



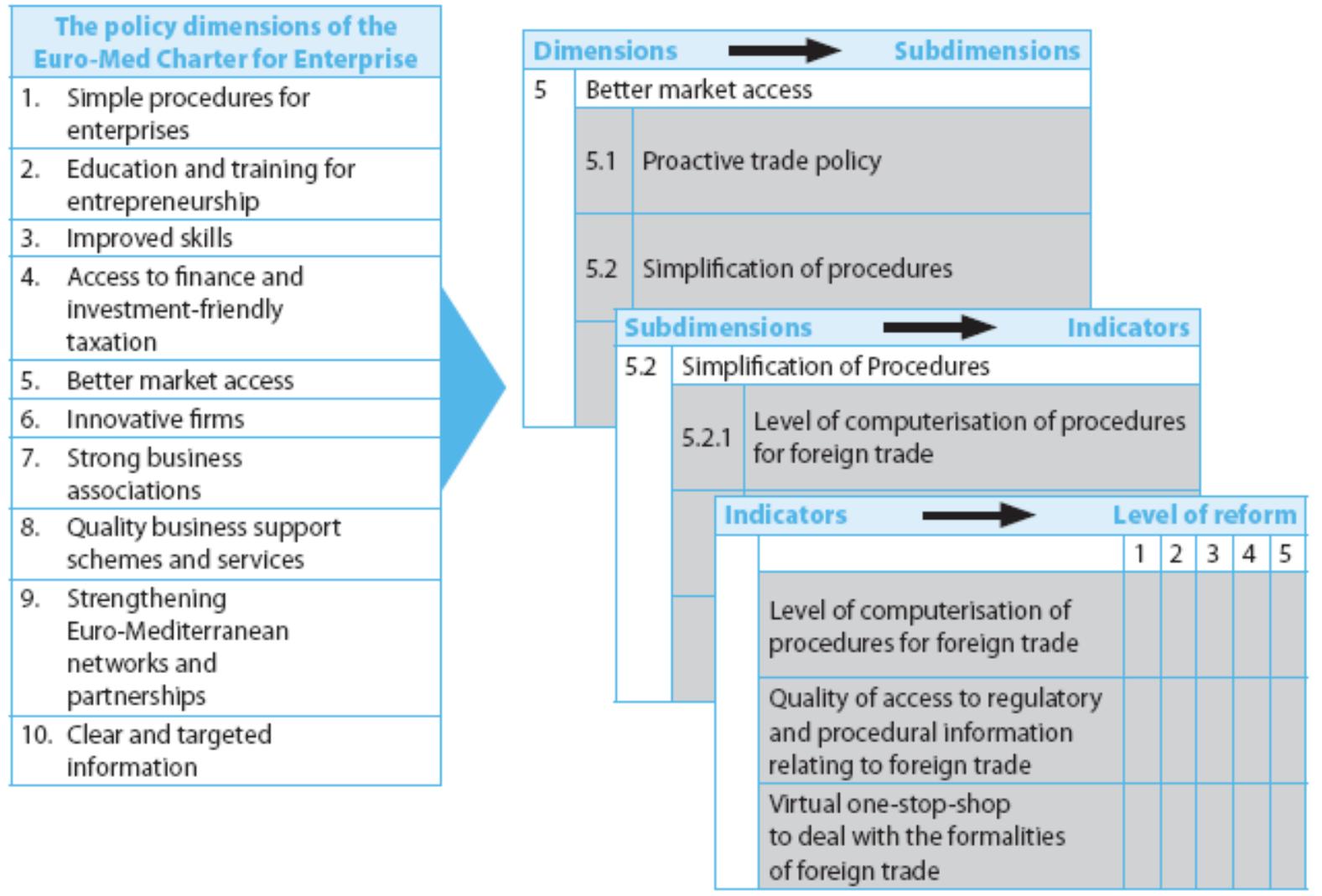
Moving forward with the 2008 Euro-Mediterranean Enterprise Policy Assessment

29 March 2010
**4th meeting of the MENA-OECD Working
Group on SME Policy, Entrepreneurship and
Human Capital Development**

I. INTRODUCTION

INTRODUCTION

Assessment Grid and Evaluation Methodology



INTRODUCTION

- Adoption of the principles of the Charter in the Euro-Med Region
- Notable progress made in : EG, JO MO, TU
- Transition towards horizontal enterprise in the initial phases : AL et SY
- Progress has been slowed down due to conflict or political instability: : LE et PA

**PROJECTS TO FACILITATE THE
IMPLEMENTATION OF THE 2008 CHARTER
RECOMMENDATIONS**

IMPLEMENTATION OF RECOMMENDATIONS SINCE 2008

Almost all MED countries have taken forward the recommendations made in the charter assessment.

Examples:

- **Syria on Institutional Framework, and Administrative Simplification** : In 2008-9 a national Strategy for SMEs was developed, under a structured SME unit (MoE) and a 4-year administrative simplification programme launched to improve the business environment, including targeting company registration.
- **Egypt on Innovation**: the *Technology and innovation centers (TIC)* have expanded their scope of services, increased a number of industrial sectors. The *Research, Development and Innovation Programme* was launched.

