

United Nations Industrial Development Organization Investment and Technology Promotion Office Kingdom of Bahrain





# **Marking 20 Years**

**United Nations Industrial Development Organization Investment and Technology Promotion Office** 

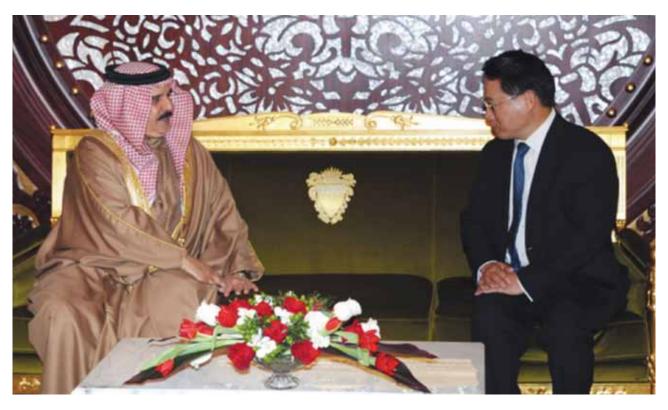
**Kingdom of Bahrain** 



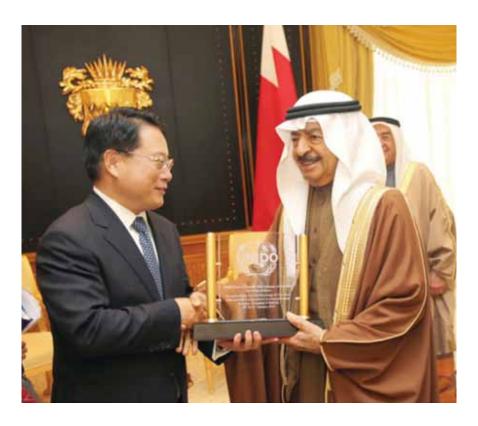
# **United Nations Industrial Development Organization Investment and Technology Promotion Office**

**Kingdom of Bahrain** 





His Majesty King Hamad Bin Isa Al Khalifa, King of the Kingdom of Bahrain, receiving Mr. Li Yong, Director General of the United Nations Industrial Development Organization



His Royal Highness Prince Khalifa Bin Salman Al Khalifa, Prime Minister of the Kingdom of Bahrain, receiving Mr. Li Yong, Director General of the United Nations Industrial Development Organization



His Royal Highness Prince Salman Bin Hamad Al Khalifa, Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister of the Kingdom of Bahrain, supporting and presenting the Business Challenge award, alongside Dr. Hashim Hussein, Head of UNIDO ITPO Bahrain

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## **Foreword**

# "Marking 20 Years of UNIDO ITPO - Kingdom of Bahrain"



The Ministry of Foreign Affairs in the Kingdom of Bahrain is honored to mark the 50th Anniversary of the United Nations Industrial Development Organization (UNIDO) which coincides with the 20th Anniversary of the UNIDO Investment and Technology Promotion Office (ITPO) in the Kingdom of Bahrain.

This strategic partnership with UNIDO, since Bahrain's accession in 1985, and later the establishment of the ITPO office, in Bahrain in 1996, serves as a clear testimony that this long standing partnership has been mutually productive for UNIDO and the Kingdom.

This success is characterized by the Office's firm commitment to the Economic Vision and Reform Program of His Majesty King Hamad Bin Isa Al Khalifa, and the implementation of the Government led by His Royal Highness Prince Khalifa Bin Salman Al Khalifa, The Prime Minister, and the continuous support of the His Royal Highness Prince Salman Bin Hamad Al Khalifa, Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister, towards the diversification of the national economy through unleashing the spirit of entrepreneurship and innovation amongst women and youth, therefore leading to economic and social empowerment.

The Ministry is proud that the UNIDO ITPO Bahrain through its Arab International Center for Entrepreneurship & Investment has formed a unique program known today as the Bahrain Model for economic empowerment.

This unique Model has touched the lives of millions of people across the world and has facilitated the positioning of Bahrain as a Kingdom of development and peace.

