



World SME Update

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

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AFGHANISTAN



Government of Afghanistan and ADB signs \$415 Million Grant To Support Afghanistan's Energy Security

H.E. Eklil Hakmimi, Minister of Finance and Mr. Thomas Panella, Director of Asian Development Bank (ADB) signed the second installment of \$415 million grant agreement to boost Afghanistan's energy supply and strengthen the country's cross-border trade in energy.

The assistance includes \$188.23 million from the ADB Asian Development Fund; \$225.77 million in co-financing from the Afghanistan Infrastructure Trust Fund supported by the Governments of Belgium, Canada, Germany, the Netherlands, and the United States; and \$1 million from the People's Republic of China Regional Cooperation and Poverty Reduction Fund. Government of Afghanistan will also allocate \$5 million for the second installment of this project from its own internal resources.

"We are grateful for the continued support of ADB to the energy sector in Afghanistan," said H.E. Eklil Hakimi, Afghan Minister of Finance. "Energy is one of the government's priority sectors and a foundation for economic growth. The Government of Afghanistan and ADB will continue working closely to develop the energy sector for the improved livelihoods and welfare of all Afghans."

"Insufficient energy supplies severely constrain economic development and income opportunities across Afghanistan," said Mr. Thomas Panella, ADB Country Director in Afghanistan. "This assistance will support the government's national energy supply program, which will expand power supply to boost economic growth, provide employment, and reduce poverty."

Afghanistan has seen energy demand grow by almost twice its economic growth rate from 2005 to 2012, with the country sourcing around 80% of its total supplies from neighboring countries as an immediate solution. The Afghan power system is not synchronized, however, with the systems of Iran, Tajikistan, Turkmenistan, and Uzbekistan, from which Afghanistan imports power, so technical measures are required to allow Afghans to utilize the power imports.

ADB is Afghanistan's largest development partner in the energy sector with cumulative grant assistance of nearly \$2.2 billion all of which is on budget. ADB has been working to not only develop power imports for urgently needed

electricity, but to provide distribution systems; develop domestic generation; build capacity and promote institutional reforms; and is currently developing a large renewable program that will include off-grid options. The program is supporting targets of the government's national energy supply program, which include increasing the country's electrification rate from 30% to 83% and lifting the share of domestic generation from 20% to 67% by 2030.



AZERBAIJAN

8th session of Azerbaijan-France Intergovernmental Commission finished Azerbaijani finance minister met his French colleague

The 8th session of Azerbaijan-France Intergovernmental Economic Commission was held on December 13, 2016 in Paris, France. At the meeting attended by the delegations headed by the co-chairs of the intergovernmental commission, minister of finance of the Republic of Azerbaijan Mr. Samir Sharofiv and minister of state of the Republic of France for foreign trade, the promotion of tourism and French people abroad Mr. Matthias Fekl, the French co-chair stated that his country attaches great importance to the relations with Azerbaijan and that the intergovernmental commission will play a significant role in the development of economic and financial dialog between the two countries.

Drawing attention to the confidence of his country in the potential for economic development of Azerbaijan and the highest value attached by France to the reforms and measures to improve the business environment performed under the leadership of President Mr. Ilham Aliyev, Mr. Matthias Fekl underlined the available significant perspectives for further deepening and strengthening of cooperation between the two countries.

Azerbaijani finance minister Mr. Samir Sharifov provided broad information on the economic reforms implemented by the government under the leadership of President Mr. Ilham Aliyev, projects of great importance for the country and the region and transnational projects involving the Republic of Azerbaijan, and highlighted the non-oil sector as the priority of the country's economy.

In line of the meeting, discussions were conducted around the issues on cooperation in economy, finance, fuel-energy, transport, space, information and communication technologies, agriculture, as well as environmental protection, art, education, youth and sports focusing on the development of commercial, economic and investment relations between the two countries.

Minister of finance Mr. Sharifov held a series of bilateral meetings within the session of the intergovernmental economic commission. He exchanged opinions on the development of cooperation in various fields of economy and the priorities of and challenges before the economic development of our country at the meeting with Mr. Michel Sapin, the Minister of Economy and Finance of the Republic of France. The sides also conducted discussions on the scope and expected outcomes of due structural reforms to be performed by the Azerbaijani government and the

provision of various forms of support to the Azerbaijani government in this direction.

Putting light on the significance of continuing cooperation between the two countries, Mr. Sapin stated that Azerbaijan is an important partner for France and this country always supports Azerbaijan with this respect. Azerbaijani finance minister expressed gratitude to his French colleague for support provided to our country.

AUSTRALIA



Manufacturers' investment Intentions Rising in Year Ahead

Australia's manufacturers have finished the year strongly and are looking to increase investments in equipment and buildings in 2017, the December quarter Australia Chamber-Westpac Survey of Industrial Trends has found.

Mr. Andrew Hanlan, Senior Economist at Westpac, said *"The Westpac-AusChamber Actual Composite index strengthened at the end of 2016, lifting to 60.3 points from 57.4 points in September and 55.0 points in June. The above-par reading for the Composite index, which trended higher in 2014 and 2015, reflects strength across new orders, output and overtime, and an emerging resilience in employment"*.

Manufacturing is benefitting from a strong upswing in new home building activity, although rates of growth have moderated, as well as a lift in renovation activity. It is also enjoying a significant improvement in competitiveness flowing from the sharply lower currency, down 28 per cent against the US dollar from early 2013.

