SME Development Strategy Project for Libya

Consultative meeting for the Libya diagnostic study

AGENDA

29-30 July 2015

TİKA İstanbul Project Coordination Centre

Yalıköşkü Caddesi No. 16, Kat 3, Eminönü, İstanbul
**ABOUT THE PROJECT AND THE DIAGNOSTIC STUDY**

The SME Development Strategy project for Libya is funded by the Deauville Partnership MENA Transition Fund. It seeks to enhance entrepreneurship and SME development by strengthening the overall legal and institutional framework. As economic diversification is key to providing employment and income opportunities, the Libyan Government needs to establish an SME development strategy to promote enterprise creation. To this end, this project aims to assist the Government in building an evidence base for developing the strategy, and assistance in the process and future implementation.

As the first step, a diagnostic study is being developed. This diagnostic study aims to help build an evidence base for targeted SME policy-making in post-revolutionary Libya by analysing demand-side and supply-side dimensions of private sector development, in particular SME development, in Libya. The study will identify characteristics and constraints for SMEs, as well as gaps in the institutional framework and policy-making to address those constraints, for new start-ups as well as existing SMEs. The main focus is on structural issues related to SME development, with a view to provide an input to the future government’s post-conflict economic development agenda.

The study comprises four main chapters: 1) private sector and SMEs in Libya 2) framework conditions for SME development in Libya 3) support framework and delivery of SME policy in Libya and 4) economic diversification and vertical policy: sector competitiveness in Libya.

The findings are intended to help guide the prioritisation for a future SME strategy.

**OBJECTIVES OF THE CONSULTATIVE MEETING**

The MENA Investment Programme of the Organisation for Economic Co-operation and Development (OECD), in collaboration with Libya Enterprise, and the Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) as co-host is organising a consultative meeting to discuss and review the research conducted for the diagnostic study as part of the Libya SME development strategy project. In particular, the objectives of the meeting will be the following:

1. Review the diagnostic study on SME development in Libya
2. Address knowledge gaps
3. Provide input to the prioritization for the SME strategy
4. Share good practices on SME development

**FORMAT OF THE CONSULTATIVE MEETING**

The consultative meeting will be led by the OECD and Libya Enterprise, with SESRIC as co-host. Participants will include a range of local experts on private sector and SME development in Libya, as well as international experts and policy-makers from OECD and MENA countries.

The four chapters of the diagnostic study will be discussed in four different sessions. After an introductory presentation of the respective chapters, one or two discussants will review the chapters. Then, an international perspective and good practice cases will be presented as references. All participants are expected to discuss the findings of the study including adding further information and help close knowledge gaps where appropriate. The consultative meeting aims to conclude with further refining the priorities for a potential draft SME strategy.

Interpretation services will be available in Arabic and English.

