

“بسم الله الرحمن الرحيم”

والصلاة والسلام على سيدنا محمد أشرف المرسلين وعلى آله وصحبه أجمعين

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**Distinguished Guests, Ladies and Gentlemen,**

On behalf of Mr. Hany Seif El Nasr, Managing Director of the Social Fund for Development, whom I am privileged to represent this morning, I am honored to be invited to this prestigious meeting on '*Harnessing Technology for Enhanced SMEs' Productivity & Competitiveness*'.

The last three decades witnessed tremendous changes in Egypt and have been accompanied by significant developments in the social and economic fabrics of the country.

Egypt, a fast growing developing country, has adopted the strategy of considering and applying both new technologies and innovation as critical keys to its long-term competitiveness and economic growth.

The existence of a critical mass of innovative, internationally competitive SMEs, which have the ability and willingness to grow, will remain a critical condition for Egypt's future growth and prosperity. In this context, SMEs play an important role in Egypt – fuelling the economic growth, providing flexibility, and engaging in bridge-building between Egypt and the world.

### **Ladies and Gentlemen,**

Allow me to take a few moments to introduce the Social Fund for Development (SFD) and highlight a number of SFD's interventions in promoting modern technology to small & micro enterprises.

The Social Fund for Development was established by Presidential Decree No. 41/1991, and commissioned with a dual mandate to assist the Government of Egypt in combating unemployment and alleviating poverty.

SFD's interventions in facilitating dissemination of new technologies to the small enterprise sector include the following interventions:

1. Established 12 Business & Technology Incubators to assist incubated projects with their production needs, market information, and skill enhancement training,
2. Founded the SFD Technology Support Center (TSC) to act as a major technology facilitator for developing small & micro enterprises for the purpose of improving their productivity and enhancing their competitiveness through provision of services:
  - a. Integrated technological services,
  - b. Sourcing of production equipment, raw materials, tooling, etc...
  - c. Transfer of appropriate technologies,
  - d. Encouraging innovation and business matching-making,
  - e. Preparation of market studies & feasibility studies, and business plans, and
  - f. Issuing project profiles covering most of the SMEs industrial sectors, including both technical & financial studies.
3. Established a modern Leather Technology Center (FISK) in cooperation with UNIDO, which enabled a number of small & micro enterprises to export their products and successfully compete in int'l markets,
4. Established a specialized SFD office in Smart Village to assist small IT & ICT projects,
5. Implemented an agreement with the Egyptian Scientific Research Academy to finance prototypes of a number of innovative ideas,
6. Held more than 40 seminars of different topics in several industrial sectors in Egyptian governorates, and

7. Conducted specialized technology-oriented training courses addressing needs of small entrepreneurs in different aspects, including problem solving, skill development & enhancement of competitiveness. These included pre-qualification training for compliance with International standards such as ISO 9001-2000 standard.

Overall, the SFD has allocated more than 60% of its financial resources to support the Small enterprise Sector in Egypt.

During the period between January 1992-June 2007:

- A figure of more than **LE 7.3 Billion (US \$ 1.3 Billion)** was extended to fund small & micro enterprises,
- This allowed the creation of more than **720,000** small & micro enterprises, which in turn provided greater than **1.5 Million** new jobs spanning all production sectors and activities.

### **Distinguished Guests,**

In closing, I wish to give you a snapshot overview of another important SFD initiative to promote small enterprises across the Arab World, and this is:

### ***The Arab Union for Small Enterprises (AUSE)***

This Arab Union was established in May 31, 2004 as a regional Arab organization with the participation of 11 member states and many Arab business/industrial organizations. AUSE joined the membership of Specialized Arab-Specific Unions working under the umbrella of the Arab Economic Unity Council.

The Arab Union for Small Enterprises aims at developing small enterprises in Arab countries to increase their competitive edge, promote Arab economic integration, and assist small enterprise institutions and syndicates.

Some of AUSE's objectives are:

1. Promote entrepreneurial culture & exchange know-how among members,
2. Mitigate unemployment by expanding the base of small enterprises,
3. Provide technical and managerial assistance to small entrepreneurs,
4. Promote integration of Arab SMEs with large scale industries in the region,
5. Bolster Arab cooperation on industry, agriculture, services, commerce and information technology,

6. Mobilize Arab & foreign investments in small enterprises,
7. Provide technical, economic and information on raw materials, production equipment, feeding industries and end products,
8. Set up Arab and International exhibitions for small enterprises' products (SFD Permanent Exhibition for Small Enterprises),
9. Coordinate Arab policies and legislations relating to small and micro enterprise development, investment and trade exchange, and
10. Encourage proposals to establish specialized companies in Arab countries with sponsorship from the Arab Economic Unity Council, and the Arab Organization for Industrial Development & Mining among others.

I wish you all a good conference!

Thank you very much.

والسلام عليكم ورحمة الله وبركاته ،،،