Even so, the cycle remains constrained. Mining investment is turning down sharply and global fragilities persist. Consumer spending slowed to a modest pace in 2016. *"The modest uptrend in exports appears to have resumed after stumbling earlier in 2016, with a net 6 per cent of respondents reporting a rise in export deliveries. Expectations are mildly positive, supported by the relatively low Australian dollar, but constrained by sluggish world growth and weak world trade"*.

Expectations are positive, centred on new orders and output. The Expected Composite index is at 62.1 points, up 1.1 points from September. A net 25 per cent expect the general business environment to strengthen over the next six months, an upbeat mood that is unchanged from September.

Businesses are looking to 2017 to be a positive year for profits, driven by rising turnover and a lower Australian dollar boosting export returns. A net 22 per cent expect profits to rise in the 12 months ahead.

Equipment investment intentions strengthened over the past two years, consistent with a trend reduction in the sector's spare capacity and improving profitability. A net 21 per cent of firms expect to increase equipment spending in the next year. Investment plans for building investment are more muted at a net 6 per cent.

The survey's Labour Market Composite, which broadly tracks economy-wide jobs growth, was 49.7 points in December, down from 50.3 points. A reading at this level points to robust jobs momentum heading into 2017."

Mr. James Pearson, CEO of the Australian Chamber of Commerce and Industry, said *"Business investment has been sluggish in recent times, so it is encouraging to see that the Australian Chamber-Westpac Survey of Industrial Trends shows that investment intentions are stronger heading into the new year"*.

With a net 21 per cent of firms expecting to increase equipment spending in the next year and a net 6 per cent intending to invest in building, we can be cautiously optimistic that investment sentiment is becoming more positive. This is a testament to the resilience of Australian manufacturers, who are continuing to invest despite the headwinds revealed in the recent negative GDP figures.

It is pleasing to see that manufacturers' output advanced for a 10th consecutive quarter, with a further 39 per cent expecting to lift output in the next three months. These levels are the highest in more than 10 years. Meanwhile capacity utilisation is lagging, with a net 5 per cent more respondents telling us they were operating below normal capacity than were operating above it. Manufacturers are benefiting from a lower currency, which has led to an improvement in export performance, but we cannot allow factors over which we have little control to determine our economic fortunes.

Instead Australia must seize opportunities by undertaking the vital reform that we know will make our economy more competitive. That includes cutting the burden of company tax to stimulate investment, making it easier to hire people through sensible changes to workplace relations and helping our young people to get an apprenticeship. Without policies to encourage them, businesses will find it hard to create and sustain jobs.

There were 301 respondents to the Australian Chamber-Westpac Survey of Industrial Trends from across the manufacturing sector. The survey was closed on December 5, 2016. Scores above 50 indicate that positive responses outnumber negative ones. The survey, the longest running business survey in Australia, dating from 1966, provides a timely update on the manufacturing sector and insights into economy-wide trends.

AUSTRIA

100 million start-up funding from the Ministry of Infrastructure and Economics

Wage costs Relief for the first three employees - total volume of 100 million euros by 2019 up to 1500 Start Up's

Minister of Economics Mr. Reinhold Mitterlehner, Infrastructure Minister Mr. Jörg Leichtfried and State Secretary Mr. Harald Mahrer will start the next joint initiative from the federal government's start-up package on 1 January 2017. At the beginning of the year 2017, the costs of the first three employees will be subsidized



for a total of 100 million euros over three years. The Ministry of Economic Affairs and the Ministry of Technology are responsible for half of the funds.

"We want to relieve innovative start-ups just in the difficult start-up phase. By promoting the additional costs, we make it easier to hire the first employees and support the growth of the company. This is an important step," says Vice Chancellor and Economy Minister Mr. Reinhold Mitterlehner. "In addition, it comes in 2017 and 2018 to a further reduction of non-wage costs for all companies by the FLAF posts be reduced substantially."

"Start-ups have the potential to create an above-average number of jobs. With our support we support them precisely when they need it most urgently, namely in the first phase of growth, and provide a targeted impetus for the labor market," said Infrastructure Minister Mr. Jörg Leichtfried.

"My goal is to make Austria a leading country for innovation and founder. The new rate subsidy subsidy is an important step in this direction. We must facilitate the growth of innovative start-ups in the difficult phase of construction, and also encourage employment impulses in newly created companies to strengthen the founder's idea," said Secretary of State Mr. Harald Mahrer.

Total volume of EUR 100 million by 2019

The Förderbank Austria Wirtschaftsservice GmbH (aws) carries out the supplementary costs subsidy program on behalf of the two ministries. Once a year, they are promoted as proof of paid employer contributions. Up to 1,500 start-ups benefit from the support, which can each amount to a maximum of 125,000 euros. Each year, around 3,000 jobs are created. In order to avoid swelling effects, so that the young companies are surprised by sudden spending after three years, the subsidy melts by a third every year. In the first year, supplementary wage costs are fully subsidized, in the second year to two thirds and in the third year with one third.

Applications from 1st January possible

The measure of the start-up pact is aimed at innovative, high-growth and five-year-old start-ups with headquarters or business in Austria. Whether companies meet exact criteria, they can use the aws Start-up PreCheck. You will immediately receive a feedback on the funding probability in this self-test. The most important criterion is employment growth: start-ups with more than 10 employees have to achieve an employment growth of 10% annually in the three years after the application, and five new jobs with companies with less than 10 employees.

