



World SME Update

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ARMENIA



Japan to Continue Supporting Armenian SMEs

The second meeting of the joint coordinating council of the Small and Medium Entrepreneurship Development National Center of Armenia (SME DNC) and Japan International Cooperation Agency (JICA) took place on Wednesday in the framework of the joint Project for Development of Local Production and Promotion of Local Brands (Stage 2).

It was presided by the First Deputy Minister of Economy Mr. Garegin Melkonyan and Armenian SME DNC Executive Director Mr. Levon Mnatsakanyan. The Japanese side was represented by JICA Uzbekistan representative Mr. Murai Hiromitsu, JICA Yerevan Liaison Office representative Mr. Ruzan Khojikyanyan, representatives of the Japanese Embassy to Armenia and the project expert panel. The representatives of the USAID and UNIDO also attended the meeting as observers.

In his speech, the first Deputy Minister of Economy Mr. Garegin Melkonyan highly appreciated the cooperation with JICA and thanked for launching the new project, for his part, SME DNC Executive Director Mr. Levon Mnatsakanyan noted that the previous stage of the project was highly effective, expressing hope that the second one will also ensure good results.

Thereafter, the head of JICA expert panel Mr. Seno Ryuji presented the results of the first stage of the project, as well as the plan and directions of the key actions during the second stage. Following the presentation, he responded to the questions of the attendees. Discussion was held on ensuring efficiency during the second stage.

The importance of complementing the cooperation and actions was underscored in terms of ensuring effective support in the country's provinces. After the discussions, Mr. Garegin Melkonyan and Mr. Murai Hiromitsu signed a document, under which the project has been officially launched.

The joint project is the new stage of the Project for Development of Local Production and Promotion of Local Brands. The previous project was implemented from March 2013 to March 2015. The final objective of the project is to develop marketing methods and support local SME on the basis of One Village One Product (OVOP) program originated in Japan.

AZERBAIZAN



Agreement on consulting service to be rendered in Alat Free Trade Zone

On September 7, 2016 the agreement was signed on consulting services to be rendered in the Alat Free Trade Zone, including the Baku International Sea Trade Port. Pursuant to the Agreement signed among the Ministry of Economy, "The Baku International Sea Trade Port" CSC and "Economic Zones World FZE" company of "DP World Group" of the United Arab Emirates, the Group will provide consulting services to the Baku International Sea Trade Port on developing legislation on special economic zones, economic reasoning of the establishment, development concept, infrastructure and management of the zone, at the same time entrepreneurship activities to be implemented in the zone.

Mr. Shahin Mustafayev, the minister of economy delivering information on the directions of the strategy aimed at the realization of the transit potential of the country, implemented large-scale projects, stressed that Baku-Tbilisi-Kars railway project and the new Baku International Sea Trade Port that was one of the parts of the East-West transport corridor would contribute to the burgeoning of the not only the participant countries, but also all the region. It was noted that work was underway on the North-South transport corridor.

Foundation of the railway bridge on Astara river was laid down, and now parties negotiate over the realization of Gazvin-Rasht-Astara (Iran) - Astara (Azerbaijan) railway project.07-09-2016-2

It was mentioned that, the new International Sea Trade Port was important from the point of the realization of Azerbaijan's transit potential, and our country invested great amounts in the construction of the port. The work on the first phase of construction of the new Baku Port has already been completed. 2 berths are currently operating at the port, and further 2 berths will be commissioned by the end of 2016. Generally, 11 berths are considered to be constructed in the new Baku Port. A modern large-scale logistics center is considered to be established within the framework of the new International Sea Trade Port project. This logistics center will lead to encouraging efficiency of transport corridors and utilization of their potential more effectively by fulfilling the function of regional logistics hub. Establishment of the special economic zone (SEZ) as a class of free-trade zone (FTZ) including the area of Baku International Sea Trade Port in Alat settlement, Garadagh district under the Order of the President of the Republic of Azerbaijan, dated 17 March, 2016 is of great importance in terms of durable evolution of the economy and increasing competitiveness, and strengthening its position as a center for logistics and transport center.

