

Trade facilitation for small and medium enterprises in the Arab region







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# Trade facilitation for small and medium enterprises in the Arab region



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### Introduction

Small and medium enterprises (SMEs) play a vital role in economic activities, particularly in job creation. They represent about 90 per cent of businesses and contribute to more than 50 per cent of employment worldwide. Formal SMEs generate up to 40 per cent of gross domestic product (GDP) in emerging economies, rising significantly when informal SMEs are included. To absorb the expanding global workforce, an estimated 600 million new jobs will be needed by 2030, making SME development a priority for many Governments globally. In emerging markets, SMEs create the majority of formal employment, accounting for 7 out of 10 jobs.<sup>1</sup>

SMEs actively contribute to economic diversification by operating across a wide range of sectors, reducing the vulnerability associated with over-reliance on a single industry. SMEs serve as incubators for innovation and entrepreneurship, fostering the development of new technologies and business approaches that drive economic growth.

However, SMEs contribute less to international trade compared with larger firms, particularly in the export sector. This is often due to the limited competitiveness of SMEs in meeting requirements and accessing foreign markets. Insufficient support from their home countries and an inefficient trade environment exacerbate these challenges, undermining their ability to compete effectively in global markets.

In the Arab region, SMEs are crucial for economic growth, representing over 90 per cent of all businesses and serving as a major source for new job creation. They have the potential to broaden their reach by accessing foreign markets, whether at the regional or international levels. SMEs can benefit from regional and global trade agreements, particularly by tapping into neighbouring markets with which they share common trade enablers, such as language, geographic proximity and culture. Additionally, they can capitalize on preferential trade arrangements, whether bilateral or regional, and leverage the integration opportunities provided by their countries' participation in global and bilateral trade agreements.

The digital age has made it easier for Arab SMEs to establish a global presence through e-commerce and digital marketing. However, they must be culturally sensitive and tailor their strategies to the unique characteristics of each target market. This requires ensuring efficient logistics, securing financial support options, adhering to customs and trade regulations, and forming strategic partnerships. Continuous learning and adaptability are crucial, given the dynamic nature of international markets. With the right approach, SMEs in Arab countries can successfully enter and thrive in global markets.

The present paper explores the trade facilitation status of SMEs and their interplay with the

broader trade facilitation environment, as assessed through the survey conducted by ESCWA on trade facilitation measures for SMEs in Arab countries. It also offers insights into enhancing the participation of Arab SMEs in global markets.

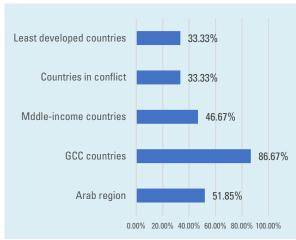
### 1. Trade facilitation for SMEs

Trade facilitation for SMEs in the Arab region was assessed through the 2023 United Nations Global Survey on Digital and Sustainable Trade Facilitation. It evaluated 58 trade facilitation measures, grouped into four categories, in addition to the commitments outlined in the Trade Facilitation Agreement of the World Trade Organization. The third category, dedicated to sustainable trade facilitation, includes a subcategory that focuses on SMEs. It encompasses the authorized economic operator (AEO) scheme, the single window system, participation in the national trade facilitation committee, trade-related information measures, and other special measures for SMEs.

### A. The results of the 2023 United Nations Global Survey on Digital and Sustainable Trade Facilitation for Arab countries

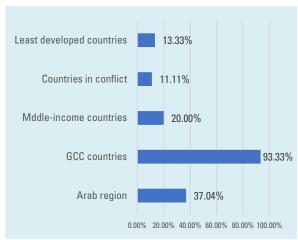
The "Trade facilitation for SMEs" category includes five measures, with an implementation rate of 52 per cent among participating Arab countries. This overall rate is primarily driven by a high implementation rate among Gulf Cooperation Council (GCC) countries, with individual measures in this category ranging from 60 to 100 per cent.