With the aws pay-costs calculator, there is already the possibility, beforehand, to calculate the promotion process and the maximum grant amount. Applications can be submitted directly from Austria Wirtschaftsservice GmbH (aws) as of January 1, 2017.

BAHRAIN



The Minister of Industry, Commerce & Tourism opens “Alwane Fourth Regional Summit”

The Minister of Industry, Commerce and Tourism Mr. Zayed R. Alzayani opened “Alwane fourth Regional Summit”. The event is organized by the Bahrain Small and Medium Enterprises Development Society and held last night (December 21, 2016) at the Down Rotana Hotel in presence of businessman Mr. Farouk Almoayyed and Society Chairman Mr. Ahmed Al Saloom.

In his speech, the Minister of Industry, Commerce and Tourism said: *“I am pleased to welcome you all at this Forum with aim to support small and medium enterprises, which the ministry provide the support in the context of the ministry’s strategy and vision to enhance and develop entrepreneurship and small and medium enterprise sector.”*

He added that *“the Kingdom of Bahrain has a leading and long-standing experience in entrepreneurship and the Ministry of Industry, Commerce and Tourism through its strategy entrepreneurship and developing SMEs seeks to enhance encouraging environment for establishing projects and encourage competition and facilitate market access through multilateral trade agreements and improve the use of technology to provide services.”*

The minister pointed out that the ministry and under guidance of the government is seeking for a fruitful and successful partnerships to encourage creativity among entrepreneurs, the ministry has adopted the governmental and non-governmental partnership for many projects aimed to develop and strength Bahrain’s economy, where many initiatives have taken to promote SMEs, the launch of “Sijili” aim to encourage young Bahrainis and enhance their innovations. Bahrain enjoys the third place regionally and 29th in the entrepreneurship and institutional development index for 2016 issued by The Global Entrepreneurship and Development Institute in Washington.

The minister also added that this is the appropriate time to launch initiatives and projects that fall within the small and medium enterprise sector. HRH Prince Salman bin Hamad Al Khalifa, the Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister said in the Government Forum which was held recently that “it is time to invest in young people and the private sector should take its role in the economic development process,” and Bahrain Economic Development Board, Bahrain Development Band, Tamkeen and the private sector are playing a central role in this regard.

The minister also pointed that during the recent meeting of Economic Development Board several decisions have been adopted and foremost is the establishment of an investment portfolio valued \$100 million to support and promote small and medium enterprises, pointing to launch an integrated national strategy with Economic Development Board to develop this sector include six comprehensive axes funding, legislation, training, marketing and export to support this sector and make Bahrain a regional center for launching small and medium enterprises.

BELARUS



Approved in the Republic of the National Action Plan for the development of "green" economy of Belarus until 2020

Resolution of the Council of Ministers on December 21, 2016 № 1061 approved the National Action Plan for the development of "green" economy in the Republic of Belarus until 2020.

The strategic objective of the National Plan is to improve the quality of life of the population, based on the growth of competitiveness of the economy, attract investment and innovation development.

The primary objective of the first phase of implementation of the said National Strategy (2016 - 2020 years) is considered the transition to high-quality balanced growth of the economy through its structural and institutional transformation taking into account the implementation of the principles of "green" economy, priority development of high-tech industries, which will be the basis for improving the country's competitiveness and quality of life.

The main objective of the second phase (2021 - 2030 years) - the transition to a stable sustainable development and achievement of high quality human potential on the basis of further formation of "green" economy, the rapid improvement of high-tech industries.

Taking into account the socio-economic conditions, prospects, appropriate, international obligations priority directions of development of "green" economy in the Republic of Belarus are: the development of electric transport (infrastructure) and urban mobility, implementation of the concept of "smart" cities; the development of energy-efficient construction of residential buildings and improving the energy efficiency of the housing stock; reduction of energy intensity of gross domestic product, energy efficiency, including through the introduction of energy efficient technologies and materials; enhancing the capacity of renewable energy; creation of conditions for the production of organic products; sustainable consumption and production, as well as the development of ecological tourism.

Implementation of measures of the National Plan to be carried out within the framework of the implementation of state programs on the 2016 - 2020 years in the range of anticipated funding, as well as through extrabudgetary funds and foreign financial resources, and other sources not prohibited by law.

Republican bodies of state administration and other state organizations subordinate to the Government of the Republic of Belarus, regional executive committees and Minsk City Executive Committee, the National Academy of Sciences of Belarus, and other organizations that are implementing measures of the National Plan, it is necessary each year to 25 January of the year following the

reporting year, submit to the Ministry of Natural Resources and environmental protection information on the implementation of the National plan.

Ministry of Natural Resources and Environmental Protection entrusted annually to 10 February of the year following the reporting year, submit to the Council of Ministers of the Republic of Belarus generalized information on the implementation of the National Plan with the introduction, if necessary, proposals for its refinement.

"Green" economy - a model of economic organization, aimed at achieving the objectives of social and economic development while significantly reducing environmental risks and the rate of environmental degradation.

BRAZIL



Private sector can access new features of the Single Foreign Trade Portal

As of today (December 19, 2016), exporters will be able to test new functionalities for the operations of the system that will start operating in 2017.