The Minister Mr. Shahin Mustafayev, pointed out that, serious investigations were held, at the same time activities of the internationally known companies were considered for establishing economic zone. "DP World Group", one of the world's largest operators of container terminals, is among the top 10 operators, and has extensive t experience. The company has 77 terminals in more than 40 countries. The

legislation on economic zones will be improved, and technical-economic reasoning and Master Plan will be issued within the framework of the agreement to be signed today. This work is expected to be completed in January 2017. The selection of the UAE's company as a consultant is due to the high level of the political and economic relations between the two countries.07-09-2016-3

"DP World Group" Chairman and CEO, Mr. Sultan Ahmed bin Sulayem, delivered information on the activities of the Group, and noted that the Group owned 77 naval and ground terminals around the world. Mr. Sultan Ahmed bin Sulayem, speaking about the experience of the company in different countries, expressed his satisfaction with the cooperation of "DP World Group" with Azerbaijan. He stressed that, Azerbaijan was developing under the leadership of the President Mr. Ilham Aliyev, and the country changed a lot over the past years, and burgeoned into the beautiful country. Azerbaijan owns developed infrastructure for the establishment of the free trade zone and logistics center. Investments in this sphere leads to diversifying the economy and trade growth. All of these are important factors in the implementation of the project successfully. Mr. Sultan Ahmed bin Sulayem emphasized his confidence that Baku will turn into the Eurasian transit and logistics hub by combining Azerbaijan's transit potential and experience of "DP World Group".

Mr. Taleh Ziyadov, the general manager of "The Baku International Sea Trade Port" CSC gave information on the activity of the port, and noted that "DP World Group" managed the Middle East's largest free trade zone - JAFZA and this Group's participation in this project as a consultant would contribute to the Baku Port to be an important logistics and trade center.

Then, a video about the activity of the "DP World Group" and Jebel Ali Free Zone the UAE was presented.

AUSTRALIA



Establishment of Australia-UK Trade Working Group

Following the recent statements by Prime Minister of UK Ms. Theresa May and that of Australia, Mr. Malcolm Turnbull, have agreed to establish a bilateral Trade Working Group that will focus on scoping out the parameters of a future ambitious and comprehensive Australia-UK Free Trade Agreement (FTA).

They want the Working Group to advance an agenda that will ensure the expeditious transition to FTA negotiations when the UK has formally completed its negotiations to exit the EU.

Both of them want a future FTA to generate new trade and investment opportunities. They will priorities consultation and outreach to their respective stakeholders to seek their input to the work of the Working Group.

The Working Group will be convened at senior officials' level. In addition to preparing for bilateral FTA negotiations, its agenda will include other trade policy

issues of mutual interest, including WTO processes and current and prospective plurilateral negotiations.

To maintain momentum, they have agreed to meet twice annually to review progress in the Working Group. First such meeting will take place in early 2017 in Australia. That will be preceded by discussions in Australia later this year during the planned visit by Lord Price CVO, Minister of State for Trade Policy.

This initiative reflects a strong political commitment by Australia and the UK to take a leadership role in advocating for global trade liberalization and reform.

AUSTRIA



Innovation Million promotes first digitization in tourism

New incentives for innovation for tourism in rural areas - Submissions for the contest will be accepted until March 1, 2017

Competition for the Innovation million in tourism proceeds with the new focus on digitization in the next round. *"We are looking for innovative lighthouse projects, to deal with digitization in tourism "* announces Economic and Tourism Minister Reinhold Mr. Mitterlehner at the occasion of the launch of the tender. *"The technological infrastructure and marketing must be digitally oriented increasingly so on Austria in the future to tourist pioneers counts "*, stressed Mr. Mitterlehner.

Due to the digitization it goes in tourism important to participate to network more, beyond our own horizons and destination across to act with other companies - for example in the areas of technology, experience orientation and training of employees. *"Gives companies not only a competitive advantage, but also save financial resources, You can submit innovative projects that have the design, development and implementation of creative and book relevant offers by SMEs in the tourism and leisure industry or inter-company cooperation along the tourism value chain in rural areas to the content"*. said Mr. Mitterlehner.

A jury evaluates the submissions and select the winner projects, their implementation will be supported with funds from the Federal Tourism Promotion and by the Austrian Rural Development Programme 2014-2020. Total is again a million euros.

Submissions are to 1 March 2017 at the Austrian Hotel and Tourism Bank Ges.mbH (ÖHT) possible. There is also all the information about the call for projects including submission documents and the funding guidelines.

Additions and changes in the regulations governing the functioning of the securities market

Resolution of the Council of Ministers of the Republic of Belarus on September 9, 2016 № 711 amended and the changes in the regulations governing the functioning of the securities market.

