

Opening speech for the UNCTAD SMEs regional policy dialogue:

SMEs in general

SMEs have without a doubt a great importance and great role in the economic development and growth for both developed and development countries, as:

- They create job opportunities for both high skilled and low skilled labour
- They contribute in to the increase in productivity and income
- They can contribute to the creation of new technologies and new innovations, especially in dynamic markets.

Indeed, it was estimated that they represent around 46% of the world's GDP and provide around 50 to 60% of the world's job opportunities.

SMEs in Egypt

For Egypt specifically, and as will be further explained during my presentation later this evening, SMEs also play an important role in the Egyptian economy, as:

- SMEs contribute to 43% of the GDP and constitute almost 70% of the market players in different markets.
- They constitute around 98% of all industrial facilities in Egypt
- They employ 47% of the work force in Egypt.

Therefore, they are stated explicitly in Article 28 of the Egyptian constitution as one of the priority economic aspects for the Egyptian State.

Challenges for SMEs

With the globalization and the concentration of markets worldwide; SMEs can be prone to anticompetitive and unfair practices from big companies, especially in light of the difficulties that they face in accessing information about their rights (competition culture).

In addition, in some sectors, SMEs can find it hard to compete and to exploit the digitization wave.

Evidently, the fragile state with SMEs was exacerbated with the COVID 19 pandemic.

Role of competition law and policy

With all these challenges before SMEs and their importance to the Egyptian economy, competition law and policy is one of the key aspects to alleviate such challenges, as its main objective is to:

- insure economic freedom and competitive neutrality,
- guarantee market openness and investment,
- remove barriers to entry and expansion, and
- promote economic development and growth.