From today (December 19, 2016), Brazilian exporters can access a validation environment to simulate operations and test the new features developed in the Single Foreign Trade Portal. The test before the effective entry into operation of the new system, scheduled to take place in February 2017. Information about the new procedure for exports are available in www.siscomex.gov.br.

In the opinion of the Secretary of Foreign Trade of MDIC, Mr. Abram Neto, "*the main objective of this action is to allow operators to test, together with the government, the technological solutions developed for the Single Portal. Users can even suggest enhancements and report system crashes and inconsistencies.*" The initiative aims to reduce possible disruptions in the effective operation of the system and also enable the private sector to become familiar with the new tools. The secretary notes, however, that in the validation environment, the operations performed will be for testing only. They will not be valid to make sales abroad.

The assistant secretary of the Internal Revenue Service, auditor, Mr. Paulo Ricardo de Souza Cardoso, states that "*the test is essential both for possible corrections and for improvements to be suggested by the operators working together with the government.*"

After the test period, next year, the first exports to be made by the new process will be those that use the air modal. The other means of export (maritime, rail, road and postal, for example) will have the novelty in the first semester. The Single Foreign Trade Portal is the result of joint work between the Ministry of Industry, Foreign Trade and Services (MDIC) and the Internal Revenue Service.

CHILE



Minister Mr. Céspedes Signs Agreements on Tourism and Smes in Argentina

Titular of Economy participated in the VIII Binational Meeting of ministers of State in the trans-Andean nation. Along with his pair of Argentine production agreed to promote the internationalization of small and medium-sized enterprises. While in tourism will work on the creation of integrated tourist circuits. Argentine ministers celebrated the program Almacenes de Barrio and expressed their interest in replicating it.

The Minister of Economy, Development and Tourism of Chile, Mr. Luis Felipe Céspedes together with his Argentine production and tourism pairs, Mr. Francisco Cabrera and Mr. Gustavo Santos, respectively, signed two agreements in the trans-Andean nation.

Minister Mr. Céspedes participated in the VIII Binational Meeting of Ministers of State, the first being under the government of President Mr. Mauricio Macri, who served one year in office. These quotes seek to strengthen trade relations and cooperation between the two countries.

In the area of small and medium enterprises, both Mr. Céspedes and Cabrera agreed on the importance of SMEs in the development of the economies of Chile and Argentina. Therefore, the emphasis of both governments is on promoting productivity, innovation and entrepreneurship to achieve inclusive growth. At the time, the Chilean Minister of Economy pointed out that progress should be made in the creation of joint instruments "to help us boost the development of SMEs".

Mr. Céspedes highlighted, as an example, the Neighborhood Warehouse program that has been under way in the country since last August, and consists of online training to improve the management of business owners in order to make them more competitive. *"It is very entertaining, the first module lasts 24 hours. At first we thought that we would have two thousand online storekeepers doing the course, and we already had about 6 thousand," he said, adding that once the course has finished, the grocers can apply for a competitive fund to improve their warehouse. Their transandino peers celebrated the idea, and even evaluate replicate it in Argentina."*

It should be noted that in both countries the respective governments have implemented measures to boost Productivity, which in Chile's case includes 47 topics and in the trans-Andean country eight axes.

On this occasion, the Ministers of Economy and Production agreed on the exchange of good practices for the creation of new tools for development and financing for entrepreneurs and SMEs; The development and updating of programs of promotion and technical assistance for entrepreneurs and SMEs, with the aim of increasing their productivity and promoting their internationalization.

The agreement also includes the exchange of information on regulatory frameworks to facilitate entrepreneurship, innovation and strengthening of the productive fabric; And the strengthening of the entrepreneurial culture and the national ecosystems of entrepreneurship and innovation that guarantee the

emergence and consolidation of a productive network SME with high growth potential in both countries.

In the area of tourism, which was attended by Deputy Secretary Ms. Javiera Montes in the technical meetings, Minister Mr. Céspedes together with Minister Mr. Gustavo Santos emphasized that this is a booster for the economic and social development of both countries. "*We are one family, with only a mountain range that separates us,*" said Mr. Santos, who said that among the subjects to be signed in the agreements is integrated tourist circuits, which include products such as wine, as it is very attractive for Markets.

Both ministers pledged to strengthen and prioritize joint work on topics of common interest such as: Tourism Quality, through the implementation of tourism management guidelines for wineries; Joint tourism promotion; Integrated tourist circuits, highlighting the advances obtained in the development of new products such as Altiplano-Puna Sudamericana; Technical Cooperation in Tourism Statistics and Tourism Facilitation and Integral Connectivity.

During the meeting, the Secretaries of State of Chile and Argentina agreed on the need to further advance the integration and deepening of trade between the two countries. In 2015, it reached US \$ 3,324 million. In the area of investment, Minister Mr. Céspedes mentioned the active strategy implemented by InvestChile, which seeks to attract investors and generate new niches where the country has comparative advantages, as with global services.

In parallel to the signing of these agreements, President Michelle Bachelet arrived at Quinta de Olivos with a large part of her cabinet to meet with the President of Argentina, Mauricio Macri. The two leaders held a bilateral meeting and then participated in a luncheon hosted by President Mr. Macri in honor of the delegations participating in the binational meeting

DUBAI



Dubai SME and Tejari Join Hands to Boost SME Participation in Government Procurement

Dubai SME, the agency of the Department of Economic Development (DED) in Dubai mandated to develop the small and medium enterprise (SME) sector, has signed an agreement with the e-procurement solutions provider Tejari to launch a smart services portal for pre-qualification and registration of members participating in the government procurement programme (GPP). The portal, which is the first of its kind in the region, is being introduced in line with the vision of His Highness Sheikh Mohammed Bin Rashid Al Maktoum to transform Dubai into the smartest city in the world.