According to the provisions of the Regulations of the state representatives in the management bodies of business entities whose shares belong to the Republic of Belarus or administrative and territorial units, supplemented by a norm, according to which the state representative position in the management of public companies on the issue of shares of additional issue of organs and increase of the authorized capital at the expense of investment coming from the placement of shares of additional issue of using foreign depository receipts or purchase of shares from shareholders in order to follow their transfer to the issuer of foreign depository receipts for sale with foreign depository receipts determined by the President of the Republic of Belarus.

The resolution also introduced additions and amendments to the single list of administrative procedures carried out by public bodies and other organizations in relation to legal entities and individual entrepreneurs, in terms of administrative procedures in the field of securities market and insurance activities. Additionally, introduced an administrative procedure, which provides coordination of the Ministry of Finance for the insurance organizations of individual rules of formation of insurance reserves.

The term of this coordination is 30 days.

In addition, aligned with the provisions of the legislation of the said single list, in terms of specifying names of documents submitted for the implementation of administrative procedures the issue of securities, subject to the specifics established by law for economic entities, consisting of one member.

The decree also established features of the state registration of the additional issue of shares, the placement of which is carried out with the use of foreign depository receipts, including the procedure for assigning a temporary state registration number of additional issue of shares placed with foreign depository receipts, as well as the cancellation of the emergency number.

in accordance with the decree expanded the list of documents required for state registration in the state register of securities issue of housing bonds.

at the same time, established features of registration of the prospectus of equity securities of non-resident issuers. Unified list complemented the administrative procedure for the qualification of equity securities of non-resident issuers as securities on the territory of the Republic of Belarus.

In addition, in order to optimize to increase the attractiveness of commercial papers, as an effective tool for rapid attraction of investments, the decision of simplified

administrative procedure for the registration of commercial papers in terms of reducing the period of its implementation.

This Decision shall enter into force after its official publication.

BHUTAN



Inauguration of WTO Reference Centre in Bhutan

H.E. Lyonpo Lekey Dorji, Minister of Economic Affairs, inaugurated the WTO Reference Centre at the Department of Trade on 14 September, 2016. Mr Gerardo Thielen and Ms Juneyoung Lee from the World Trade Organization (WTO), Heads of various Departments under the Ministry, Regional Directors of Regional Trade and Industry Offices, representatives of Bhutan Chamber of Commerce and Industry (BCCI) and relevant agencies attended the inauguration.

The Reference Centre was established with technical assistance from the WTO. The Reference Centre will serve as a repository of information related to the WTO and international trade for government officials, private sector, academic institutions and the general public.

The Department of Trade in collaboration with the WTO also organized a daylong seminar on the Multilateral Trading System; and two days training on the use of WTO data base, document search facilities, trade related information and other resources that are available in the Reference Centre from 13-15 September, 2016. The seminar and the training were facilitated by Mr Gerardo Thielen and Ms Juneyoung Lee from the WTO Secretariat.

DENMARK



Industrial production back at the same level as before the financial crisis

Industrial production rose by 1.9% in July and has thus reached back to the level before the financial crisis. Over the past three months, output growth less impressive.

It goes forward in the Danish industry. In July, industrial production rose by 1.9% in July and has thus reached back to the level before the financial crisis. At the level before the financial crisis reached itself is not impressive after 8 years, but the growth in the industry is happy.

Measured over the past three months, output growth although at a less impressive here, industrial production rose by 1.2%, which still has a high growth. Indication of positive GDP growth in Q3 Today's figures are good news, since it indicates that we are also in Q3 may have a positive GDP growth.

The industry does not take up as much of the Danish economy, but the development of the industry is still an important indicator of how the whole economy develops.

Export growth is not impressive Although industrial production is developing in the right direction, then export growth is not impressive.

There is growth in exports measured over the past months, but we look at development from June to July alone, exports were completely unchanged. Brexit inhibits Danish companies' sales to England we compare exports in the first seven months with the same period last year, these are a small decline of 0.1%.

In July, exports fell to England further - which should also be seen in the light of that Brexit has led to a significant weakening of the pound, which means that Danish companies selling to the UK market does not get quite the same for their goods, when the selling price converted into kroner. it is still too early to say whether there is a more real weakening of exports to the UK - but it is clear that when England actually step out of the EU (which probably no sooner than in 2019), so it is not unlikely that it will hit Danish exports to England, where strong this effect is to be seen.

FINLAND



Finland implements SME Initiative: Creating new opportunities for economic growth and jobs

The EIB Group (European Investment Bank and European Investment Fund) has concluded an agreement with the Government of the Republic of Finland and the European Commission for the implementation of the SME Initiative in Finland, which will support Small and Medium enterprises (SMEs). It is expected that EUR 400 million of new SME financing will be provided under this Initiative.

