bio-manufacturing sector - is funded through the Department of Science and Technology's Industrial Innovation Partnership Programme and the Jobs Fund Programme.

The centre has enabled the CSIR to develop unique insights into the potential of the bio-economy and bio-manufacturing sector.

*"The initial phase will result in the creation of permanent and temporary jobs while the economic impact is projected at about R250 million per annum within the next five years. Currently the BIDC is supporting 19 enterprises of which 16 are owned by black entrepreneurs, including 10 black women-owned enterprises,"* said Minister Mr. Pandor.

To date, 33 products with applications in the cosmetics, nutrition and biotechnology industries have been developed and transferred to the enterprises. The programme has resulted in 105 permanent jobs being created, the majority of which are within the enterprises and their value chains, while an additional 165 temporary jobs have also been created. *"At least 54 interns have received training in the BIDC vocational learning programme in order to provide the bio manufacturing sector with a skilled workforce,"* said BIDC Manager Dr. Dusty Gardiner.

CSIR Chief Executive Officer, Dr Sibusiso Sibisi said the CSIR performs research to stimulate and improve the competitiveness of industry, and thereby contributes to the economy of the country. *"We need to think differently. We need to explore new ways and mechanisms to enter areas of activities such as the beneficiation of our natural resources to create jobs, manufacture high-end components and export them,"* said Dr. Sibisi.



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, UNCITRAL, 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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