The smart procurement option will facilitate pre-qualification and registration of suppliers, thereby enabling SMEs in Dubai and across the region to actively involve in procurement contracts awarded by government entities in Dubai as well as in the smart services strategy of the emirate. The agreement was signed by Mr.

Abdul Baset Al Janahi, CEO of Dubai SME, and Mr. Marwan Al Naqi, Chairman of Tejari, in the presence of officials from both sides.

Expressing delight on the partnership with Tejari, Mr. Al Janahi said it aims to contribute to the growth vision and strategy of Dubai and also enhance the services offered to Dubai SME members in support of their efforts to make a positive economic, social and cultural impact.

"The smart services portal links SMEs on an electronic platform and enables exchange of data and information to identify qualified SMEs and entrepreneurs. Through this extraordinary initiative we seek to support the ongoing efforts to increase the contribution of SMEs to the non-oil GDP of Dubai and improve the emirate's ranking in the ease of doing business across global indices in line with the Dubai Plan 2021," said Mr. Al Janahi. *The smart procurement portal will allow qualified SMEs to receive updates on government contracts and conditions governing such contracts, share information and expertise, and participate in the procurement process,* added Mr. Al Janahi.

"We aim to develop entrepreneurship in the UAE, and highlight the opportunities available to our member SMEs to grow their business by supplying the various requirements of government entities in Dubai. The portal will alert SMEs on the best business and investment opportunities. We will continue to develop the smart interface of the portal in collaboration with Tejari," said Mr. Al Janahi

Al Janahi also thanked the government, semi-government and private sectors for their co-operation in promoting SME development and said the smart services portal would enhance SME competitiveness and growth. Under the agreement, Dubai SME will maintain an updated list of its members and smart mail system while Tejari will provide the required support for implementing the smart system and modifying the Enterprise Server accordingly. Tejari will also help Dubai SME members to activate their participation and process data on the smart system and extend technical support.

"Dubai, and the UAE in general, have been pioneers in adopting technology as an enabler of development. The vision of HH Sheikh Mohammed Bin Rashid Al Maktoum and the directives of HH Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum, Crown Prince and Chairman of the Executive Council of Dubai to transform the city into the smartest in the world promises a new way of life driven by creativity and innovation," said Mr. Marwan Al Naqi. *"Globally, SMEs are being acknowledged as a reliable measure of economic success and in Dubai, they have a major role in the economic diversification policy pursued by the emirate. Tejari is proud to be partners with Dubai SME to provide a smart platform for pre-qualification and tendering of procurement contracts and together, we aim to bring a major shift in the local business environment and the SME sector,"* concluded Mr. Al Naqi.

Mr. Al Janahi said the Dubai SME members were awarded AED 632 million worth of contracts during the first half of 2016 under the government procurement programme. "Altogether, contracts worth 3.2 billion dirhams have been facilitated by Dubai SME for the benefit of Emirati entrepreneurs and SMEs since inception. We focus on partnerships among SMEs as well as between the public, private and semi-government sectors in supporting SMEs."

Innovation for Entrepreneurs Egyptians Who Want to Grow in The Field of Creative Industries

Industry Council for Technology and Innovation of the Ministry of Trade and Industry, Egypt is pleased to announce the opening presentation in the "Innovation for entrepreneurs Egyptians who want to grow in the field of creative industries" program

Program in cooperation with the Egyptian-German program to promote small and medium enterprises (one implemented by the German Agency for programs of cooperation GIZ) and funded by the Academy of Scientific Research and Technology.

Creative industries (specifically refers in this context to the fashion, jewelry and accessories, leather, garments) associated with traditional and heritage industries in Egypt. These industries are affected by constantly changing tastes. Where the views of consumers being increasingly complex depending on local, regional and global trends are formed. In order to maintain its competitiveness and its ability to continue, modern companies need to innovate to keep pace with these changes.

There is thus a small number of local brands are working on the industrial and commercial aspects of the contribution to the growth of the local economy and that follow commercial standards characterized by creativity and quality according to the standards of international fashion.

Business Incubation Program

The development of the textile center, Fashion & Design Center, Leather Industry Technology Center, the Center for Innovative Technology industries and ornaments are four centers of technology and innovation under the auspices of the Council of Industry of technology and innovation.

The advancement of technology and innovation centers for young designer's services and technical support in the design and selection of materials used and the sources of supply, and implement models of primary products. Those four centers also have a technological incubator equipped with the necessary tools and machines and methods, and expertise to new industry trends with the latest business connecting.

It will be provided intensive training on technology and commercial innovation for a selected group of Egyptian entrepreneurs and emerging companies. The main objective is to provide technical service and technical support in the areas of technology, innovation and entrepreneurship which will help entrepreneurs to start a business is licensed in the fields of garments, leather products, jewelry and

accessories. This business will therefore provide decent jobs and fill gaps in supply chains.

Training follows the three sectors of the nursery program: ready-made garments (RTW), jewelry and accessories, and leather products. This incubation serve as a support for emerging companies to start providing their own brand in these areas based on market need.