Finland is contributing EUR 40 million from its European Structural and Investment Funds (ESI Funds) and national budget to this EU initiative, which will be leveraged with commercial lending through a risk-sharing mechanism. In addition to the contribution from the EIB Group, this will result in more SMEs benefiting from European resources on advantageous terms, such as reduced interest rates and improved collateral requirements. This financial instrument will act as a catalyst for private investment and foster job creation within the SME community.

The SME Initiative entails an innovative change in the use of ESI Funds, combining the latter with EU central budget (resources from the Horizon 2020 Programme) and EIB Group funds. A number of Member States have already begun to implement this programme, but Finland is the first Nordic country to do so. Following the signature today, the EIF will shortly publish an open call for expression of interest, inviting banks and other financial intermediaries to apply. Once selected, these banks and other financial intermediaries will make new funding opportunities available to SMEs.

During the signing ceremony, Mr. Olli Rehn, Minister of Economic Affairs of Finland, said: *"The SME Initiative reinforces our policy for growth and jobs by substantially expanding lending to small businesses. The guarantees it provides will diversify financing from the Structural Funds to instruments with higher leverage than grants. Growth of EIB*

Group financing, visible also in Finland, is based on increase in the EIB capital some years ago”.

EIB Vice-President Mr. Jan Vapaavuori said: *“EIB Group is pleased together with the Finnish authorities to announce this joint initiative for SMEs, as it should generate EUR 400 million of financing for SMEs over the coming years. Most new jobs created are in small businesses and enhanced access to financing is a prerequisite for continued growth and development within this vital sector of the Finnish economy”.*

Commenting on the new initiative, EIF Chief Executive Mr. Pier Luigi Gilibert said: *“I am pleased that EIF and Finland are implementing this joint initiative, Europe which should generate more than EUR 400 million of SME financing. This is a first in northern Europe. 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 to benefit SMEs.”*

Commenting on this new initiative European Commission Director for Regional Policy, Mr. Rudolf Niessler said: *“This pioneering initiative represents clear progress towards doubling the use of financial instruments in ESI Funds investments. It will ensure that funding reaches a greater number of Finnish small businesses.”*

The SME Initiative Programme for Finland, adopted in May 2016 and funded by EUR 40 million from European Regional Development Funds (ERDF) and national budget, is part of a broader initiative of the European Commission and the EIB Group, to encourage Member States to double their use of European Structural and Investment Funds invested through financial instruments in 2014-2020. This is in line with the Investment Plan for Europe which focuses on removing obstacles to investment, providing visibility and technical assistance to investment projects and making smarter use of new and existing financial resources.

The SME Initiative is a joint financial instrument of the European Commission and the EIB Group. It was designed as a fast and effective response instrument to increase lending to the real economy, create jobs and stimulate growth.

The European Commission adopted the Operational Programme SME Initiative for Finland on 26 May 2016 to boost the competitiveness of Finland's micro, small and medium-sized businesses through increased access to finance.

GERMANY



Ms. Gleicke in U.S. promoting venture capital for eastern German start-ups

Ms. Iris Gleicke, Federal Government Commissioner for the New Federal States and Parliamentary State Secretary in the Federal Ministry for Economic Affairs and Energy, is heading a business delegation to San Francisco from 12-15 September. In this way, Ms Gleicke is supporting eleven young eastern German firms which are

presenting their business ideas to U.S. investors at TechCrunch Disrupt, an annual venture capital event.

Ms. Iris Gleicke stated: *"In the last few years, eastern Germany has emerged as an outstanding base for start-ups, and the message is gradually getting across to other countries too. I believe that people in the United States are interested to learn about our young companies and their fresh ideas. TechCrunchDisrupt offers them a great opportunity to present themselves and build important contacts on international markets."*

The eastern German firms taking part in the visit come from sectors like medical technology, mechanical engineering and ICT. The aim is to meet with the appropriate investors in San Francisco and expand further with their assistance. People in the United States and in Silicon Valley are especially open to investing capital in highly promising start-ups.

HUNGARY



Economic equilibrium is assisting Hungarian enterprises

Since the positive economic U-turn of 2013, annual GDP growth has averaged some 3 percent, and we are expecting a good figure for this year, too – Minister for National Economy Mr. Mihály Varga said at the presentation of the Awards for Successful Enterprises.