We once again reiterate our firm commitment to the values and the Inclusive and Sustainable Industrial Development mandate of UNIDO and look forward to achieve more successful cooperation programs between the Kingdom of Bahrain and the United Nations.

#### H.E. Shaikh Khaled Bin Ahmed Bin Mohamed Al Khalifa Minister of Foreign Affairs, Kingdom of Bahrain

#### **Preface**

This publication is a brief testimonial on the achievements of the UNIDO Investment and Technology Promotion Office in the Kingdom of Bahrain over the past 20 years (1996 – 2016).

Established to support the Economic Vision and Reform Program of His Majesty King Hamad Bin Isa Al Khalifa, the UNIDO-ITPO office and the Arab Regional Centre for Entrepreneurship and Investment Training (ARCEIT) have created a unique template for enterprise development and nurturing an entrepreneurship culture among Bahrainis.

These 20 years of overwhelming success have been characterized by the Office's commitment towards the progress of Bahrain and its emergence as a contemporary nation on the go. The activities of UNIDO-ITPO have set the stage for the diversification of the national economy through unleashing the spirit of entrepreneurship and innovation among women and youth and empowering a new generation of stakeholders who will translate the vision of Bahrain's leaders into 21st-century reality. It is these success stories and our unique methodology that we have recorded as a narrative in these pages.

#### The Kingdom of Bahrain - Summary

The Kingdom of Bahrain has witnessed significant improvement in its attempts to achieving overall development, particularly following the adoption of the National Action Charter and the declaration of His Majesty King Hamad Bin Issa Al- Khalifah of the country as a constitutional monarchy with citizen participation in decision-making, formulation of legislations and monitoring government performance through the National Assembly that consists of both chambers of the Bahraini parliament: the Lower House and the Upper House. Moreover, the Economic Vision 2030 which was launched in 2008 provides a clear direction for the continued reform and development aiming at building a prosperous society in accordance with the principles of sustainability, fairness and competitiveness to ensure building a better life for all Bahraini citizens.



In January 2015 For the first time, Bahrain's Council of Representatives were granted full authority to review and approve the four-year plan in February 2015. These new expanded legislative powers followed the outcomes of the National Dialogue and the Constitutional Amendments of 2012. Following their review, the Council of Representatives tabled 52 recommendations, which the Government of Bahrain subsequently approved and incorporated into the Government Action Plan, which reflects the Government of Bahrain's strategic priorities over the next four years and focuses on delivering sustainable change in line with His Majesty King Hamad's development program.

Bahrain has acquired high-income status and an improved standard of living for citizens. This is reflected in the country's Human Development Index ranking in the category of very high human development countries, placed 45th globally in the UNDP Human Development report 2015.

Bahrain continues to perform well on the World Economic Forum scale, ranking 39th in the 2015—2016 Global Competitiveness Report. With a strong oil sector and public sector investment, growth in Bahrain has averaged 3.6 percent annually between 2009 and 2014; Real GDP expansion for 2014 was 4.5 percent and the non-oil economy grew by 4.9 percent.

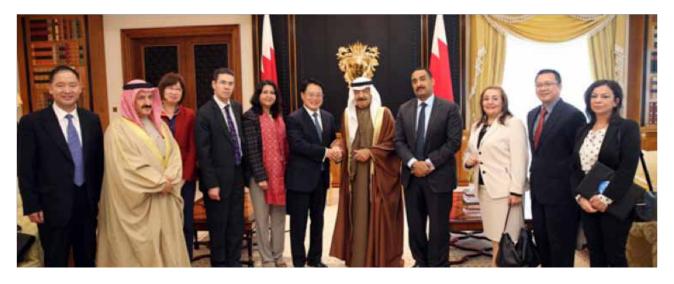
Furthermore, the Kingdom of Bahrain was ranked the eighth most economically free nation worldwide according to the Economic Freedom of the World: 2013 Annual Report published by the Fraser Institute. For the second year in a row the Kingdom of Bahrain was listed among the top ten countries in this report which is published by an internationally renowned institute. Bahrain was also ranked 18th in the 2015 index of Economic Freedom by Heritage Foundation, Washington.

