



Consultative Meeting on SME Digital Enabling Portal for the Arab Region (DEPAR)

UN-House - Beirut, Lebanon

4 September 2019

Preliminary Information Note

I. BACKGROUND

Small and Medium-Sized Enterprises (SMEs) are an important factor and engine in national economic development for they contribute to sustainable growth and employment generation in a significant manner due to their private ownership, entrepreneurial spirit, flexibility, adaptability and potential to react to challenges and changing environments. The Arab region continues to face a multitude of challenges such as escalation of unemployment rates resulting from public sector saturation, increased fiscal pressure on public resources, compounded by the drop of oil prices, and increased spending on defence, security, infrastructure, education and health. As a result, most countries in the region are increasingly acknowledging the importance of diversifying their economies and fostering greater private sector participation.

Many countries are moving away from a public sector-heavy model, where the state provides most services, towards a model where the state adopts the strategic role of regulating and monitoring economic activities, letting the private sector lead investment and the provision of services. This trend has resulted in greater liberalization of business legislation and further reforms aimed at generating domestic investment and attracting more foreign direct investment. Efforts are similarly being made to encourage the participation of SMEs in economic activities, through various programmes designed to foster and boost the development of SMEs for greater job creation and growth.

Most ESCWA countries classify small enterprises as employing between 10 and 50 people, and medium-sized enterprises as employing between 50 to 200 individuals. SMEs constitute around 97% of total enterprises in ESCWA countries, an estimated five million companies employing over 55% of the population. It is estimated that Small and Medium Enterprises (SMEs) add up to around 400,000 companies employing over 20% of the workforce in the ESCWA region. Over three quarters of SMEs operate in the trade and services sectors, followed by around 20% in manufacturing and the rest in agriculture and other sectors. However, despite vast improvements in recent years, most countries continue to face challenges that hinder SME development, such as lack of efficient infrastructure and government services; limited funding options other than borrowing; inadequate regulations, cumbersome procedures and corrupt practices in some cases; lack of proper capacity building opportunities and programmes; limited access to markets and global and regional value chains, and lag in technology, among others.

ESCWA is developing SME Digital Enablers Portal (SME-DEPAR) for the Arab region to provide SMEs with a support map and digital tool box for information on various aspects of development. ESCWA's team has exerted considerable effort to map the available services to SMEs and diagnose the gaps to be filled. However, it is important that the views of various stakeholders on the needed services or information be considered when designing the content of the portal. Hence, an EGM is planned to be convened in Beirut to discuss the plans and gather views of experts and government officials responsible for SMEs services on the matter.

II. OBJECTIVES AND SCOPE

This meeting will bring together officials from government agencies in charge of SMEs servicing in ESCWA's 18-member states and some of the stakeholders supporting SMEs in the region. The discussion and consultation will focus on the features, key functionalities and content of the SME-DEPAR that will act as an online platform for accessing information regarding national legislations and procedures, financing for setting up businesses, expanding to foreign markets, building capacity, among other things.

III. OUTCOMES

The expected outcomes of this meeting are:

1. Integrate Government programmes and initiatives to the private sector: SMEs
2. Initiate a program to systematically and comprehensively analyse and address SME development challenges
3. Implementation of the Digital Enablers Portal to promote and support SMEs across the Arab region
4. Identify ESCWA's and other key stakeholders' role in the development of SMEs
5. Identify key partners who would be ready to support the Portal after its development, and will consider how the management of the portal is mainstreamed into its regular work after the end of the project

IV. PARTICIPATION AND REGISTRATION

Participants should register for the meeting online on <https://reg.unog.ch/event/31414/> to confirm their participation before 22 August 2019.

V. ORGANIZATION, VENUE AND DATES

The consultative meeting will take place on 4 September 2019 in room MZ at the UN House – Beirut, Lebanon.

VI. TRAVEL DETAILS AND ACCOMODATION

All Participants should inquire about their visa requirements from Lebanon and secure one ahead of their anticipated travel date.

ESCWA will cover the travel and daily subsistence Allowance (DSA) of participants from members countries, according to the UN rules and regulations.

VII. WORKING LANGUAGE

The meeting will be conducted in Arabic and auto live translation will be available (Arabic/English).

VIII. CORRESPONDENCE

Further information and documentation are available at the following URL:

English: <https://www.unescwa.org/events/consultative-meeting-small-medium-enterprise-depar-arab-region>

Arabic: <https://www.unescwa.org/اجتماع-تشاوري-منصة-المنشآت-الصغيرة-المتوسطة-المنطقة-العربية>

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