Commenting on GDP data from the second quarter, the Minister said that the Hungarian economy appears to have remained on the path it has been on for the past three years. The latest growth figure is the second best within the EU, he added. The industrial sector's performance was outstanding, with 3.9 percent quarter-on-quarter growth, and so was that of the agricultural sector, with a year-on-year output increase of 13.4 percent. The expansion of the services sector has been boosted by the positive effect of real wage growth on consumption. These data also signal that the Government's growth target for this year, 2.5 percent of GDP, will be attainable.

The Minister stressed that domestic enterprises are also benefiting from the Government's consistent economic policy. The companies which were selected for the awards, he said, embody our concepts of future enterprises: they make innovative products with high added value, and in order to achieve continuous development they have forged efficient partnerships with domestic universities.

The "Investor of the Month" award went to the representatives of Graboplast Plc and Märklin Hungaria Ltd. Graboplast has been one of Hungary's leading manufacturers of floorings, and the company is building a new production site in Tatabánya, of HUF 6.2bn. Model railroad maker Märklin Hungaria has completed a development project of HUF 3bn at its Győr factory.

The "SME of the Month" title was received by the Detki Kecs Ltd and plastics manufacturer István Simon. The maker of highly popular Detki Kecs products has been a prominent enterprise in the domestic food industry in the past three decades.

The businessman István Simon has become, over the past 31 years, from a sole proprietor the executive manager of a company with a staff of 242, manufacturing high-end components for multinational industrial giants in, among others, Germany and the United States.

Magnus Aircraft Plc and MathXplain Ltd won the “Startup of the Month” awards. Kecskemét-based Magnus Aircraft is a producer and developer of small airplanes. The website of MathXplain Ltd, „Mateking”, aims to popularize Mathematics. The platform, which presents mathematical fields and topics through easily comprehensible and funny examples, has attracted 45 thousand registered users over the past four years.

The Order of Merit of Hungary (Civilian) was handed over to Budapest Sportiroda Ltd CEO Mr Árpád Kocsis.

INDIA



“With India’s Support The MSME Sector in Mauritius has a Great Potential for Skill Development and Job Creation”, says Mr. Kalraj Mishra

“Relations with Mauritius is high on the agenda of his Government”, says Mr. Kalraj Mishra, Union Minister of MSME during the interaction with Mauritius delegation headed by their Finance Minister, Mr. Pravind Jugnauth here today.

During the discussion, Mr. Mishra said that his ministry will work towards establishing Tool Rooms and Technology Centers to help skill people in specific sectors. He also said that his Ministry will do all the possible assistance by way of Technological Assistance to develop MSME sectors in Mauritius.

Mr. Kalraj Mishra, Union Minister of MSME, Government of India discussing possible areas of bilateral cooperation with Mr. Pravind Jugnauth, Minister of Finance, Government of Mauritius

Senior officers from MSME Ministry discussed a range of issues of bilateral cooperation with the Mauritius delegation. During the interaction, Mr. Pravind Jugnauth said “We seek India’s assistance to develop handloom and handicraft sectors in Mauritius”, highlighting other possible areas of bilateral cooperation like Development of Handloom, Handicraft, Tourism, Aquaculture, etc.

Mr. Kalraj Mishra directed the ministry officials to make actionable points based on this interaction and work towards taking this bilateral cooperation to fruition.

Minister of Industry, Small and Medium Industry Push Grows Through Digital Means

Growth of Small and Medium Enterprises (SME) rapidly in order to fill the distribution of industries in various regions is one focus of the Ministry of Industry. Until 2019, the Ministry of Industry targets a growth of 20,000 new small entrepreneurs, 4,500 new medium entrepreneurs as well as the distribution ratio of SMEs in Java and outside Java were shifted to 60.34: 39.66. *"It is not an easy task, so we cannot just do business as usual"* said Minister of Industry Mr. Airlangga Hartanto in the Inaugural Director General of Small and Medium Industry Ministry in Jakarta, Wednesday (September 14, 2016).

Steps taken by the Ministry of Industry to develop SMEs in the industrial era is relying on the exchange of data on manufacturing technology, or so-called industry 4.0, among others, by encouraging employers to use digital means. Therefore, the Ministry of Industry is targeting the industry players, especially young entrepreneurs, to pursue and utilize information technology in order to expand its market. *"The purpose of the use of the digital market is to make the cost to zero and the efficiency of the value chain. Company e-commerce at home and abroad also we get the cooperation to support this move,"* said Mr. Airlangga.