Fraser index measures the extent of support provided by the state's policies and institutions to economic freedom. The Kingdom of Bahrain achieved an overall rating of 7.93 out of 10.

Bahrain's aim is to shift from an economy built mainly on oil wealth to a productive, globally competitive economy, empowered and enabled by the Government and driven by a pioneering private sector, an economy that raises a broad middle-class of Bahrainis who enjoy good living standards through increased productivity and high-wage jobs.

# United Nations Industrial Development Organization Investment and Technology Promotion Office- Kingdom of Bahrain

The UNIDO ITPO Bahrain was established in 1996, with the aim of facilitating the mobilization of foreign and domestic resources/investments to enhance industrial partnership and cooperation between enterprises in the Kingdom and other nations. A key component of the work of ITPO Bahrain is to align the work culture of the Kingdom's private sector with the Vision 2030 goals of the leadership by mobilizing investment and the latest technology to Bahrain. At the same time, the ITPO Bahrain opens up new opportunities for investors and technology suppliers to find potential partners through providing services on each step of the investment life cycle, namely opportunity identification, preparation, appraisal, validation and implementation.



HRH Prince Khalifa Bin Salman Al Khalifa, Prime Minister of Bahrain, and the official UNIDO delegation headed by Mr. Li Yong, UNIDO Director General

UNIDO took the decision to establish an ITPO office in Bahrain in 1996 considering the country's stance as a financial hub, with over 400 financial institutions. ITPO Bahrain was mandated with promoting inward and outward investments. Due to the fact that the region is namely technology seeking, the direction for technology was mainly inward. To meet these goals, ITPO Bahrain identified investment opportunities, organized investment forums and showcased them to potential foreign investors. conducted most of its activities by organizing investment forums whereby investment opportunities where identified and later promoted to potential foreign investors.

By 1999, trends showed that the maximum number of investors were from the small and medium enterprises category, who not only had the willingness to invest "in kind .i.e. technology and markets" but were also keen to develop joint venture partnerships, necessitating the need for local entrepreneurs of high caliber, capable of developing such partnerships with a willingness to contribute financially.

This led ITPO Bahrain, in the year 2000, to investigate and explore the best practices towards the development of local high caliber entrepreneurs; accordingly, ITPO Bahrain in cooperation with the Ministry of Industry & Commerce and the United Nations Economic and Social Commission for Western Asia (ESCWA). It embarked on a major study to identify the challenges and bottlenecks faced by a selected group of Arab countries, specifically when it comes to entrepreneurship development. The countries addressed through the study included Bahrain, Jordan, Lebanon, Syria and Egypt.

The main study findings indicated that there is a pressing need to create 90 million jobs by 2015 in the Arab Region; a weak entrepreneurship culture, a lack of support offered to micro, small & medium enterprises, the non-existence of specialized programs on entrepreneurship development and finally limited support services offered to entrepreneurs through the various support institutions. This included very little financial and non-financial services specially developed for entrepreneurs, which should include capacity building programs, technology-tie ups, access to finance, infrastructure and incubation systems.

This meant that in order to be effective, in addressing the economic empowerment of the Arab Region, ITPO Bahrain had to start by focusing its efforts on developing a conducive eco-system that would be geared towards (1) developing start-ups and unleashing entrepreneurship; (2) provide added value services to existing MSMEs to achieve sustainability and growth; (3) mobilize domestic investment for leveraging foreign direct investment and facilitating trade/market access.



#### Establishment of the Arab Regional Center for Entrepreneurship & Investment (ARCEIT)

To create a focused approach to removing these bottlenecks, UNIDO ITPO Bahrain established the Arab Regional Center for Entrepreneurship & Investment Training (ARCEIT) in February 2001. It was officially inaugurated in Bahrain through a south-south cooperation agreement between the Bahrain Government (represented by the Ministry of Finance and the Ministry of Industry & Commerce), the Government of India and the UNIDO ITPO office in Bahrain. The goal of ARCEIT was to address these

challenges to nurture enterprise development to further promote domestic investment and youth economic empowerment through entrepreneurship.

