

## Building Egypt's Team for Competitiveness USAID-ECP holds its first workshop



The Team Building Workshop, held in Cairo on the 19<sup>th</sup> of December 2010 by the new USAID funded Egypt's Competitiveness Project (ECP), was an event that brought together representatives of 7 ministries as well as heads of several governmental authorities and private entities, think tanks, academia, and officials from the USAID and ECP. This workshop was held to launch ECP and to create an opportunity to build bridges among the various islands of reform to boost Egyptian competitiveness.

The attendees to the workshop included representatives of the Egyptian Ministries, the National Competitiveness

Council (ENCC), the Egyptian Regulatory Reform Activity (ERRADA), the Investment Authority (GAFI), Internal Trade Development Authority (ITDA), Cairo University (CU), and the Smart Business Service Center (SSBC). In attendance was also the USAID Mission Director, team leaders, and activity managers; and officials from ECP.

The goals of the conference were to highlight Egypt's recent success in creating a more competitive economy, improve collaboration among stakeholders, and present the expected results of the ECP project. This three-year project, implemented by Chemonics International, is the



successor to three earlier USAID projects which have helped to advance broad policy reforms in Egypt over the last 10 years, including financial policies, trade, government services, and human resources.

In the keynote speech, ENCC Chairman Helmy Abouleish highlighted that competitiveness is not an absolute target but a means to better Egypt's standard of living and avail more job opportunities to match the supply of millions of young Egyptians that join the labor market every year. During the next 10 years, 790,000 graduates are expected to join the labor market. These young people need the knowledge and skills that would enable them to compete in the labor market. Therefore, ENCC welcomes having a particular pivot for human development within the new Egypt's Competitiveness Project.

In his opening remarks USAID Mission Director, Mr. James Bever praised the achievements the Government of Egypt and the private sector in improving Egyptian economic competitiveness, in cooperation with earlier USAID projects. Examples he cited include simplifying procedures for easing the licensing requirements of business startups (Egypt is among the best performers in using technology to boost efficiency) and the 30% increase in the number of limited liability companies established in one year, Mr. Bever also said that USAID will continue to support improvements to the Egyptian economy and administrative reform through ECP.

ECP builds on these and other groundbreaking reforms that the

Egyptian government achieved with USAID support. To boost Egypt's performance on main factors that create a competitive nation, ECP will focus on the following four critical areas of competitiveness: 1) regulatory reform through a sustained regulatory system, improved commercial laws and fiscal policies, and consumer protection; 2) streamlined business processes through a unified business registry, creation of centers for business licensing, and support for national competitiveness; 3) improved labor skills and productivity through enhancement of skills in select industries and technical schools, increased of employment of vocational training graduates, and improved entrepreneurship capacity; and 4) strengthening the financial sector through improved supervision, regulations, training and arbitration for non-bank financial markets, new pension system, and increased SME formalization and access to finance .

Four panels were held during the workshop to discuss issues and possible development efforts related to each of these four areas. Each panel was concluded with a question and answer session.

Mrs. Amina Ghanem, Assistant Minister of Finance and Secretary General of ENCC explained that that all studies showed raising productivity is the only way to raise the income of Egyptian citizens and improve standards of living. That is why the Egypt Competitiveness Project is of particular importance. General Helal, Director of the Technical and Vocational Education and Training



expressed his hopes for more stakeholder ownership and leadership in education reform. Panelists also included Dr. Ziad Bahaa el Din, EFSA Chairman; Dr. Mohamed Maeet, MoF Deputy Minister on pension affairs; Dr. Reem el Saadi, Head of SME GAFI Unit; and Dr. Mohamed Zakaria, Head of the SME Unit in EBI.

The significant attendance at the Team Building Workshop and ideas presented showed the willingness of Egyptian decision makers to coordinate their reform efforts in a concerted approach that is much needed to address Egyptian competitiveness. Hopes are high in the potential of this new project. Stay tuned for news on the project results.

**Contact:** Douglas Tinsler, Program Director, USAID Egypt's Competitiveness Program, Tel: +2-02-2750-8230, [dtinsler@ecpegypt.com](mailto:dtinsler@ecpegypt.com)