FRANCE



The Indo-French Chamber of Commerce and Industry signs agreement with Business France India

The Indo French Chamber of Commerce and Industry (IFCCI) has announced the signing of a partnership agreement with Business France India in accordance with a global strategic partnership, for the international development of French SME's between Business France and the Union of French Chambers Abroad (CCI France International) in Paris.

Mr. Pierre Behnam, President of IFCCI and Mr. Thibaut Fabre, Director of Business France India signed the agreement during the annual meeting of French Foreign Trade Advisors at the Embassy of France in New Delhi, in the presence of the Ambassador of France in India, H.E. Mr. Alexandre Ziegler.

The aim behind this move is to be able to present a more structured approach for assisting French SMEs on their India-expansion plans. IFCCI and Business France wish to put forward a unique offering to these companies in order to coordinate efforts in a simple and clear manner.

On this occasion, IFCCI President, Mr. Pierre Behnam said: *"Both our organizations have already been working closely together and our interests will only deepen. As part of the Team France, we also need to remain strong and united as is the case with our counterparts in other countries. A strong network of 115 French Chambers of Commerce currently operate in more than 85 countries internationally. The segregation of roles is now clearly defined with the Chambers that will cater to company set up phase and networking events and Business France that will cater to the entry strategy of these companies in India."*

GHANA



GCB Disburses Gh¢23 Million To 900 SMES

GCB Bank Limited has disbursed over GH¢23 million to 900 different small and medium scale enterprises within 12 months. The disbursement follows the launch

of the GCB SME Loan Scheme designed to provide short to medium term credit facilities to the tune of GH¢100,000.00 with or without collateral to reinvigorate businesses. Mr. Ernest Agbesi, Managing Director of GCB, announced this at the relocation of the Yendi Branch and the opening of a new branch at Saboba in the Northern Region.

The Yendi branch established in 1965 at the Yendi Market has been relocated to Nayilfong near SSNIT District Office in Yendi. Mr. Agbesi said GCB has launched three new products namely the GCB SME Loan Suite, GCB LitePay and GCB Mobile Banking Service this year.

GCB Litepay service enables payments to be made via smartphones while the Bank's Mobile Banking Service which was launched less than a month ago, allows customers and non-customers to perform financial transactions from their phones.

Under the GCB Mobile Banking Service, customers and non-customers are able to buy airtime, pay bills to merchants, transfer funds across accounts, pay fees and transfer money using irrespective of the mobile network and without internet connection. The GCB Mobile Banking Solution links the traditional Bank account to Mobile Money.

The Managing Director said having been in Yendi for about five decades the Bank knows the needs of salaried workers in and around the Yendi Municipality and the GCB 24-HR Personal Loan is one product that has proved very supportive of the Ghanaian worker.

He urged workers especially residents of Yendi and surrounding communities to take advantage of GCB's new services. Mr. Agbesi said GCB currently offers the lowest interest rates of between 20% and 30% and customers should take advantage of this.

The Walana Abdulai Sulemana who represented the Kampa-Kuya Naa (Regent of Yendi), Andani Yakubu Abdulai, urged the Management of the Bank to help accelerate development in Yendi.

INDIA



Prime Minister Unveils First Ever Indian Institute Of Skills Of India at Kanpur; Inaugurates Kaushal Pradarshini To Portray Major Skill Development Initiatives Of MSDE

In line with the vision of making India the Skill Capital of the World by empowering its youth to be more employable and self-sustainable, the Prime Minister today laid the foundation stone of the first ever "Indian Institute of Skills" in the country at Kanpur. The Institute has been conceptualized by the Prime Minister during his visit to Singapore's Institute of Technical Education. Ministry of Skill Development and Entrepreneurship, headed by Mr. Rajiv Pratap Rudy, in partnership with the Institute of Technical Education, Singapore decided to open an institute first ever of its kind in the country, the institute is inspired by the

Singapore model of training and would adopt various best practices from the country. The Ministry has decided to have six such institutes all across

Prime Minister also inaugurated the Kaushal Pradarshini (Skill Exhibition) for the youth of Uttar Pradesh. The Exhibition showcases state-of-the-art vocational training practices across different sectors, and will remain open for public view at the Railway Grounds, Kanpur between 19th to 22nd December.

Shri Modi launched an array of skill development initiatives for the youth of the country, including Pradhan Mantri Kaushal Kendras (PMKKs) and Drivers' Training Institutes. There was also strategic partnership with various industries that will train and employ approximate 4 Lakh youth over the next 3 years.

Prime Minister had shown concern about the training of drivers so to achieve his dream Ministry has decided to open up 100 Driver Training Institutes all across India soon. NSDC has signed a MoU with OLA cabs. OLA cabs need 1 lakh drivers and we will ensure we provide trained drivers.

The Prime Minister had announced "National Apprentice Promotion Scheme" in the State where the State Government has a major role in its successful implementation. There are only 23000 private companies that are engaged in apprenticeship across the country. It is MSDE's endeavour to encourage State Government support and ensure engagement with more corporates on apprenticeship trainings. This is one direct way of bridging the gap between the potential employee and the employer and has models under Apprenticeship training has benefited economies of many countries. The financial year target for 2016-17 is to ensure enrolment of 5 lakh apprentices at least across the country.