Figure 1. SMEs in the AEO scheme (Percentage)



Source: ESCWA calculations.

**Figure 2.** Other special measures for SMEs (Percentage)



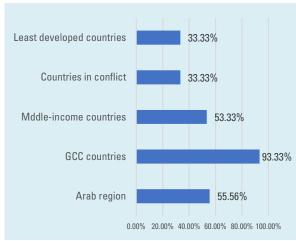
Source: ESCWA calculations.

SMEs in the AEO scheme benefit from improved trade facilitation. This means that SMEs granted AEO status by customs authorities enjoy simplified customs procedures, reduced inspection times and expedited border clearance, which help them streamline their international trade activities, minimize operational delays, and improve their overall efficiency in importing and exporting goods.

Implementation rates for two key measures were notably low across various subregions. The first measure, related to SMEs in the AEO scheme, had implementation rates as low as 33 per cent for least developed countries (LDCs), 46 per cent for middle-income countries (MICs), and 33 per cent for countries in conflict (CICs). Similarly, the second measure, covering other special measures for SMEs, showed implementation rates of just 13 per cent for LDCs, 20 per cent for MICs, and 11 per cent for CICs.

In the Global Trade Facilitation Survey on Digital and Sustainable Trade Facilitation, "other special measures for SMEs" refers to specific strategies and initiatives designed to simplify and enhance international trade processes for SMEs. These measures often include customized trade support, reduced tariffs and fees, improved access to trade finance, simplified customs procedures, trade promotion activities, capacitybuilding programmes, and digital trade facilitation tools. Their primary goal is to alleviate the challenges faced by SMEs in international trade and promote their growth and participation in global markets. Nine Arab countries responded to the survey, stating that they did not have any other special measures for SMEs.

**Figure 3.** SME access to the single window (Percentage)

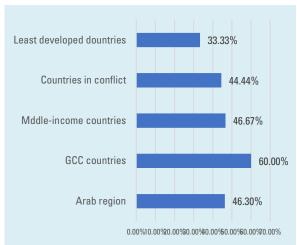


Source: ESCWA calculations.

In terms of trade facilitation, the single window system is a digital platform designed to simplify and streamline international trade processes for SMEs. It serves as a central hub where SMEs can efficiently complete customs and traderelated paperwork, thereby reducing administrative complexities and speeding up clearance times. This system promotes transparency, integrates data sharing between government agencies, and gives SMEs access to vital trade information. Overall, it aims to make international trade more accessible and manageable for SMEs, enhancing their competitiveness in the global market.

The survey results show room for improvement. Overall, the Arab region has reached a 55 per cent implementation rate in this category, with GCC countries at 93 per cent, LDCs and CICs at 33 per cent, and MICs at 53 per cent.

**Figure 4.** SMEs in the national trade facilitation committee (Percentage)

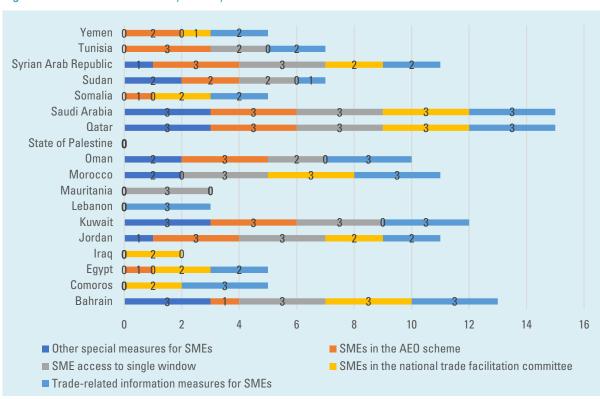


Source: ESCWA calculations.

