



WORKSHOP ON

ENHANCING THE COMPETITIVENESS OF SMALL AND MEDIUM SIZED ENTERPRISES IN THE OIC MEMBER STATES

12-14 June 2012, Ankara, Republic of Turkey

1- Background

Small and Medium-sized Enterprises (SMEs) play a crucial role and considered to be one of the principal driving forces in the socio-economic development of modern economies, both developed and developing. This is particularly true for most developing economies, including the OIC member countries, where they constitute a vital segment of the industrial and services establishments in the majority of these economies and, thus, integral to the economic development and growth.

In OIC member countries, while SMEs constitute more than 90% of the economic establishments and account for about 75% of their total GDP, with limited financial resources and managerial capabilities, SMEs in the majority of OIC countries face tremendous difficulties to survive, let alone to compete satisfactorily. This state of affairs makes it all the more urgent for further efforts to strengthening the development and enhancing the capabilities and the competitiveness of SMEs through generating a more enabling business environment with access to adequate financial resources, better market information, improved entrepreneurial and managerial skills, and research and development activities.

However, though these efforts are mainly national prerogatives and can be better achieved through an effective and dynamic public-private partnership at the individual country level, intra-OIC cooperation in this important area is also of critical importance. In this context, the 27th Session of the COMCEC, held in Istanbul in October 2011, decided that “Enhancing the Competitiveness of Small and Medium Sized Enterprises in the Member States” is the theme for the Exchange of Views at the 28th Session of the COMCEC, which will be held in October 2012, and requests the SESRTC, in collaboration with IDB and relevant OIC institutions, to organize a workshop on this theme and submit its report to the next COMCEC Session.

2- Objectives of the Workshop

The workshop on the theme “Enhancing the Competitiveness of Small and Medium Sized Enterprises in the Member States” will provide the representatives of the national SME development institutions in the OIC member countries and those of relevant OIC and international institutions a distinct

opportunity to discuss and deliberate on the major and common challenges and obstacles facing SMEs and exchange their views, knowledge and expertise to come up with concrete recommendations and project proposals for enhancing the competitiveness of SMEs in the member countries as well as to identify specific areas for cooperation in this important area. In particular, the workshop aims at:

- Examining and discussing the challenges, policies and practices, as well as opportunities for enhancing the competitiveness of the SMEs in the member countries;
- Exchanging and sharing knowledge, experiences and best practices in sustainable and dynamic SME development;
- Recommending and proposing concrete and feasible ways and means for intra-OIC cooperation in the area of SME development; and
- Facilitating networking among the participants for future cooperation and exchanging of expertise.

3- Format and Structure of the Workshop

The workshop will be organized in three days. The first two days will include, in addition to the opening session and closing session, five working sessions (as shown in the tentative work programme in Annex I). The third day will be designated to site visits to some SMEs in Ankara. During the four working sessions, presentations and discussions will be made on four main related sub-themes as follows:

I. Access to Markets

Under this sub-theme, presentations and discussions will be made on the following issues:

- Issues and challenges in exporting
- Promoting exports and enhancing the ability to explore market opportunities
- Using modern marketing techniques such as e-commerce and raising brand awareness,
- Economic integration and free trade agreements
- Improving business management and personal productivity skills
- Enhancing networking opportunities

II. Access to Finance

Under this sub-theme, presentations and discussions will be made on the following issues:

- Challenges and obstacles in access to financing
- Providing bankable projects
- Micro-financing: sharing of best practices
- Credit guarantee: sharing of best practices
- Advisory services on access to financing and debt resolution mechanism
- Trade financing: challenges and practices

III. Access to Technology and Innovation

Under this sub-theme, presentations and discussions will be made on the following issues:

- Issues and challenges in technology and innovation
- Promoting innovation and use of technology

- Incubation centres and techno-parks

VI. Country Practices and SME Experiences

Under this sub-theme, the representatives of the member countries will make presentations and discussions on their models and experiences in enhancing the competitiveness of the SMEs:

- Country presentations
- Showcasing the experience of leader entrepreneur

Following the presentations in each session, a significant time will be given to the group and panel discussion. The last working session in the second day will be designated for drafting and adoption of the final report and recommendations. The outcome of the workshop will be translated into Arabic and French by SESRIC to be submitted to the 28th Session of the COMCEC in October 2012.

4- Participants in the Workshop

The participants include representatives at expert senior level of the following bodies:

- 1- National agencies responsible for policy makings related to the SMEs in the member countries, such as Ministries of Industry and Trade, Ministries of Science and Technology, National institutions executing SME policy, and Chambers of Commerce and Industry.

It is proposed that 8 member countries from each of the three OIC official geographical groups (Arab, African and Asian) will be invited to participate in the workshop as follows:

- A. Arab Group: Bahrain, Egypt, Jordan, Kuwait, Morocco, Saudi Arabia, Tunisia and Yemen.
 - B. Asian Group: Azerbaijan, Bangladesh, Indonesia, Iran, Kazakhstan, Malaysia, Pakistan and Turkey.
 - C. African Group: Cameroon, Djibouti, Gambia, Gabon, Mali, Nigeria, Senegal and Uganda
- 2- Relevant OIC institutions: OIC General Secretariat, IDB, SESRIC, COMCEC, ICCI, and ICDT.
 - 3- Relevant regional and international institutions, such as UNDP, OECD, etc.
 - 4- Non-governmental representation from OIC countries: Entrepreneurs, industry representatives, research institutes and other interested organizations (such as TEPAV in Turkey.)

5- Expected Outcomes of the Workshop

Expected outcomes of the workshop are the followings:

- Identifying and recommending cooperation and collaboration initiatives among the OIC Member States with a view to enhancing the competitiveness of SMEs;
- Identifying and recommending concrete policies and measures at both the national and OIC-cooperation levels for enhancing the competitiveness of SMEs;
- Identifying and addressing major challenges and constraints related to access to financing, markets and technology and innovation; and
- Providing inputs, in terms of policy recommendations and modalities for cooperation among the member countries, for developing a “Framework for OIC Cooperation in SME Development”.

6- Organizers of the Workshop

SESRIC, IDB (ICD), KOSGEB and SME Corp Malaysia

7- Date and Venue of the Workshop

Hilton Hotel, Ankara, Republic of Turkey, 12-14 June 2012

8- Agenda, Programme, Organizational and Logistics Information

Available at <http://www.sesric.org/sme-workshop.php>