By 2002 the Bahrain Development Bank (BDB) joined this tripartite partnership, which then became ITPO Bahrain-MoIC-BDB, laid the foundation for the conceptualization development of the Bahrain Model for Entrepreneurship which was officially adopted in 2007 by UNIDO headquarters and is known today as the UNIDO Enterprise Development & Investment Promotion Program (EDIP).



Dr. Yo Maruno, Deputy Director General and Managing Director of UNIDO officially inaugurating the Arab Regional Center for Entrepreneurship and Investment Training (Currently known as the Arab International Center for Entrepreneurship & Investment.

In 2008, an independent UNIDO evaluation of ITPO / ARCEIT Bahrain activities concluded that ARCEIT is instrumental in economic empowerment and recommended its conversion from a regional center into an international center. Accordingly, in 2013, ARCEIT was converted into the Arab International Center for Entrepreneurship & Investment (AICEI)<sup>a</sup>

<sup>a</sup>(Please revert to Annex 1 for more details on ITPO / AICEI Bahrain)

Since the establishment of ITPO Bahrain in 1996 and AICEI in 2001, both entities have been very active in the economic arena primarily in Bahrain, the Arab Region, Africa, Europe and Asia. <sup>b</sup>

<sup>b</sup>(Please revert to Annex 2 for Enterprise Development & Investment Promotion Programme)

Since its inception in 2001, the EDIP has provided support and counseling to 8,500 Bahraini entrepreneurs, and thereby supported in the creation of 2,000 new enterprises. ITPO Bahrain has estimated that the support to start-ups coupled with the support and added value services to existing MSMEs has led to an estimated total investment of US\$ 1.5 billion and the creation of 16,000 jobs.

#### Access to Finance

The Kingdom of Bahrain, the Gulf's financial capital for almost 40 years, has led the Middle East in a range of financial sectors – from banking, to asset management, to Islamic finance. Banking forms the biggest part of our financial services sector and has expanded rapidly. Across the Middle East, demand is building for more sophisticated products, with a quarter of wholesale banking assets based in the GCC. In Bahrain alone, total banking assets reached \$186.1 billion by October 2013.

Bahrain is also widely recognised as the global leader in Islamic finance. Assets in Bahrain's Islamic banking sector have risen from \$1.9 billion in 2000 to \$25.1 billion in June 2015. Bahrain has 24 Islamic banks, whose assets account for around 13% of the Kingdom's total banking assets.

A study by the United Nations Economic and Social Commission for Western Asia (ESCWA) showed that access to finance had direct implications on the governments of the Arab Region's addressing of poverty alleviation, combating unemployment, promoting investments, addressing the technology gap and developing innovative and competitive MSMEs.

Accumulated evidences have shown that financial access promotes growth through the provision of credit to the most promising firms, encourages more startups, and enables incumbent firms to grow by capitalizing growth and investment opportunities. The lack of financial access limits the range of services and credit for households and enterprises; self-made entrepreneurs, in addition to micro and small enterprises, need to rely on their personal wealth or internal resources to invest in developing their skills and businesses, which limits their full potential and leads to a cycle of persistent inequality and diminished growth.

Taking the above into perspective, it is clear that promoting investment whether foreign or domestic requires a set of added value services, depending on the entrepreneur's stage in the development lifecycle, whether startup or growth.

Since 2000, ITPO Bahrain started to develop synergies with financial institutions to develop programs to enhance domestic investment and the mobilization of foreign direct investment. The programs provided added value in the form of training and also access to finance in collaboration with financial institutions dedicated to start-ups and enterprise development.

ITPO Bahrain developed chronologically two programs for the financial services:

#### **Stage One: Startup Investment**

The start-up investment stage requires three major components; a well-groomed entrepreneur who is willing to take the risk and pursue the development and implementation of the potential investment; a viable and feasible idea or opportunity and lastly the availability of finance either personal savings or through financial institutions.

