



Enhancement of the Business Environment in the Southern Mediterranean

National Workshop for Lebanon: Institutionalising a Public-Private Dialogue for Industrial Export Promotion



A project funded by the European Union



1. EBESM: Context



Milestone in a twenty year long process that strengthens industrial co-operation between the EU and its strategic MED partners.

The Euro-MED industrial cooperation process under the Euro-Mediterranean partnership to help:

- ❖ create an area of shared prosperity between the EU and MED partner countries and
- ❖ in place to support the enhancement of sound regulatory frameworks, conducive to business and entrepreneurship.



1. EBESM: Context



Part of the **Private sector development in the Southern Mediterranean Programme** (12 Million EUR) targeting SMEs at :

- **Macro:** MSME business enabling environment EBESM/GIZ (3 Million EUR);
- **Meso:** Reinforcing MSME support agencies EUROMED invest project/ANIMA;
- **Micro:** Support for regional clusters and Creative Industries in the Southern Mediterranean project - UNIDO Cultural



2. EBESM: Objectives



- **Enhance the business environment and promote SMEs in the Southern Mediterranean region in line with EU best practices**
- **Expand the private sector through the development of more robust, inclusive and sustainable growth**



3. EBESM: Activities



- Linked to the **work programme of the Euro-MED Industrial Cooperation Process**
- Follows the **assessment of SMEs public policies and programmes** by EC, OECD, ETF and EIB
- Assessment based on the **Small Business Act for Europe (SBA)**
- Built around **3 major themes** :
 1. **Governance of the SBA**
 2. **Access to finance for SMEs**
 3. **Entrepreneurship, in particular for youth and women**



4. SBA Governance



- **Objectives:** improve the governance of national SME policies and programmes, based on principles 3 and 4 of the Small Business Act for Europe:
 - *“Think Small First”*
 - *“Public administration responsive to SME needs”*.
- **Methodology:** “Learning-by-Doing” approach; Development of Action Plans
- **3-Phase Approach:**
 - **Preparatory** : planning of a concrete action to be implemented (January – Mid-March 2015).
 - **Enhancement of Action Plans:** Regional Seminar in Barcelona (17-19 March 2015)
 - **Implementation of Action Plans** (March-December 2015)



5. Action Plans



Highly demanding “**positive critique**” process was applied to the following actions plans

- Public Private Dialogue (PPD) for **enhancing industrial exports** (Lebanon)
- PPD for **Sustainable Green Cities** (Egypt)
- PPD for **local governance and for creating jobs for young and women in remote areas** (Algeria)
- **Inter-ministerial coordination to create an enabling environment for SMEs development** (Tunisia)
- Developing **sustainable clusters in key SME sectors** (Palestine)
- **Better Regulations, RIA and SME test** (Morocco, Jordan).



6. PPD Rationale



PPD platforms have proven their ability to deliver results.
Evaluation conducted in 2009 of 30 PPDs found that more than **400 reforms** had taken place in over **50 areas**, producing about **\$400 million in private sector savings.**

Examples of policy impacts :

With Dialogue:

- Buy-in for reform
- Evidence-based policy
- Inclusive, participatory policymaking
- Positive Feedback
- Legitimacy

Without Dialogue:

- Reform not sustained
- Misaligned policy
- Side Deals (elite capture)
- Unresponsive regulation
- Lack of trust



7. PPD to Boost Exports



The proposed PPD architecture for Lebanon focuses on the following main critical areas:

- **Clear vision** of the roles of the two sectors are expected to play to boost Lebanese exports;
- An appreciation and understanding of the **complementarity** of the two sectors;
- A **clear architecture for fostering the dialogue** between the two sectors;
- **Modalities** for revising the roles of the two sectors as the action plans are being implemented and assessed.

❖ **Three Sectors: IT, PCB, Aromatic Herbs**



Thank you for your attention

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