**SUPPORTING DOCUMENTS**

1. Draft diagnostic study
2. The summary report of the fact-finding workshop on 25/26 September 2014
<table>
<thead>
<tr>
<th>Time</th>
<th>Session/Activity</th>
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<tbody>
<tr>
<td>9:00 - 9:30</td>
<td>Registration of participants</td>
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<td>9:30 - 10:15</td>
<td>Welcoming Remarks</td>
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<td></td>
<td><strong>Mr. Florian Theus</strong>, Project Co-ordinator, MEA Division, Global Relations Secretariat, OECD</td>
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<td><strong>Dr. Abdelnasr Abouzkieh</strong>, Director, Libya Enterprise, Government of Libya</td>
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<td><strong>H.E. Ambassador Musa Kulaklikaya</strong>, Director General, SESRIC</td>
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<td>10:15 - 10:45</td>
<td>Coffee break</td>
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<td>10:45 - 12:00</td>
<td><strong>Session I: The Private sector and SME landscape in Libya</strong></td>
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<td>This session aims to review and discuss the dynamics and characteristics of the private and SME sector in Libya including (i) size and structure of the SME sector (ii) SME performance (iii) entrepreneurship (iv) regional and local variations.</td>
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<td>Moderator &amp; introductory presentation</td>
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<td><strong>Ms. Lois Stevenson</strong>, Senior Consultant, MEA Division, Global Relations Secretariat, OECD</td>
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<td>Main discussants</td>
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<td><strong>Mr. Alhussien Elseraiti</strong>, Economist, University of Misrata, Libya</td>
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<td><strong>Mr. Bashir Trabelsi</strong>, Head, Libyan Businessmen Council, Libya</td>
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<td>Comments – Overview of the SME landscape in the Organisation of Islamic Countries Region</td>
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<td><strong>Dr. Kenan Bagci</strong>, Senior Researcher, SESRIC</td>
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<td>12:00 - 13:30</td>
<td>Lunch break</td>
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<td>13:30 - 16:00</td>
<td><strong>Session II: Framework conditions for SME development in Libya</strong></td>
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<td>Conductive business environment and framework conditions are key for a thriving private sector. They usually affect SMEs more than bigger companies. This session aims to assess major framework conditions for SME development in Libya and identify strengths and the most important constraints in light of the current context.</td>
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<td>Moderator</td>
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<td><strong>Mr. Florian Theus</strong>, Project Co-ordinator, MEA Division, Global Relations Secretariat, OECD</td>
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<td>13:30-14:30</td>
<td><strong>Session II.a: The enabling environment</strong></td>
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<td>(macroeconomic conditions, infrastructure, education, innovation system)</td>
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<td>Introductory presentation</td>
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<td><strong>Ms. Aliae Sayah</strong>, Consultant, MEA Division, OECD</td>
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Main discussants

Mr. Ahmad Jallala, Economic Expert, Libya

Mr. Ezzedin Ashur, Central Bank of Libya

14:30-15:30  Session II.b: Creating a level playing field for the private sector (competition law, sector deregulation, trade liberalisation, investment legal framework)

Introductory presentation

Ms. Hanan El-Nuweisri, Legal Expert and OECD consultant

Main discussant

Mr. Jamal Swesi, Privatisation and Investment Board Libya

Comments - Framework conditions for SME development in Turkey: lessons learnt for Libya

Mr. Yunus Emre Ceylan, Project Director, Investment Support and Promotion Agency (ISPAT), Turkey

15:30 - 15:15  Coffee break

15:15-16:00  Session II.c: The business facilitating aspects (ease of doing business, labour regulations, rule of law, property rights)

Opening remarks

Mr. Florian Theus, Project Co-ordinator, MEA Division, Global Relations Secretariat, OECD

Main discussants

Mr. Ahmed Salem Aloshebi, Legal Expert, Libya

Mr. Bashir Alfatori, Head of Policy and Strategy, Ministry of Labour, Libya

Mr. Mohamed Elswayah, Head, Misrata Free Zones Organisation

Comments - Enhancing the business climate for SMEs in Turkey: the case of the industrial zone OSTIM

Mr. Abdullah Çörtü, General Manager of Industrial Investment & Business Inc, OSTIM, Turkey

17:00 - 18:00  Reception – Istanbul Chamber of Commerce
### Session III: SME policies in Libya

An active and well-coordinated SME support policy is essential for creating and nurturing SMEs that can grow, become competitive, productive and create jobs in a sustainable manner. This session will focus on assessing policies and identifying policy gaps in the following areas:

- The strategic and institutional framework for SME development in Libya;
- The support structure (programmes and policies) for start-ups and SMEs.