#### **Stage Two: Growth Investment**

The growth investment stage also requires three components; a well-developed entrepreneur who has been running the business for 2-3 years; the realization of a better market positioning and access either through diversification or through expanding current production and finally access to finance.

#### **Financial Services**

Hence, in line with the United Nations Economic and Social Commission for Western Asia (ESCWA) study, it was clear that access to finance had direct implications on the governments of the Arab Region addressing poverty alleviation, combating unemployment, promoting Investments, addressing the technology gap and developing innovative and competitive MSMEs.

Preparation stage: ITPO Bahrain had a strong conviction that an entrepreneur coupled with a viable idea is not sufficient to gain access to finance. The ESCWA study fortified this conviction that there has to be financial as well as non-financial services.



UNIDO ITPO Heads attending the Invest in Aluminum Forum 2006, organized in cooperation with the Kuwait Finance House

Accordingly, it started focusing its cooperation with the BDB who was mandated with providing financing to MSMEs through a paid up capital of USD 27 million. This financing provision requires intervention on financial and non-financial services towards startups.

ITPO Bahrain launched a package of non-financial services through the establishment of ARCEIT and due to the pressing need to raise the BDB capital, the ITPO Bahrain, together with BDB officials, approached the Kuwait Fund for Development for injecting US\$ 50 million in the BDB capital. After two months of extensive discussions, the Kuwait Fund approved the capital increase whereby the US\$ 50 million loan will be awarded to BDB at 1.75% for 15 years, whereby BDB is to provide loans at 7%, of which 2% will be utilized in providing non-financial services to potential and existing entrepreneurs through ITPO / AICEI Bahrain. It was through this allocated 2% ITPO Bahrain was able to establish the famous Bahrain Business Incubator Center that was officially inaugurated April 2003 by HE Prince Khalifa bin Salman Al Khalifa the Bahrain Prime Minister.

This led to the early conceptualization of the UNIDO Enterprise Development & Investment Promotion program. ITPO Bahrain in cooperation with the Entrepreneurship Development Institute in Ahmedabad developed a 6 months capacity building program on financial counseling aimed at equipping and acquainting the credit officers on startup financing and the EDIP modality - how to

develop a business plan, technology tie-up and access to finance. This led to a major shift in BDB - the earlier focus on feasibility studies gave way to a wider emphasis on entrepreneurial qualities and a viable business plan. Through this strategic partnership with BDB and linking the financial to non-financial services, the bank was able to take giant leaps in financing reflected by over 150 start-ups and existing enterprises receiving funds in 2003 as compared to just 32 projects which received financing in 2001.

This major development led the Ministry of Finance to request the complete restructuring of the Bahrain Development Bank by ITPO Bahrain in 2004, along with building the capacity of BDB's staff to be more geared towards "Entrepreneurship and SME Development". ITPO Bahrain relied on a team of internationally renowned experts from UK, Italy, Turkey and India for BDB's restructuring, and the final recommendations of the study were submitted to the Council of Ministers, resulting with increasing the banks operational budget to US\$ 150 million.

In 1998, ITPO Bahrain was approached by the Qatar Central Bank to assist in establishing the Qatar Industrial Bank and UNIDO was selected from among a number of UN agencies and after an extensive selection process; ITPO Bahrain was mandated for developing the Bank structure as well as its services. It is fair to say that the Qatar Industrial Bank was established by ITPO Bahrain through the support of Headquarters and a team of Austrian experts.

For entrepreneurship development to be effective and efficient, it is vital to work on two levels: the entrepreneur himself, and at the same time the capacities of the local support services institutions.

Accordingly, through the cooperation with regional financial institutions, ITPO Bahrain started developing programs with the Islamic Development Bank (IDB), the Arab Gulf program for Development (AGFUND) and the Arab Bank for Economic Development in Africa (BADEA). The idea was to develop the capabilities of these financial institutions internal staff and get acquainted with UNIDOs various activities and tools. In 2004, a 3-year renewal program was developed for IDB whereby 200 of their staff attended the UNIDO project preparation and appraisal modality coupled with COMFAR. The same has been done for BADEA with the



His Royal Highness Prince Talal Bin Abdul Aziz, President of the Arab Gulf Development Fund (AGFUND) signing a working arrangement with AICEI, 2006

participation of 30 of their staff. The idea was to capture the attention of these major institutions and present UNIDOs capability and to cooperate and create synergies with them. With this being done, ITPO Bahrain have started not only to work on the local stakeholders but also regional ones.