SME participation in the national trade facilitation committee typically involves

representation and participation in a government-led committee aimed at improving trade processes and procedures within a specific country. SMEs may act as stakeholders or members of such committees to ensure their interests and challenges are considered in the development of trade facilitation policies and initiatives. This allows SMEs to provide input, share insights on their specific needs and challenges in international trade, and collaborate with government officials and other stakeholders to create more favourable conditions for engaging in cross-border commerce. Measures in this category were among the least implemented in the region. Only four Arab countries have fully integrated SMEs into their national trade facilitation committee, namely Bahrain, Morocco, Qatar and Saudi Arabia.

Figure 5. Measures overview by country



Source: ESCWA calculations.

Overall, the most implemented measure, as reported by respondent Arab countries, was providing trade-related information for SMEs, which ensures easy access to crucial trade-related information. Eight Arab countries have successfully implemented strategies for accessing this information, while six have made partial progress in their implementation efforts. Notably, only three countries have yet to initiate any efforts in this area.

# B. Additional SME trade facilitation measures

Alongside the comprehensive trade facilitation measures outlined in the 2023 Global Survey on Digital and Sustainable Trade Facilitation, another set of measures has been introduced to assess factors that highly impact trade facilitation for SMEs. Recognizing that SMEs face unique challenges in international trade, this expanded assessment provides a more

holistic understanding of the ecosystem within which SMEs operate and thrive.

These measures cover a diverse range of considerations, including trade financing options tailored to SMEs, customized capacity-building and export training programmes, supply chain measures, trade promotion through exhibitions and networking events, an SME monitoring system, a dedicated SME entity for each country, support for e-commerce integration, and initiatives to enhance digital literacy and connectivity. Casting a wider net of evaluation sheds light on the multifaceted dimensions of SME trade facilitation, creating an environment in which SMEs can thrive in the global marketplace. The below criteria are given different scores for assessment: 2 indicates the availability of measures, 1 represents measures that are either being developed or are still in planning, and 0 signifies that measures are not available. Based on these measures, the assessment of Arab SMEs will be conducted every two years.

### Different measures of trade facilitation components

Component	Sub-component	Availability	
	Publication	(2: available, 1: under development, 0: not available)	
Frade facilitation agreements	Availability on the Internet	(2: available, 1: under development, 0: not available)	
	Focal point	(2: available, 1: under development, 0: not available)	
	Appeal	(2: available, 1: under development, 0: not available)	
Financia	Trade finance	(2: available, 1: under development, 0: not available)	
Financing	Production support	(2: available, 1: under development, 0: not available)	
Customs and harder presedure	Border agency cooperation	(2: available, 1: under development, 0: not available)	
Customs and border procedure	Cost and time	(2: available, 1: under development, 0: not available)	

Component	Sub-component	Availability	
	Complexity of paperwork	(2: available, 1: under development, 0: not available)	
	Pre-arrival processing	(2: available, 1: under development, 0: not available)	
CME training	Export training	(2: available, 1: under development, 0: not available)	
SME training	Mentoring and guidance	(2: available, 1: under development, 0: not available)	
Single window and trade	Submitting documents online	(2: available, 1: under development, 0: not available)	
information	Trading information online	(2: available, 1: under development, 0: not available)	
Authorized economic operator	AE0	(2: available, 1: under development, 0: not available)	
National trade facilitation committee	SME participation	(2: available, 1: under development, 0: not available)	
	Supporting SMEs	(2: available, 1: under development, 0: not available)	
Regulatory framework	Sharing with relevant stakeholders before implementation	(2: available, 1: under development, 0: not available)	
	E-commerce	(2: available, 1: under development, 0: not available)	
Technology	Investing in infrastructure	(2: available, 1: under development, 0: not available)	
	Digitalizing procedures	(2: available, 1: under development, 0: not available)	
Enquiry point	For questions, guidance and documents	(2: available, 1: under development, 0: not available)	
Expedited shipments	Fast shipping options with discounted rates	(2: available, 1: under development, 0: not available)	
	Warehousing, e-commerce hubs near ports	(2: available, 1: under development, 0: not available)	
Supply chain	Discount rates for SMEs	(2: available, 1: under development, 0: not available)	
	Updating infrastructure	(2: available, 1: under development, 0: not available)	
Trade promotion and networking	Promoting SME products through exhibitions, or other means in outside markets	(2: available, 1: under development, 0: not available)	

