

G8 UK

UNITED KINGDOM 2013

Deauville Partnership Investment Conference with Arab Countries in Transition

Seizing local opportunities:
skills and suppliers

The Rt Hon Baroness Symons of Vernham Dean

Chair of Arab British Chamber of Commerce

Ashraf Bakry

Vice President Supply Chain
Unilever
North Africa and Middle East

Rabea Ataya

Chairman and CEO
Bayt.com

Salvatore Nigro

CEO Europe
Education for Employment

Usha Rao-Monari

Global Director for Sustainable Business
International Finance Corporation

IFC in MENA (FY12)

Investment

- About \$2.32 billion in MENA (excluding Pakistan and Afghanistan)
- \$559 million in Pakistan and Afghanistan, including mobilization
- High impact projects to restore confidence:
 - Orascom Construction (\$475 million)
 - MedGulf Insurance ((\$124 million)

Advisory

- Delivered advisory activities in,
 - SME and Micro Finance
 - Corporate Governance
 - Investment Climate
 - Business Edge Training
- Ramped up support for SMEs with the MSME Technical Assistance Facility

Investment + Advisory

Arab Financing Facility for Infrastructure with the Islamic Development Bank
Education for Employment (e4e) initiative for Arab Youth

IFC Support for Local Sourcing

Investment

- With lead firms & FIs
 - Supplier finance
 - Risk sharing facility
- With FIs
 - Trade finance
 - SME finance
 - Sustainable Energy Finance
 - Micro finance

Advisory

- We work with lead firms to
 - Structure local sourcing policies
 - Build capacity in local SMEs
 - Establish secure and sustainable supply through small holders (agri)
 - Engage effectively with communities to develop local sourcing
- We build capacity in local organizations to provide,
 - Management skills training to SMEs through Business Edge
 - Tools and information through the on-line SME Toolkit platform

Example: An “untraditional” local sourcing

Case



IFC Advisory



Impact (after 7 months)

- Pulp & Paper manufacturer scaling up production.
 - Waste paper need will increase 100,000 tons/year from 24,000
 - Challenge:
 - Currently importing majority of waste paper from EU and US
 - Wants to increase waste paper from local sources
 - Is there sufficient waste paper and how to build a supply chain
- Conducted a base-line study verifying availability and identifying sources
 - Designed a waste paper supply chain tapping into,
 - Offices (ie. banks, insurance companies)
 - Local MSMEs
 - Buy-back centers established by company
 - Trained company and SME staff and supported implementation
- **Economic:**
Company saved \$610,000
Local MSMEs earned additional \$850,000
 - **Jobs :**
75 new jobs were created (+ more we are not able to verify)
 - **Environmental:**
4,500 tons of paper that would have ended up in landfills or burnt was diverted to recycling