Ministry of Skill Development and Entrepreneurship (MSDE) has plans to open one Pradhan Mantri Kaushal Kendra (PMKK) each, in each district of the country creating opportunities of growth for the youth locally and the launch of some 31 PMKKs was announced by Shri Modi at the event today. Pradhan Mantri Kaushal Kendras are iconic state-of-the-art skill development centres with modern infrastructure to facilitate skill trainings in the country.

MSDE also has plans to felicitate skilled candidates who have been trained under Pradhan Mantri Kaushal Vikas Yojana (RPL) in Kanpur where the Prime Minister himself distributed skill certificates to Street Food Vendors, Leather industry Workers under the recognition of prior learning program of the government. This program helps in assessment of the existing work experience of a person and certifies him on his current skill-set basis the National Skill Qualification Framework approved by both the industry and the government of India

Ministry of Industry Launches Green Standards for 17 Industries

The Ministry of Industry launched the industry standard green (SIH) for 17 types of industries. This standard is based on Indonesian Standard Industrial Classification (ISIC) five digits, which contain provisions related to raw materials, auxiliary materials, energy, production, product, enterprise management, and waste management.

" Standard green industry is expected to be a guideline for the company to run efficient production processes and environmentally friendly. It is based on the best practice which will be the benchmark at home and abroad. It could also spur an increase in the export market for environmentally friendly and saving cost the company as efficient, " said Industry Minister Mr. Airlangga Hartanto at the launch of the Green Industry Standards at the Ministry of Industry, Jakarta, Monday (December 19, 2016).

According to the Minister of Industry, since 2014 until today(December 19, 2016), had achieved consensus on SIH for 17 types of industries, namely industrial portland cement, ceramic tiles, pulp and paper, milk powder, artificial fertilizers single primary macro nutrients, curing rubber, crumb rubber, and textiles dyeing, printing and perfecting. Furthermore, white sugar, layered safety glass, toughened safety glass, other articles of glass, sheet glass, tannery, leather preservation, steel flat products and long steel products.

Mr. Airlangga added that SIH will be enforced as mandatory when all the infrastructure and industry actors are ready. *"At the initial stage, the green industry standards diberlakukan secara voluntary. But later, selectively be compulsory. Companies that can not meet the standards of green industries will certainly be penalized,"* he said. These standards will also be important for the industry as a benchmark in improving competitiveness.

For companies that have implemented SIH, Mr. Airlangga said, they are entitled to submit verification of green industries to obtain certificates and bearing the logo of the green industry. *"If the green industry has been a goal and motivation industry in general, it could be a catalyst and an accelerator in the development of innovation-based industries and highly competitive,"* he said.

Head of Research and Development (ARDI) Kemenperin Mr. Haris Munandar explained, green industry standard is necessary because as the measuring instruments and indicators to determine the extent to which the principles of the green industry has been applied. *"This standard has been agreed by stakeholders,"* he said.

According to Mr. Haris, green industry standards is also a reliable tool as a reference in the guidance and development of industry, particularly setting up a program that supports the development of human resource capacity and

increasing mastery of technology, including through the use of national R & D results.

Mr. Haris added that the development of green industries is also aimed at improving the efficiency of energy use, which also will reduce greenhouse gas emissions (GHG). *"These efforts are relevant to Indonesia's commitment in reducing greenhouse gases,"* he said.

JAMAICA



Easier Access to Loans by SME Operators

The Government has made it easier for small and medium-sized enterprise (SME) operators to access \$2.4 billion in loan funds, by using non-traditional collateral.

Minister of Finance and the Public Service, Hon. Audley Shaw, says a policy decision by the administration has allowed the Bank of Jamaica (BOJ), to reduce risks associated with loans issued by deposit-taking institutions that are guaranteed by the Development Bank of Jamaica (DBJ).

Providing details of the move at a press conference held at the Ministry, National Heroes Circle, today (December 21, 2016), the Minister said it will "incentivise lending to SMEs", with increased "levels of financing" while allowing the lenders to accept new forms of collateral from investors.

Mr. Shaw said the decision to enable SME operators to use alternative security for loans is consistent with the Government's commitment to a "robust economic growth programme", and the microfinance sector is an area that it is relying on to anchor "our goal of sustained economic growth" in the short run.

"We recognise the role of small and medium enterprises as our partners in the mission for job creation, economic growth and prosperity, and supporting these entrepreneurs is an important component of Jamaica's economic strategy," the Minister said.

In 2009, the Government launched the Credit Enhancement Fund (CEF), as a pilot project, to increase access to credit for SMEs that lacked adequate collateral to secure loans, and, recently, following recommendations from the Economic Growth Council (EGC), the BOJ reduced risk-weighting for loans backed by the DBJ under the CEF.

Meanwhile, Mr. Shaw urged persons to leave the informal economy. *"Enter the formal economy with a business plan and a good strategy. You will get money at five and six per cent. That is the thinking behind the new initiative and part of the strategy to achieve five per cent growth within four years,"* the Minister said.

For his part, Vice Chairman of the EGC, Dr. Nigel Clarke, said he is pleased with the development, while Chief Executive Officer of the Private Sector Organisation of Jamaica (PSOJ), Dennis Chung, commended the Minister for the decision taken.

Managing Director of the DBJ, Milverton Reynolds, said the policy will help to expand the SME sector.