On the occasion, Ms. Gati Wibawaningsih sworn in as Director General of Small and Medium Industry Ministry. Ms. Gati was previously a Director of IKM Chemistry, Clothing, Arts and Crafts. The Director General of IKM, Minister of Industry advised to always see the real situation of SMEs in the field and provide solutions for problems that occur and to increase creativity, innovation and competitiveness so that SMEs can fill a niche product market and able to compete in the era of globalization. *"And do not forget, continue to look for and make a breakthrough policy in order to accelerate the growth and spread of SMEs,"* said Minister of Industry.

As Director General of IKM, Ms. Gati said that the improvement of the SME database is one of the priorities that must be done. Including synchronization with a database of SMEs owned by other institutions. In addition, inter-sectoral coordination in the Ministry of Industry also strengthened policies and programs IKM synergistic and mutually supportive work programs in other sectors. *"We're going to map out a work program that is not contrary to the SME program for large industry. For example, by DG ILMATE that the industry is a market for SMEs,"* said Ms. Gati.

One of the challenges now facing the small and medium industry is the competition with the manufacturer of components associated with sole agents, or keiretsu. The minister said that SMEs should be protected because of its supply chain becomes limited due to the keiretsu incoming and carried by major industries.

In line with the Minister of Industry, SME Director General also delivered a centralized SME development plan in an industrial area. *"There will be no facility to evaluate the results of SME production and become a problem solver for problems*

of SMEs, eg for SMEs whose products are deemed ineligible by the industry," said Gati.

To that, he added, the Ministry of Industry also boost the quality of human resources through vocational education component industry. It coordinates with the Polytechnic College of Textile Technology (ST3) Bandung to print mechanics understands textile machinery.

The process of filling the post of Director General of IKM has been implemented in accordance with the mandate of Law No. 5 of 2014 on the Reform of Civil State, which is carried out through the Committee of Selection (selection committee) in accordance with the recommendation of Commission for Administrative Civil State (KASN).

JAPAN



JICA Expands Financing by Investing in Microfinance Fund for Women's Empowerment through JICA's Private Sector Investment Finance

The Japan International Cooperation Agency (JICA) signed an agreement for equity participation in the "Japan ASEAN Women Empowerment Fund" (JAWEF), which is managed by BlueOrchard (A Swiss based Fund Manager specialized in management of Microfinance Fund). JICA will invest up to thirty million dollars in the fund. Sumitomo Life Insurance Company (Sumitomo Life), Japan Bank for International Cooperation (JBIC) and other investors from Japan will also invest in the fund along with JICA.

In developing countries, due to the gender inequalities found in poverty and educational opportunities, as well as forced child marriage and high maternal mortality rates, the Sustainable Development Goals established by the UN sets the goal of "Achieving gender equality and empowering all women and girls." ASEAN countries share the issue of achieving gender equality as a regional challenge. The "Roadmap for an ASEAN Community 2009-2015" issued in 2009 stresses the importance of gender mainstreaming throughout the region and emphasizes investment in vocational training for women and assistance for female entrepreneurs.

The Japan ASEAN Women Empowerment Fund aims to contribute to the empowerment of women, and especially to the improvement of financial access for low-income women in the region through expanding financing to microfinance institutions focusing on the empowerment of women in Asia, particularly in ASEAN countries. This fund was outlined in a speech made by Japanese Prime Minister Shinzo Abe at the ASEAN Business and Investment Summit in November 2015 when he announced an initiative to form a new fund for microfinance focusing the empowerment of women.

JICA will encourage the mobilization of funds from Japanese institutional investors by reducing the risk held by private investors. JICA's investment is expected to also

promote the understanding of the functioning of “impact investment” among Japanese private investors, resulting in further investment from the private sector.

JICA continues to meet the challenges of poverty reduction and gender equality by organizing investment from the private sector to make improvements in those areas, and JICA’s equity financing in the form of JICA’s Private Sector Investment Finance will create momentum toward such improvements.

MALAYSIA



Bionext initiative to help the growth of SMEs

SME Corporation Malaysia (SME Corp) aims to develop small and medium enterprises (SMEs) more competitive, resilient and dynamic, especially in the challenging business environment. The target was supported by initiatives Bionext under 5 High Impact Program (HIP 5) which aims to foster and integrate high-growth SMEs in Malaysia. Among the selected SMEs to get help for Bionext initiative is Algaetech International Sdn Bhd which operates in Technology Park Malaysia.

Algaetech is a manufacturer of algae that produce products with super antioxidant Astaxanthin, high-value products with great potential in the market.