IMPLEMENTATION OF RECOMMENDATIONS SINCE 2008

- **Morocco on Monitoring and Evaluation, Regulatory reform and administrative simplification** : Developed a systematic monitoring tool to evaluate the delivery of services to SMEs. Adopted a strategy and institutional body (CNEA) to review and simplify administrative procedures.
- **Tunisia on Regulatory reform and administrative simplification**: The government will soon launch a regional quality regulation centre (May 2010) which will improve capacities and adopt the RIA approach.
- **Jordan on institutional framework and coordination**: Launched national strategy to streamline enterprise activities.

IMPLEMENTATION OF RECOMMENDATIONS SINCE 2008

The following slides address recommendations emerging from the 2008 report, taking into account the recent reforms made to the enterprise environment since the publication of the report.

ALGERIA

Challenge: Removing barriers to the creation of firms.

Objective: Redesign the system of company registration, which discriminates against firms not eligible to receive investment incentives and which puts limited liability companies at a disadvantage.

Approach: Overhaul the registration system based on the experiences of other MED countries and OECD countries which have successfully implemented consolidated company registration schemes and design a system of regional one-stop shops for the facilitation of firm creation at the local level. Link this initiatives to programmes for the promotion of entrepreneurship.

EGYPT

Challenge: Filling the policy-gap for medium sized enterprises.

Objective: Improve institutional coordination to impact policy implementation extending to the whole country and generating broad benefits to satisfy the diverse needs of the enterprise sector.

Approach: In-depth examination of institutional setting and capacity-building for setting-up one-stop-shops for SME services (public-private managed and operated) to improve access to services and information from different providers (SFD, GAFI, IMC, etc.)

JORDAN

Challenge: SMEs are primarily dependent on debt financing, but are missing adequate accreditation to present viable and fundable business plans to gain credibility from banks

Objective: Upgrading regulatory and legislative environment, including improve credit information systems, use of moveable assets as collateral and further developing alternative financing.

Approach: Conduct an diagnostic of credit environment and financial facilitates available. Conduct peer-to-peer review of specific measures aimed at improving access to finance to distill good practices and develop a culture of impact monitoring and evaluation.

LEBANON

Challenge: No programmes to reduce regulatory burdens specifically for enterprises, and especially SMEs

Objective: Reducing the regulatory burden for SMEs by conducting systematic review of the regulatory and administrative constraints imposed on SMEs. Developing a strategy for high quality regulation, including a coordinated institutional approach, and building adequate capacity to undergo regulatory reform.

Approach: Conducting a diagnostic across levels of government (including sub-national), including the private sector, conduct capacity-building and training on specific methodologies, and developing tools for monitoring impact at the company level.

MOROCCO

Challenge: Lack of coordinated strategies, programmes and instruments in place. No monitoring of use by SMEs.

Objective: To improve inter-ministerial coordination vis-à-vis innovation policy. Adopting a systematic and strategic approach to create synergies among different ad hoc programmes in operation. Improve policy impact.

Approach: Diagnostic of current innovation framework in the economy (examining both technology transfer and technological innovation). Identify strong and points for improvement and design policy recommendations. Develop tools for analytical and monitoring capacity to ensure adequate policy coverage for innovative enterprises. Design a high-level policy coordination body to oversee consistency and cooperation among policy, universities/research institutions and companies.

PALESTINIAN AUTHORITY

Challenge: Lack of a formal strategy for enterprise development and an institutional framework to implement it.

Objective: Supporting a coherent institutional framework for enterprise development under the policy areas of competence of the PA, within the framework of the new SME development strategy.

Approach: Analysis and identification of the main policy issues regarding the SME sector taking into consideration OECD and MED countries experiences. Devising an institutional framework with mechanisms for policy consultation, implementation and monitoring. Assisting the PA in this process.

SYRIA

Challenge: Absence of a fully fledged enterprise policy and lack of clarity in institutional implementation.

Objective: Developing specific and targeted policies and tools to support enterprises for priority areas (start-ups, innovation, women and youth entrepreneurship) and improving the institutional coordination in their implementation.

Approach: Clarification of the responsibility for the elaboration and coordination of enterprise policy and support in the design of targeted tools for the promotion of enterprises. Address overlapping measures and inconsistencies between vertical and horizontal policies.

TUNISIA

Challenge: Promote innovative activities in SMEs by enhancing their access to finance.

Objective: Facilitate the financing of innovative activities of SMEs by improving information services on financing and by easing the utilisation of movable assets as a form of collateral.

Approach: Establish a scheme for the dissemination of information on sources of finance (equity and debt) for innovative firms and entrepreneurs and setting up a public register of movable assets that can be used as collateral for obtaining debt financing. Leverage on Tunisia's experience on financing small firms through SME specialised banks, credit schemes and venture capital.

CONTACT INFORMATION

Mr. Antonio Fanelli

OECD Private Sector Development Division

Antonio.Fanelli@oecd.org