#### **MSMEs Financing**

Through the continued cooperation with the BDB, ITPO Bahrain realized the need to develop a structured mechanism that would breed and develop entrepreneurs "startups" by developing special financing schemes that would be tailored to their requirements. At this point, ITPO Bahrain

started looking into micro finance mechanisms together with AGFUND, which led to the birth of the concept of micro, small and medium enterprises. The adoption of a support system that offered financial as well as non-financial services made the transition and growth from micro to small and then to medium a stronger reality. This led to the introduction of a new terminology "MSME" by ITPO Bahrain and AGFUND.

In 2006, the first micro finance bank was established in Jordan under the patronage of Her Royal Majesty Queen Rania Al Abdulla. This was followed by a bank in Yemen, Bahrain, Sierra Leone, Sudan, Syria, and most recently in Lebanon. This surge in micro finance availability and non-financial support led to the growth in many entrepreneur success stories such as that of logistics industry leader, Ms. Huda Janahi (acknowledged by former US President George Bush) among other entrepreneurs, present the clear testimony that on practical terms, the linkage between non-financial and financial services existed and with the establishment of these micro finance banks it became institutionalized and strengthened.

Summary of various initiatives from ITPO Bahrain towards MSMEs financing:

- 1. Lending through Bahrain Development Bank and Qatar Industrial Bank<sup>1</sup>
- 2. Micro Finance through the AGFUND Banks of Micro Finance Banks of Innovation
- 3. Venture Capital On financing for growth; ITPO Bahrain agreed with the Kuwait Finance House to develop a 50 million USD venture capital fund. The Fund invested in a number of projects in Bahrain and Jordan.
- 4. Angel Funding, ITPO Bahrain supported the development of "Tenmou" a 27million USD Bahraini angel fund that covers the Middle East region. They have already started investing in a number of projects in Bahrain and the region.
- 5. Crowd funding, ITPO Bahrain are currently working with a team of entrepreneurs from the USA and Bahrain to support in the development of a crowd fund.

#### **ITPO Bahrain Methodology Towards Non-Financial Services:**

The methodology adopted by ITPO Bahrain in promoting investment was based on stimulating and grooming of startup entrepreneurs through linking financial to non-financial services. This led to entrepreneurs having access to financial support as well as knowledge resources matched to the various stages of the enterprise development lifecycle i.e. migration or growth from a micro to a small and then to a medium enterprise.



<sup>1</sup> ITPO Bahrain in cooperation with the UNIDO headquarters supported, in 1997, the conversion of the Commercial Bank of Qatar into the Qatar Industrial Bank; currently known as the Qatar Development Bank.

#### **Global Adoption of the EDIP Modality**

In order to attain growth, developing countries need to mobilize investment—both domestic and foreign—as well as modern technologies, so as to expand their productive assets. In many countries, institutional financial support and non-financial guidance are weak or non-existent. ITPO Bahrain created the EDIP model of support to address this issue. It allowed for the creation of support networks and the necessary tools to develop from scratch and at the same time, ITPO Bahrain was capable of tailoring the existing financial services to the needs of the entrepreneurship development agenda.

Several examples from ITPO Bahrain in implementing the EDIP modality:<sup>2</sup>