With the launch of the new facility Algaetech enhanced by the Deputy Minister of International Trade and Industry, Mr. Datuk Ahmad Maslan, the company will realize its potential as one of the largest manufacturers of algae. Also held during the event was the exchange of Memorandum of Understanding (MoU) the supply of products based on Astaxanthin with Indonesian companies, INAUNEW and Bio-Life Marketing.

The ceremony took place at the new facility Algaetech at Technology Park Malaysia, Bukit Jalil here a while ago. Also present, Algaetech managing director, Mr. Datuk Paduka Syed Isa Syed Alwi..

PAKISTAN



Realizing Benefits Of CPEC - Pakistani SMEs Offered Free Retail Space In China

A Memorandum of Understanding (MoU) was signed today (September 7, 2016) at the Small and Medium Enterprises Development Authority (SMEDA) Head Office between All Pakistan Business Forum (APBF) and Zhimakaimen Economic and Trading Industrial Zone Management Company Limited, China. The meeting held in this regard was jointly headed by Dr. Naeem Rauf, GM-Central Support and Mr. Muhammad Alamgir Chaudhry, GM-Outreach of SMEDA. Whereas, Mr. Huang, Director Planning of the Chinese Company and Mr. Sheharyar Tahir, Head External

Relations Department of SMEDA gave briefing on their respective organizations on this occasion.

In the wake of the emerging opportunities of China - Pakistan Economic Corridor (CPEC), SMEDA, as a facilitator for small and medium enterprises has been playing an active role in identifying potential investment opportunities and developing linkages between Chinese and Pakistan business sectors.

Mr. Huang, Director Planning gave a detailed presentation about the Chinese group and shared that the Chinese group is involved in building large business hubs in major cities of China and plans to build shopping complexes for countries that are along the traditional Silk Road route. In light of the agreement signed, the group shall provide opportunities to Pakistani Businesses and Brands to open up their shops and businesses at Jiaying City near Shanghai. The Chinese side highlighted that there is a huge demand for Pakistani products in China and special packages will be offered to Pakistani businesses, inclusive of free value added services to ensure business establishment is facilitated in China.

Mr. Ibrahim Qureshi, President All Pakistan Business Forum appreciated SMEDA for providing the platform to link Chinese and Pakistani private sectors. During discussion he appreciated the offer from the Chinese side and highlighted that APBF, a representative body of diverse businesses including manufacturing, services and trades would benefit from this collaboration. He further elaborated that Pakistani businessmen are keen to develop their businesses in China, but face numerous challenges, which can be addressed through the support of SMEDA.

Mr. Sheharyar Tahir, Head External Relations Directorate elaborated the role of SMEDA in bringing both sides together and assured the participants of SMEDA's continued support for developing business-to-business linkages in the SME sector. He stated that the MoU signed between the two organizations would play an important role in bringing the business community closer and providing opportunities for enhancing trade. National board members from APBF and SMEDA General Managers, Mr. M. Alamgir Chaudhry, Dr Naeem Rauf, and Ms. Nadia Jahangir Seth were present during the MOU signing ceremony. .

PHILIPPINES

DTI, other government agencies sign agreement to improve ease of doing business



The Department of Trade and Industry (DTI) and National Competitiveness Council (NCC) Co-Chair Mr. Ramon M. Lopez, Department of Interior and Local Government (DILG) Secretary Mr. Ismael Sueno, and Department of Information and Communication Technology (DICT) Secretary Mr. Rodolfo Salalima signed a joint memorandum circular to streamline the country's business permits and licensing systems (BPLS).

"DTI's work is geared towards establishing efficient regulatory procedures by cutting red tape and addressing bottlenecks in government frontline services. This is an effective strategy that

allows our local enterprises to easily comply with requirements in starting a business,” said Mr. Lopez.

In the new JMC, LGUs are enjoined to align their business permits licensing system with the Revised Standards on Processing Business Permits and Licenses in All Cities and Municipalities in which (1) a unified form should be used, both in print and electronic format; (2) the processing time should only take two days for new registrations and one day for renewal; (3) registration procedures should only involve three steps; and (4) should only require two signatories, which is the Mayor and the Treasurer or Business permits and Licensing Office Head with alternate approving signatures.

Other streamlining measures outlined in the circular are: setting up of Business One-Stop Shop (BOSS) facility for business registration, conduct of joint inspection teams, computerization and automation of business permit process, and use of online and electronic method for more efficient business processing. Mr. Lopez said that the target is to have all 1,516 cities and municipalities in the Philippines adopt the memorandum circular within 30 days and implement an online processing system within the year.

