



Supporting SMEs in Egypt

Ministry of Finance





Ministry of Finance Vision

The development of improved collaborative  
implementation mechanisms for policies,  
legislation, and regulations supporting MSME  
development.






# Outline

- Brief on the SME Unit
- Policies
  - Competitiveness
  - Government Procurement
  - New Tax Law/Real state registration
  - Venture Capital & Leasing
- Vision for the future





# SME Unit

Policy Component


Research Component

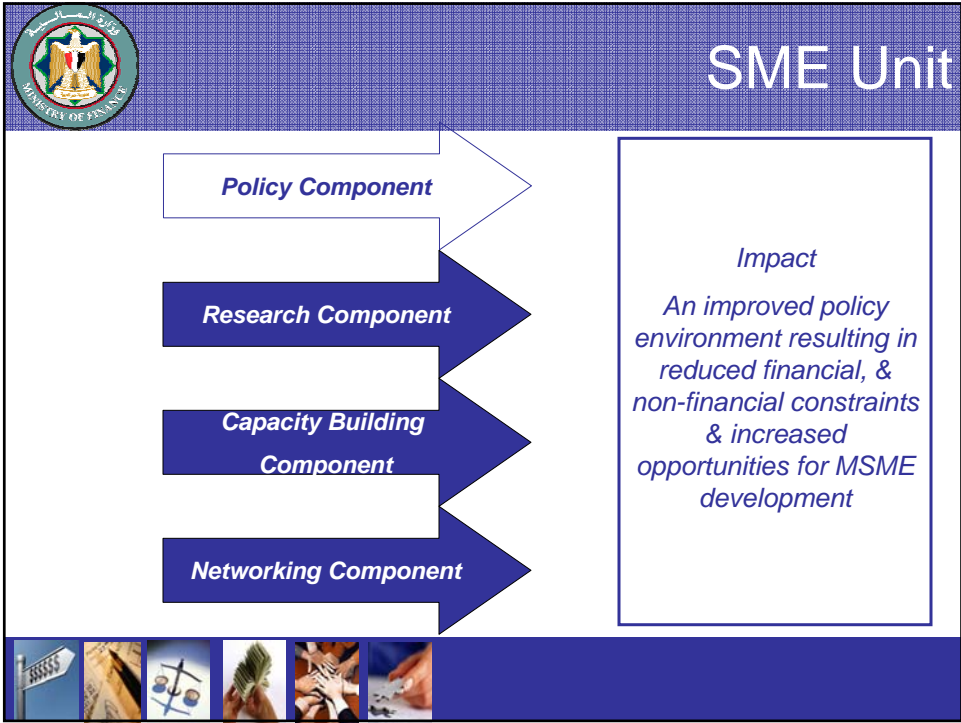
Capacity Building Component

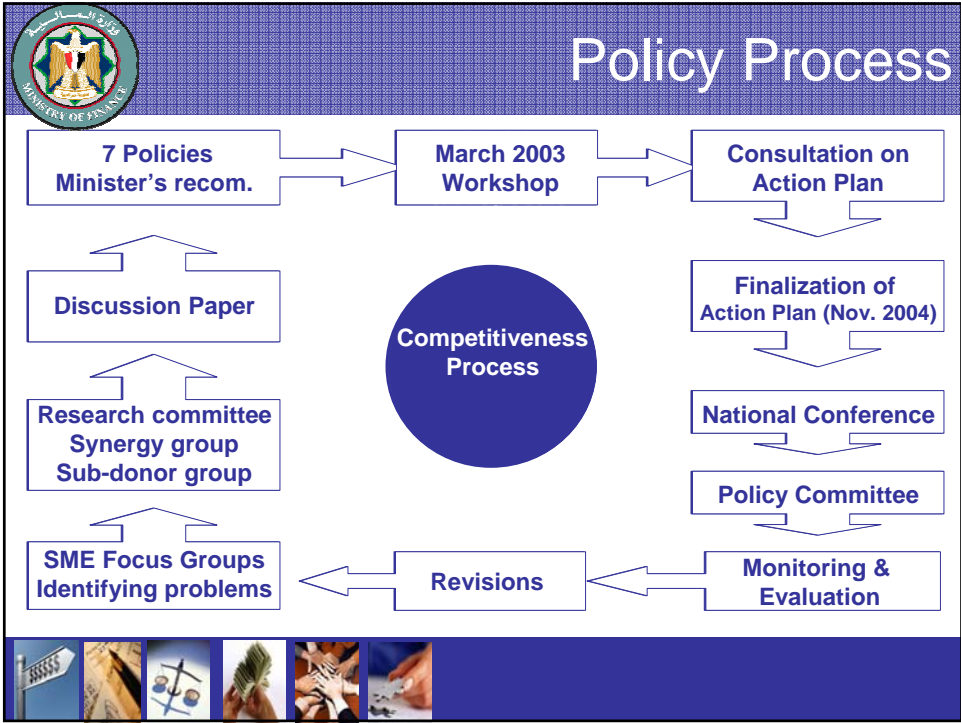
Networking Component

Impact

An improved policy environment resulting in reduced financial, & non-financial constraints & increased opportunities for MSME development









# Competitiveness Strategy

- **Policies:**
  - Export Promotion
  - Innovation and Technology
  - Access to finance
  - Organic Clusters
  - Legal and regulatory environment
  - FDI and inter-firm linkages
  - Business Development Services
- **Implementation mechanism:**
  - SME Policy Committees





## Government Procurement

- The 10% in the MSE Law
- Inter-Ministerial committee on Procurement was established between the MoF and SFD to discuss methods of implementing the 10% minimum share for SMEs
- Country Procurement Assessment Review
- M/SME procurement allocation system



## Tax Law/Real state registration

- Special Accounting Standards for M/SMEs
- Tax exemption for M/SMEs acquiring loans from the SFD
- Review of the current real state registration, which will affect the use of assets as collateral for SMEs





## Venture Capital

- Establishment of committee that includes key governmental stakeholders on the decision making level
- The purpose of the committee is to streamline regulations governing VC establishment in addition to creating a VC fund
- Recommendations to establish Private Equity, and Turnaround funds



## Leasing

- Leasing roundtable that brought together US Expert Volunteers and the leasing companies currently active in Egypt to prioritize and agree on reform measures needed to activate the leasing industry.





# Vision for the future




**Market Access for SMEs  
through streamlining  
government procurement  
procedures**





# Vision for the future



**SME accounting standards in  
place**





# Vision for the future



**Streamlining laws and regulations of the sales tax**





# Vision for the future



**Access to finance for SMEs through creating a favorable environment for non-traditional financial mechanisms**







# Vision for the future



More cooperation and collaboration between different stakeholders





# Vision for the future



Strategic interventions