Component	Sub-component	Availability	
	Collaborating with external partners	(2: available, 1: under development, 0: not available)	
	Having SMEs participate in networking events, meeting potential stakeholders	(2: available, 1: under development, 0: not available)	
M. S. S.	Monitoring agency for SMEs	(2: available, 1: under development, 0: not available)	
<b>Monitoring</b>	Periodic reporting and follow-up on relevant implementations	(2: available, 1: under development, 0: not available)	
Official export portal for the	Market info	(2: available, 1: under development, 0: not available)	
country	Readiness assessment	(2: available, 1: under development, 0: not available)	
Dedicated SME portal/entity		(2: available, 1: under development, 0: not available)	

Source: The 2023 United Nations Global Survey on Digital and Sustainable Trade Facilitation for Arab countries.

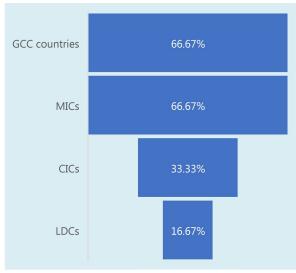
### C. Official SME entity or portal

Official country SME entities, when established, play a vital role in fostering economic growth and development. These specialized organizations or government agencies support SMEs by providing essential resources, guidance and regulatory frameworks. Their mission often includes facilitating access to financing, offering training and mentoring programmes, and advocating for SME interests. By empowering SMEs, these entities contribute to job creation, innovation and overall economic growth.

Based on the data presented in figure 6, the presence of SME entities in the Arab region is most pronounced in GCC countries, where four of six countries have established dedicated entities to support SMEs. Similarly, among MICs, four of seven countries have implemented such entities. CICs, however, do not appear to

have any such entities in place. Among LDCs, one in six has instituted an official SME entity.

**Figure 6.** Availability of an official SME entity (Percentage)

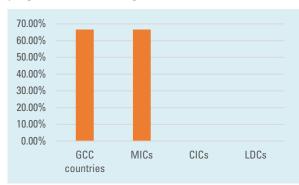


Source: ESCWA calculations.

### D. SME training programmes

In recent years, the need for SME export training programmes has significantly increased. These programmes address unique challenges that SMEs face when entering international markets, including navigating complex trade regulations, adapting to various cultural norms, understanding market trends and gaining a competitive edge.

Figure 7. Availability of SME export training programmes (Percentage)



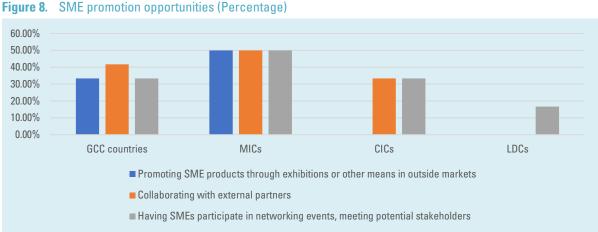
Source: ESCWA calculations.

As illustrated in figure 7, training programmes are more prominent in GCC countries and MICs, with 67 per cent of countries in both groups having established dedicated initiatives to help

SMEs deal with international markets. In contrast, CICs and LDCs are in further need of assistance in this area, as there is no clear evidence of any support or orientation programmes in place. While these countries may have limited initiatives constrained by funding and timelines, they do not provide the continuous support or year-round services necessary for effective SME training.

### E. Trade promotion

Promoting SME products through exhibitions and fostering connections with stakeholders is a potent strategy to bolster the growth and visibility of SMEs. These exhibitions serve as platforms for SMEs to showcase their products and innovations to a wider audience, including potential customers, investors and industry experts. By forming these connections, SMEs can access valuable resources, gain market insights, and establish partnerships that can fuel their expansion and success. Furthermore, these initiatives not only benefit individual businesses, but also contribute to overall economic development by promoting entrepreneurship, innovation and competitiveness within the SME sector.



