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WELCOMING REMARKS

BY

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**COMMISSIONER FOR ECONOMIC DEVELOPMENT, TRADE, TOURISM, INDUSTRY
AND MINERALS**

DELIVERED

AT THE

FIRST AFRICA SMALL AND MEDIUM ENTERPRISES ANNUAL FORUM

Cairo, Egypt, 27th June 2022, 16:00 EAT

Your Excellency Dr. Nevine Gamea, Minister of Trade and Industry of the Arab Republic of Egypt and Chief Executive Officer of Micro, Small and Medium Enterprise Development Agency;

Your Excellency Dr. Monique Nsanzabaganwa, Deputy Chairperson, African Union Commission;

Your Excellency Ambassador Soha El Gindy, Assistant Minister of Foreign Affairs for AU and African Organisation;

Your Excellency Dr. Vera Songwe, United Nations Under-Secretary General and Executive Secretary of the United Nations Economic Commission for Africa;

Your Excellency Mr. Daren Tang, Director-General of the World Intellectual Property Organization;

Dr. Pamela Coke-Hamilton, Executive Director of the International Trade Centre;

Your Excellency Ambassador, Professor Chandan Kheswar Jankee, President of the All Africa Associations for Small and Medium Enterprises;

Dr. Amany Asfour, President of the African Business Council;

Mr. Mamadou Biteye, Executive Secretary, Africa Capacity Building Foundation;

Mr. Kebour Ghena, President PanAfrica Chamber of Commerce (PACCI);

Mr. Kamara Samuel, Principal Country Officer, African Development Bank

Dr. Bassel Al Khatib, Regional Director, United Nations Industrial Development Organisation, Regional Office, Cairo

Mr. Yusuf Daya, Director, AU/AFCFTA Relations and Trade Policy, Africa Export Import Bank;

Mr. Tarek Shash, Deputy Executive Director, Micro, Small Medium Enterprise Development.

Leaders of Micro, Small and Medium Enterprises here present;

Forum Participants;

Ladies and Gentlemen.

My prime duty in this meeting is to welcome each and every one of you to the first of what will become an annual forum on the development of small and medium enterprises across Africa.

The establishment of the Africa Small and Medium Enterprises Annual Forum is in line with the African Union Small and Medium Enterprises Strategy. This was adopted, in January 2019, by the Second Specialized Technical Committee on Trade, Industry and Minerals and endorsed by the 32nd Ordinary Session of the Assembly of Heads of State and Government of the African Union in February 2019, as a continental framework on the development of these important segments of enterprise development across Africa.

In welcoming you, let me also express my gratitude to the People and Government of the Arab Republic of Egypt for the warm welcome they have accorded to all of us.

Furthermore, I thank you all for participating in this Forum.

Let me also acknowledge that this Forum has been made possible through collaboration. In this respect, I would like to express appreciation to GIZ of Germany for financial support; the All Africa Associations for SMEs; the African Business Council; the International Trade Centre and World Intellectual Property Organization for their valuable stakeholder and technical support.

As we convene here today, we should also recall that on 6th April 2007, fifteen years ago, the United Nations General Assembly adopted resolution 71/279, designating the 27th of June each year as the **International MSME Day**.

We are, therefore, today, also commemorating this international MSME Day as part of the global community that recognizes and supports the work of these creators of value to society.

The presence of the International Trade Centre; United Nations Economic Commission for Africa; United Nations Industrial Development Organization; and, the World Intellectual Property Organization in this Forum, is significant in this regard.

We meet against a background where investment in productive activities across Africa is quite low. As a result of that, both intra-African trade and our share of global trade are equally low.

You must, in this context, use this Forum to leverage micro, small and medium enterprises to substantially contribute to overcoming this structural weakness through productive

transformation, and, in the process, contribute to generation of innovation and decent jobs for Africa's young population.

The work programme before you is very heavy. It will cover in-depth assessment of implementation of the AU SMEs Strategy in the preceding year; encourage networking, collaboration, partnerships and alliances; provide capacity building training to African MSMEs covering different key issues such as Intellectual Property Rights protection; Quality Infrastructure; and, among others, access to finance, information and markets.

I urge you, in this respect, to deliberate on the issues before you, with a strategic focus on coming up with actionable recommendations that will drive the development of micro, small and medium enterprises across Africa.

There will also be an exhibition during this Forum to show case the commercial activities and successes of micro, small and medium enterprises across Africa. As part of encouraging the emergence of more success stories in the years ahead, I urge you to continue with the exhibitions in future and use them as platforms for business to business transactions, both among micro, small and medium enterprises as well with large scale enterprises across Africa as well as the rest of the world.

Let me now stress on the importance of encouraging formalization of micro, small and medium enterprises. The formalization will facilitate capacity building; improved business management practices; and, among others, access to finance, information and markets. These positive spill-overs will enable these enterprises develop into large-scale market players and contributors of tax revenues to national treasuries.

Let me at this stage, inform this meeting that we established, on the 27th May, 2022 an **SME Development Program Partnership Platform** (ASMEDP PP). The objective is to set-up an inclusive regional and continental collaborative framework for all SME stakeholder mechanisms in terms of commitment for collective responsibility, alignment and harmonization of efforts.

This platform will greatly support the implementation of the AU SMEs Strategy and by extension, the action plan for the Accelerated Industrial Development of Africa (AIDA). More information on this platform will be circulated to Forum participants during this session of the Forum.

In addition to the foregoing, we are coordinating the Africa SME Strategy implementation process through the **Enterprise Africa Network**. This is a business development tool to be used in providing African Start-Ups and SMEs with trade information as well as business development services through mentoring/coaching, as well as access to finance and to markets, among others.

I cannot end my statement without acknowledging the fact that one of the adverse impacts of the COVID-19 Pandemic and the Russia-Ukraine Conflict has been the massive disruption of global supply chains of SMEs, like has been the case on larger enterprises. The results for many of them have been erosion of working capital and other financial pressures; and in some cases, closures. Many MSMEs are in this respect currently working in tough business environments.

The challenge is on how to adjust and thrive in this new environment that is going to become more challenge with the threats of inflation and recessions in many countries around the world. I urge you to come up with perspectives on how MSMEs can meet these challenges.

I will end my welcoming remarks on three points.

My first point is to stress that SME businesses deserve full support of governments and communities across Africa to enable them to continue creating decent jobs and better livelihoods. The policy institutions should in this respect provide an enabling environment, including, as earlier mentioned, access to finance, information, and markets.

My second point is that in order to broaden and deepen implementation of the AU SMEs Strategy, I call on all Regional Economic Communities and AU Member States to domesticate this Strategy.

My third and concluding point is that, we are here to look for a new way of doing things. We surely have managed to diagnose the challenges that affect MSMEs, Women and the Youth. As reflected in the interventions in the Africa SME Strategy, the challenges are many. Even before the adoption of the Africa SME Strategy, we have been deploying solutions through various frameworks. The question I pose for your reflection is: what is it that we can do differently and better?

I will end here and once again, welcome you to this global commemoration of MSMEs as well as the First AU SME Annual Forum.

I look forward to your active participation in the various activities before you.

I thank you all for your kind attention.