**Moderator & introductory presentation**

**Ms. Lois Stevenson**, Senior Consultant, OECD

**9:45-10:30**  
**Session III.a: The strategic and institutional framework for SME development in Libya**

**Main discussant**  
**Dr. Abdelnasr Abouzkieh**, Director, Libya Enterprise, Government of Libya

**Comments – Policy Framework for SME development in Turkey: good practices**

**Mr. S.Tuna Şahin**, Vice-President, The Small and Medium Enterprises Development Organization (KOSGEB), Turkey

**10:30-11:15**  
**Session III.b: The support structure for SMEs in Libya**

**Facilitating access to finance for SMEs in Libya**

**Main discussant**  
**Dr. Abdelnasr Abouzkieh**, Director, Libya Enterprise, Government of Libya

**Mr. Adel Alareefi**, Al-Jamahiriya Bank, Libya

**11:15 - 11:30**  
**Coffee break**

**11:30-11:50**  
**Session III.b continued: The support structure for SMEs in Libya**

**Start-Up support and business development services for SMEs in Libya**

**Main discussant**  
**Dr. Abdelnasr Abouzkieh**, Director, Libya Enterprise, Government of Libya

**11:50-12:30**  
**Enterprise skills, entrepreneurial learning, and innovation for SMEs in Libya**

**Main discussant**  
**Dr. Dia Eddine Abuhadra**, SME Fund, Libya  
**Mr. Bashir Alfatori**, Head of Policy and Strategy, Ministry of Labour

**Comments – A good practice of programmes in a (post-)conflict environment: The economic reintegration of ex-combatants**

**Mr. Mustafa El Sagezli**, General Manager, Libyan Programme for Reintegration and Development (LPRD)

**12:30 - 14:00**  
**Lunch break**
14:00 - 15:00  Session IV: Economic diversification and sector competitiveness in Libya

In countries facing severe impediment to diversification, such as resource-rich Libya, a sector-specific approach will support the government to nurture sectors considered strategic for long-term development. A methodology developed by private sector development experts at the OECD will provide guidance for the assessment of sector competitiveness in Libya.

This session aims at reviewing the work on sector competitiveness, initiated by in-country consultations in 2013 and OECD desk-research. The session seeks to deepen the common understanding of the structural economic impediments for the identification of a number of pilot sectors.

Introductory presentation

Mr. Fares Al Hussami, Junior Policy Analyst, MEA Division, OECD

Main discussant

Mr. Ahmed Jallala, Economic expert, Libya
Ms. Salwuy Almareedh, Projects and programs coordinator, National Oil Corporation, Libya

Comments - Promoting sector competitiveness in Turkey

Mr. Esen Çağlar, Deputy Executive Director, The Economic Policy Research Foundation of Turkey (TEPAV)

15:00 - 16:00  Concluding session: priorities for the SME strategy

Group discussion

Chair

Mr. Florian Theus, Project Co-ordinator, MEA Division, Global Relations Secretariat, OECD

Comments – SME strategy for Turkey: lessons learned for Libya

Mr. S.Tuna Şahin, Vice-President, The Small and Medium Enterprises Development Organization (KOSGEB), Turkey
The OECD is a unique forum where 34 governments work together to address the economic, social and environmental challenges of globalisation. The OECD is at the forefront of efforts to understand and help governments address emerging policy issues such as finding new sources of growth, building skills, and restoring public trust in government and business. The OECD provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to coordinate domestic and international policies. It increasingly engages with a number of non-members who have become important actors in today’s global economy.

The MENA-OECD Investment Programme was launched in 2005 at the request of Middle East and North African (MENA) governments to support investment policy reforms for growth and employment in the region. Participating economies include Algeria, Bahrain, Djibouti, Egypt, Iraq, Jordan, Kuwait, Lebanon, Libya, Mauritania, Morocco, Oman, Palestinian Authority, Qatar, Saudi Arabia, Tunisia, United Arab Emirates and Yemen. Today, the Programme convenes representatives of these 18 MENA governments, OECD member countries and emerging economies to exchange good practices in a wide range of policy areas, leveraging the OECD model of policy dialogue and peer learning. It provides a platform for dialogue with civil society, the business community and academia to collectively identify priority business climate reforms and support their implementation.

OECD contacts

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For more information:  www.oecd.org/mena/investment