Source: ESCWA calculations.

#### Supporting SMEs in the MENA region

Algeria: The Arab International SMEs Conference & Expo (SMEX ALGERIA)

SMEX Algeria is a dedicated event for SMEs, allowing both exhibitors and visitors alike to forge new business opportunities. It serves as a platform for networking and product showcasing, helping existing SMEs increase their market presence in today's competitive economy.

Oman: SME Development Authority

The SME Development Authority in Oman organizes events that help SMEs effectively market and promote their products and services, offering opportunities to explore partnerships, enhance qualifications and develop marketing skills. This boosts the competitive edge of SMEs and fosters their creative potential. Additionally, the SME Development Authority assists SMEs and startups in building a strong corporate identity.

**Qatar:** Qatar export development agency – *Tasdeer* 

Tasdeer serves as a vital platform for accessing foreign markets, enabling SMEs to expand their networks of potential partners and explore new growth opportunities through international exhibitions and fairs. Tasdeer facilitates Qatari exporters' participation in high-profile exhibitions and events in target markets under the umbrella of the Qatar Pavilion.

**Bahrain:** Startup Exporter Solution

The Startup Exporter Solution targets first-time exporters serving startups, SMEs and micro-businesses entering international markets for the first time. It also supports existing exporters looking to introduce new service and product lines abroad.

**Lebanon:** The Lebanese Credit Insurer – *Tajer* 

*Tajer* is an innovative, simple and efficient credit insurance policy designed for SMEs operating across the MENA region. It provides coverage for their trade receivables, mitigating financial risks associated with credit.

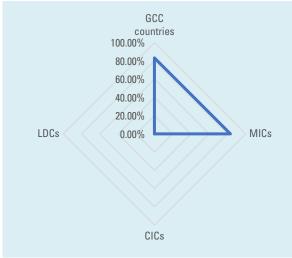
Source: Compiled by ESCWA.

#### F. Trade finance

SME ambitions to expand internationally are significantly aided by specialized trade finance solutions. Many Arab countries have established export credit agencies (ECAs) to facilitate cross-border trade. However, not all of them offer programmes specifically

designed to meet the unique requirements and challenges faced by SMEs. In GCC countries and MICs, 83 per cent of official export credit agencies have tailored specific export solutions and financing options for SMEs. As for CICs and LDCs, although some have dedicated ECAs, they did not provide SME-specific financing.

**Figure 9.** Specific trade and export finance solutions for SMEs (Percentage)



Source: ESCWA calculations.

### G. Competition policy

SMEs often struggle to compete with larger firms, both internally and externally. To address this challenge, many countries have created an environment for SMEs to operate without the threat of being crushed by bigger firms. Such measures are designed to help SMEs grow, enabling them to eventually compete and expand internationally. Several Arab countries, including Bahrain, Egypt, Kuwait, Morocco, Oman, Saudi Arabia and the United Arab Emirates, have enacted policies to enhance and protect SMEs, ensuring the continuity of their operations in the market. The following are examples of the adopted provisions:

 Exemptions from the application of competition policy for a specific timeframe (six months, with the possibility of renewal) may be granted to SMEs under certain conditions, such as ensuring that business operations lead to improvements in the production or distribution of products,

- enhancing technical or economic development in this field, and granting consumers a fair share of the benefits resulting from these operations.
- Policymakers can impose a threshold to notify them of economic concentration between businesses, based on their annual turnovers. To facilitate SME transactions and support their growth, the specified threshold is set relatively high. As a result, SMEs can conduct mergers and acquisitions without being subject to the monitoring process of competition authorities.
- Some countries have enacted public procurement preferences for SMEs, allowing them to bid without competition from larger companies under a specified threshold.