ROMANIA

Romania's participation in the OECD event launching the new "Small Business Act" assessment cycle for the Western Balkans and Turkey (2016-2019)

On December 16, 2016 Mrs. Sorana Baciú, Secretary of State in the PM's Chancellery, in charge of the coordination of the relations with the OECD and development policies for the domestic capital, participated in Paris, in the launch of the new Small Business Act (SBA) assessment cycle of SMEs development policies in the Western Balkans and Turkey.

The event organized by OECD aimed at presenting the main stages of the SBA assessment for the period 2016 – 2019 and facilitating a functional and productive dialogue among various entities engaged in drawing up and implementing the SME sector's development policies in the Western Balkan states and Turkey.

The second part of the event, devoted to the SMEs access to funding, was chaired by Mrs. Sorana Baciú, who also reviewed the main opportunities and challenges faced by SMEs in Romania in funding their current activity and the development projects. The debate focused on the need to enlarge the access of SMEs to financial instruments alternative to bank loans, such as: factoring, leasing, or venture capital.

Secretary of State Mrs. Sorana Baciú outlined the importance of the experience exchange among all involved factors in developing the SME sector, public or private, and the need to transfer the good practices from the states with already notable results in this respect to states with emerging economies. Mrs. Baciú deemed necessary a re-thinking of public policies in the sense of aligning them to a series of realities of the current business environment:

The main obstacles to the SMEs access to financing are the lack of managerial skills, the lack of basic financial knowledge and the poor awareness on corporate governance importance. At the same time, it is necessary to improve the regulatory framework in order to develop the non-banking financial instruments;

Creation of a stable and predictable business environment should always be a priority of the Government. The mentoring, consultancy and advising

programmes can make a significant contribution to boosting the SMEs capacity to draw up and implement realist business plans and fundable projects.

Specialists with experience in funding instruments for the private sector (the Financial Supervisory Authority of Croatia, the Innovation Authority of Israel), SBA coordinators of the Western Balkan states and Turkey, representatives of the OECD, the European Commission, the European Bank for Reconstruction and Development, analysts and independent experts attended the event.

Romania's participation in this event represents a step forward in the accession process to the Organisation for Economic Co-operation and Development. On December 15, 2016 Mrs. Sorana Baciú had meetings with ambassadors of some OECD member states, with a view to promoting Romania as potential candidate state to the status of OECD member state.

The continuation of the efforts for Romania's accession to the OECD, initiated in the early 2000s, represented a priority of the current Cabinet ever since the beginning. Romania's intention to join this organisation was reiterated by Prime Minister Mr. Dacian Cioloş in June 2016, when he gave an address in the OECD Council meeting in Paris and had a meeting with the Organisation Secretary General Mr. Angel Gurría.

SOUTH AFRICA



SA welcomes R150m Chinese investment

Trade and Industry Minister Mr. Rob Davies has welcomed the R150 million Chinese investment at the Dube Trade Port which will build local capacity in the manufacturing of fibre optic cables.

Chinese company, Yangtze Optics Africa Cable (YOAC), announced its investment at the Dube Trade Port Industrial Development Zone in Durban.

YOAC is a R150 million investment to set up and operate a modern optical fibre cable manufacturing plant in South Africa, by Yangtze Optical Fibre and Cable Joint Stock Limited Company (YOFC) from China, and Mustek Limited, a JSE listed company.

Following the Forum on China-Africa Cooperation (FOCAC) that took place in December 2015, and the recent Bi-National Commission (BNC) with China held last month, this investment is a boost in terms of our bilateral relations with China and the commitment made by the Chinese government towards building industrial capacity on the African continent.

“During the BNC, the Chinese Vice President, Dr Li Yuanchou, commended South Africa for building world-class infrastructure in the Special Economic Zones to attract investment,” said Minister Mr. Davies.

Minister Davies said YOAC's optical fibre cable manufacturing plant, with an initial capacity of one million fibre kilometres, will introduce new modern manufacturing equipment and processes in the manufacturing of optical fibre cable in South Africa.

The Minister said it is the intention of YOAC to manufacture a range of new generation optical fibre cable products for the country's Information and Communication Technology and broadband market, as well as key export markets in West and East Africa.

The construction on the optical fibre cable plant started in May this year after a successful soil-turning event attended by Chinese and South Africa government officials. The build and installation phase of the project was completed by end of November 2016, a mere six months from the start of the plant construction.

"We are able to roll out green field plants in record, which bodes well for the Dube Trade Port as an attractive investment value proposition," said the Minister.

The new manufacturing facility is expected to create a number of hi-tech new jobs within the sector. To date, YOAC has recruited 42 employees of which a significant majority of them was sourced from local communities adjacent to the King Shaka International Airport.

"YOAC intends to create a further 80 employment opportunities in 2017. Nearly two-thirds of the employment opportunities created are technical positions, requiring additional technical skills transfer training from YOFC," said Minister Mr. Davies.

The plan for the next phase is to build an optical fibre drawing facility which will mainly produce optical fibre which is the main raw material for cable production.

"The YOAC investment further signifies that South Africa remains an attractive investment destination for hi-tech advanced manufacturing sectors and reinforces our collaboration on a bilateral level with China," says Minister Mr. Davies



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/observer 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.

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Editor, World SME Update

World Association for Small and Medium Enterprises

Plot No. 4, Institutional Area, Sector - 16 A,

Noida, Gautam Budh Nagar - 201301, Uttar Pradesh, India

Tel: +91-120- 4216283, Fax: +91-120- 4216284 | Email: editor@wasmeinfo.org

Website <http://www.wasmeinfo.org>