At present, ninety-three percent (93%) or 1,419 out of 1,516 local government units (ARMM LGUs excluded) have already streamlined their business permits and licensing systems into 5 days and 5 steps. This is in compliance with a memorandum circular issued by DTI and DILG to streamline business process in 2010. According to Mr. Lopez, cutting the time and costs involved in starting a business will significantly improve the services provided by DTI's Go Negosyo Centers, which bring government programs and initiatives closer to micro, small, and medium enterprises (MSMEs).

Go Negosyo Centers are one-stop shops that facilitate MSMEs' access to services such as business advisory, business information and advocacy, business registration assistance through the Philippine Business Registry (PBR) System which integrates all agencies involved in business registration. To date, 296 Go Negosyo Centers has been established nationwide.

RUSSIA



Cabinet approved the typical form of employment contract in microenterprises

The Russian government has approved a standard form of the employment contract between the employee and the employer - a small business entity belonging to the micro.

A decree of August 27, 2016 №858 published on the official website of the Cabinet. In accordance with the Federal Law №348-FZ of the employer - the subject of small business, which is ascribed to the micro-enterprises, have the right not to accept local normative acts containing norms of labor law (internal regulations, provision for payment, schedule of shifts, etc.). At the same time the terms and conditions that are

in accordance with the Labour Code governed by local regulations should be included in the employment contract, which is based on a standard form approved by the Government of the Russian Federation.

Signed a decree approved standard form of employment contract, including the various options for filling the individual terms and conditions. This will ensure the regulation of labor relations flexibility, taking into account the specifics of a particular employer.

The standard form of contract included special conditions that apply to remote and home workers who are not used in other cases. The standard form of employment contract to help micro-enterprises to enter into the head of it in accordance with the requirements of labor legislation and take into account the characteristics associated with the implementation of specific activities relating to a particular employee.

Implementing regulations will reduce the volume of document circulation and increase the level of protection of labor rights of employees working for employers - small businesses that are classified as micro-enterprises.

RWANDA



Rwanda, Kenya Sign EPA in Brussels

Trade Ministers for Rwanda and Kenya have on Wednesday (September 1, 2016) signed the EAC-EU Economic Partnership Agreement (EPA) in Brussels Belgium, pursuant to the EAC Council decision earlier in the year for the EAC to sign the EPA with the EU Party around August 2016. This signals a start of the EAC Partner States securing the Duty Free Quota Free market access to the EU on a non-unilateral offer but contractual basis.

All EAC members have been negotiating the EPA since 2007 and concluded the negotiations in 2014 when it was initialed by all EAC Partner States, commencing its legal scrubbing and translation which was also concluded early 2016. The signing of the EPA this September 1st 2016 by Rwanda and Kenya is very important as it marks the beginning of EAC countries signing the EPA legal text paving the way for its ratification by the individual Partner States.

This EAC-EU Economic Partnership Agreement, commonly referred to as the "EAC-EU EPA" is a trade and development agreement between the EAC Partner States and the EU Member Countries. It provides a framework for cooperation between the two blocs in the areas of trade and development.

The EAC Partner States are among a number of regional groupings from the African, Caribbean and Pacific (ACP) regions that have negotiated and concluded similar WTO-compatible trade arrangements with the EU. Under the trade chapter of the agreement, the EU liberalized 100% whereas EAC agreed to liberalize 82.6% on a progressive basis over a period of 25 years after signature.

The remaining 17.4% of tariff lines has not been liberalized mainly constituting agriculture processed and non-products. Important to note that included in the 82.6% liberalization is 65.4% covering raw materials and capital goods already at zero duty in the EAC Common external tariff. In effect, EPAs only further liberalized 17.2% of our trade with the EU. Under market access, the chapter also provides for trade defensive and safeguard measures that may be taken by a partner State when there is an injury to the economy. This can be

applied in case of the liberalization on equipment, intermediate and finished products, among others. Under the Development cooperation chapter, the EU committed to provide support to address supply side constraints that are critical for the EAC economies, especially by focusing on industrialization, infrastructure and energy development.

In 2015, EU accounted for 28% of Rwanda's total exports mainly composed of Minerals, Coffee, Tea and horticulture. The Agreement provides a more predictable and rule governed transparent trade regime which will enhance FDI inflows. The regime also has simplified rules of origin which will make it easier for Rwandan products to access the EU market

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