### H. Trade costs

Trade facilitation plays a crucial role in reducing trade costs, making international trade more efficient and cost-effective. Trade costs refer to the various expenses and barriers associated with moving goods across borders. These costs can include tariffs, customs procedures, transport expenses, documentation requirements and logistics costs. Trade facilitation measures streamline and simplify these processes, ultimately lowering trade costs.

A broad assessment of trade expenses indicates that export-related costs in the Arab region are higher than those associated with imports from all trading partners, including various Arab subregions. This disparity likely stems from the presence of elevated export barriers, both within Arab countries themselves and in countries to which they export. Surprisingly, trade costs within the Arab region are among the lowest of

all the regions examined. This finding contradicts the common assumption that high costs are the primary reason behind limited intra-Arab trade. However, export costs are significantly higher when dealing with the Arab Maghreb Union, and when trading with Latin America, the Caribbean and sub-Saharan Africa.<sup>2</sup>

Trade costs have played a significant role in either fostering or impeding trade growth among Arab countries. Historically, elevated trade costs have been identified as the main factor for limited intra-Arab trade. From 2000 to 2015, the average cost of exporting goods within the Arab region stood at 129 per cent, reaching a high of 160 per cent in 2000 before gradually decreasing to 102 per cent by 2015, reflecting a significant decline of 36 per cent. Notably, the highest export costs among Arab countries were recorded in Mauritania in 2000, exceeding 500 per cent. However, this figure dropped to 165 per cent by 2010, with the average export cost for Mauritania during the entire period remained at around 297 per cent, the highest for all Arab countries. While most Arab countries observed modest reductions in export costs between 2000 and 2015, Jordan

stood out by presenting an approximate 9 per cent increase during the same period. At the subregional level, Arab Maghreb countries exhibited relatively high trade costs when exporting to one another. Among these countries, Algeria had the lowest export costs, followed by Tunisia and Morocco, while Mauritania maintained the highest export costs.

To effectively address these challenges, a multifaceted approach is necessary. Fully implementing trade facilitation measures is paramount to reducing border delays and lowering the cost of clearing goods. However, this alone is insufficient; improving logistics performance through additional measures is equally important. In addition, enhancing transparency through the digitization of processes and the provision of essential information via electronic means, and removing unnecessary non-tariff measures, can significantly reduce trade costs. By leveraging advanced technologies, countries can streamline cumbersome procedures with efficient electronic and remote processes. This not only safeguards national interests, but also minimizes delays for economic actors.3

<sup>3.</sup> ESCWA, 2019.

# 2. Importance of trade facilitation measures in reducing barriers for SMEs

Trade facilitation measures play an important role in reducing barriers for SMEs, enhancing their ability to engage in international trade effectively and competitively.

### A. SMEs in the AEO scheme

Streamlined customs procedures: SMEs in the AEO scheme benefit from simplified customs procedures, including expedited clearance and reduced inspection requirements, which lower both the time and costs associated with customs compliance.

Enhanced security and credibility: AEO certification enhances the credibility of SMEs as reliable trading partners, increasing their appeal to international buyers and partners and facilitating their access to global markets.

# B. SME access to the single window system

Efficiency and cost reduction: access to the single window system allows SMEs to submit all required trade-related documents through a single platform, reducing duplication and paperwork, minimizing administrative costs, and speeding up customs clearance.

Transparency: Single window systems offer SMEs real-time access to the status of their trade transactions, ensuring transparency and predictability in the trade process.

## C. SMEs in the national trade facilitation committee

Representation and advocacy: SMEs participating in the national trade facilitation committee benefit from a platform to voice their concerns and needs, ensuring that trade policies and facilitation measures are tailored to address their specific challenges.

Policy influence: participating in these committees enables SMEs to actively contribute to the development of trade facilitation policies that reduce red tape and streamline procedures, making it easier for them to access international markets.

# D. Trade-related information measures for SMEs

Knowledge and awareness: providing SMEs with access to comprehensive and up-to-date trade-related information equips them with the knowledge to navigate complex trade regulations, tariff structures and market entry requirements.

Risk mitigation: informed SMEs are better prepared to assess and mitigate risks associated

with international trade, which reduces the likelihood of non-compliance and trade disruptions.

### E. Other special measures for SMEs

Financial support: special measures, such as export credit insurance and trade finance guarantees tailored to SMEs, offer essential financial support that assists them in securing financing for international transactions.

Capacity-building: targeted training and capacity-building programmes enhance SMEs' understanding of international trade rules and regulations, customs procedures and export strategies.

Market access: special measures can facilitate SMEs' access to trade fairs, exhibitions and

trade missions, allowing them to showcase their products and forge international business partnerships.

In summary, trade facilitation measures tailored to SMEs are essential to reducing trade barriers. These include participation in the AEO scheme, access to single window systems, participation in national trade facilitation committees, and provision of trade-related information. Such measures enable SMEs to overcome challenges, expand their global reach, and contribute significantly to economic growth and job creation.

In the Arab region, some progress has been made in implementing trade facilitation measures to support SMEs. However, greater effort is required to foster their contribution to international trade and global and regional value chains.

### 3. Countries overview and initiatives

### A. Bahrain

### 1. SME online registration system

The Government's plan for electronic transformation coincided with the SMEs Registration System<sup>4</sup> of Bahrain, increasing investment opportunities and improving performance efficiency across all sectors by providing a wide range of online services.

To enhance their contribution to GDP and create new job opportunities for residents, the system promotes the growth of startups and SMEs. It facilitates the issuance of the SME Classification Certificate, an official document that categorizes a business as a SME, recognized by the ministries of industry, commerce, and tourism.

With this accreditation, businesses can access the services offered by Export Bahrain, including workshops for exporters and those interested in exporting, export finance and credit insurance, consulting services, and programmes developed in collaboration with specialist institutions. By registering in the system, businesses can also benefit from initiatives and support programmes provided by sectors that assist SMEs. Additionally, they can join the largest SME database in Bahrain, granting them access to notifications about important SME-related projects, activities and news.

### 2. Memorandum of understanding between Export Bahrain and Bahrain Development Bank

Export Bahrain and Bahrain Development Bank have signed a memorandum of understanding (MoU) to provide Bahrain-based companies with more alternatives and support for export financing services.<sup>5</sup>

The MoU is the most recent addition to the export financing programme of Export Bahrain, which addresses the export financing gap for viable businesses by facilitating access to financing at affordable rates, and providing liquidity to cover input costs associated with processing export transactions.

#### B. Saudi Arabia

#### Trade Development Fund

The Trade Development Fund (TDFD) offers a comprehensive training programme focused on global marketing and export strategies, in collaboration with the Abdullah Al-Subaie Charity Foundation and the Foreign Trade Training Center. This programme provides participants with the knowledge and skills necessary to understand key concepts and methodologies in marketing research, identify the main factors for selecting international

<sup>4.</sup> Ministry of Industry and Commerce, n.d.

<sup>5.</sup> Bahrain Development Bank, 2022.

markets, and recognize the essential elements of marketing strategies. It also addresses various factors affecting export prices, the development of international trade, and the impact of international agreements on competition. The training programme includes several practical courses on international marketing and export strategies, supported by the participation of several Saudi institutions. Additionally, it enhances the trading capacity of SMEs in partnership with non-profit organizations, highlighting the crucial role of TDFD in Saudi Arabia.

### C. Qatar

### **Go Global Export Accelerator**

The Go Global Export Accelerator programme<sup>6</sup> was developed by *Tasdeer* and the export division of the Qatar Development Bank. It enhances the capacity of exporters, enabling them to effectively address the challenges of entering new markets, and ensuring that they are qualified and prepared to export their products both locally and internationally.

Participating entrepreneurs receive comprehensive training that includes developing export strategies, identifying and evaluating target markets, creating marketing plans, locating available resources and essential logistical services, and organizing meetings with clients.

#### D. Morocco

# 1. European Bank for Reconstruction and Development and the Bank of Africa support trade and micro, small and medium enterprises in Morocco

To enhance the resilience and competitiveness of the private sector in Morocco, the European Bank for Reconstruction and Development has provided support to the Bank of Africa – BMCE Group for on-lending to micro, small, and medium enterprises (MSMEs).<sup>7</sup> Key components of this initiative include the following:

- A €50 million credit line aimed at increasing financing for MSMEs, stimulating job creation, and strengthening resilience in Moroccan value chains and underserved regions.
- An additional €25 million limit added to an existing trade finance line to promote international trade.

### 2. Trade acceleration for young entrepreneurs in Morocco

The Trade Accelerator programme <sup>8</sup> of the International Trade Centre (ITC) is a business internationalization programme designed for young entrepreneurs with new businesses, aiming to access global value chains or markets. It also supports those looking to transition from sporadic exporters to regular

Qatar News Agency, 2023.

<sup>7.</sup> Zgheib, 2023.

<sup>8.</sup> International Trade Centre, 2018.

ones. Tested in Morocco, the programme creates an ecosystem of support for youthowned SMEs, and is managed by a host organization, namely the Association Marocaine Des Exportateurs (ASMEX). Additionally, participants receive guidance and resources from mentors, counsellors and trainers.

Youth-owned SMEs can access specialized services from the Trade Accelerator to help them establish a sustainable presence in global markets. ITC offers training through an online learning system and in-person classes led by experienced instructors. Participants can access information, markets and financial services through ITC or the national partner network of the host institution. All Trade Accelerator participants are encouraged to utilize these services based on their individual needs.

### E. Jordan

#### **Jordan Trade Facilitation Portal**

The German Corporation for International Cooperation and the Government of Jordan, in collaboration with ITC, implemented a project entitled "Improving the business environment for SMEs through trade facilitation". This initiative facilitates trade while promoting the growth of exports by enhancing the competitiveness of SMEs in Jordan.

The Jordan Trade Facilitation Portal<sup>9</sup> serves as a one-stop shop for all trade-related information, giving businesses access to the Trade Facilitation Information Bank and detailed instructions for importing, exporting and transiting more than 70 different products, improving their compliance, and cutting down on transaction delays.

### Conclusions and recommendations

- Implementing trade facilitation measures tailored to SMEs is crucial for their integration into global and regional markets. Therefore, Arab countries must design effective and targeted measures to address challenges faced by SMEs in cross-border trade.
- Additional programmes beyond the traditional removal of barriers can help SMEs overcome market access challenges. Countries are encouraged to look at specific programmes to assist SMEs in reaching new markets.
- Alongside trade facilitation measures, mechanisms to finance trade are important

- for enabling SMEs to secure financing for their cross-border transactions, providing them with the momentum to engage in global trade.
- Regional support mechanisms for SMEs in the Arab region can play a crucial role in facilitating their entry to global markets, while also strengthening regional value chains.
- Regional and global organizations, such as ESCWA, are set to provide support to SMEs in disadvantaged countries to help them overcome trade barriers and create platforms that facilitate the regional exchange of SME products.

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The digital age has simplified the process for Arab small and medium enterprises (SMEs) to establish a global presence through e-commerce and digital marketing. However, SMEs must remain culturally aware and adapt their strategies to fit the unique characteristics of each target market. Essential elements of this process include efficient logistics, financial support options, compliance with customs and trade regulations, and the formation of strategic partnerships.

Since international markets are constantly evolving, continuous learning and adaptability are required. By implementing trade facilitation measures specifically tailored to SMEs, Arab countries can effectively enhance SME competitiveness and support their growth in global markets.