- Khalifa Fund for Development was established in Abu Dhabi in 2007 with a paid up capital of US\$270 million with the aim of providing funding to SMEs. While funding was available, the mechanism for identifying the right entrepreneurs and developing their capabilities was weak.
   ITPO Bahrain provided the EDIP model or the Khalifa Fund, built the capacity of their staff and assisted in recruiting staff from the EDIP Network.
- Centennial Fund for SME Development in Saudi Arabia: ITPO Bahrain are currently implementing the EDIP model in their 16 centers through the 20 business counselors ITPO Bahrain has developed.
- Alexandria Businessmen Association provides micro and small funding to entrepreneurs and hence ITPO Bahrain transferred the EDIP model to link financial with non-financial support through developing the capacity of their staff in business counseling. Gradually ITPO Bahrain are implementing EDIP in their 60 centers which will contribute richly to their 360,000 beneficiaries.
- Social Fund for Development in Egypt: A series of capacity building programs have been
  conducted for the transfer of the EDIP model namely in enterprise creation and business
  counseling with 32 participants from the fund.
- Accounting and Auditing Organization for Islamic Financial Institutions (AAIOFI) led a new initiative in 2012, in cooperation with ITPO Bahrain on "Islamic Financing for Entrepreneurs" which aimed at stimulating and innovating new Sharia compliant financing schemes for entrepreneurs. This initiative focuses on developing awareness through various partners on the methodology of entrepreneurship development in order for them to better serve their beneficiaries and develop a closer understanding to the needs of various entrepreneurs at the different stages of their enterprise development life cycle. Although several financing schemes and tools do exist in the market today, nevertheless, new tools still need to be developed.
- Bank of Khartoum: ITPO Bahrain is implementing the EDIP template in cooperation with the Governorate of Khartoum and the Bank, which has a US\$50 million fund for micro and small entrepreneurs. This linkage plays a vital role in the success of entrepreneurs utilizing the agricultural incubators being developed by the Bank.
- ITPO Bahrain has recently been approached by the Islamic Development Bank to assist in implementing the US\$50 million "youth employment fund". ITPO Bahrain has been requested to facilitate the non-financial linkages ITPO Bahrain will start providing the support in two countries namely Bahrain and Libya.

<sup>2</sup> ITPO Bahrain in cooperation with the UNIDO headquarters developed a number of special programs for financial inclusion

 The National Center for Entrepreneurship and Non- Financial Services was officially inaugurated in Sudan in 2015. This Centre supports the Family Bank in Khartoum, a leading micro finance institutions in Sudan with a clear drive towards the development of MSMEs and entrepreneurship.

Based on the banks request, the establishment of a National Center for Entrepreneurship and Non-Financial Services, to be hosted at the bank, was initiated in 2014. The aim of the National Center is to be a knowledge hub for the provision of non-financial services to existing and start-up entrepreneurs not only on the level of the bank's entrepreneur customers but also serve as a national center for the whole of Sudan. It provides services and best practices to micro financial institutions operating in the country. In its early stage of operation, the center has been able to prove its ability to play a leading role in the economic empowerment of youth based on the UNIDO EDIP model. UNDP Sudan has provided funds and has assigned the Center to economically empower 3,000 youth in Sudan. The Ministry of Human Resources Development has also assigned the Center to be their main center for capacity building for youth economic empowerment.

 ITPO / AICEI Bahrain is currently working with the Fransabank, one of the leading private banks in Lebanon, to develop a special fund targeting cooperatives in Lebanon in order to increase their productivity and enhance their export potential through the provision of financial and non-financial services. The development of these linkages, networks and activities led to a new set of non-financial services in 2010, targeting the growth of micro, small and medium enterprise.

#### **Women Economic Empowerment**

The Kingdom of Bahrain has achieved great strides in women empowerment, reflected by the recent award to His Royal Highness Prince Khalifa Bin Salman Al Khalifa, Prime Minister of the Kingdom of Bahrain; Jurors from the International Federation of Business and Professional Women (BPW International) President's Gold Award said that the award was attributed to the Prime Minister in recognition of his outstanding achievements to elevate the status of women in Bahrain.

The award highlighted the great speed at which women have been able to seize equal rights and opportunities at all levels, economically, politically and socially. The president further stated "HRH Al Khalifa has ensured an increase in the number of women in decision-making roles, including parliament, with the National Action Charter, which is reflected in the constitutional amendments of 2002 and included the right of women to vote. The establishment of The Supreme Council for Women during HRH Al Khalifa's tenure and their work with the Bahrain's Economic Development Board."

The framework of the United Nations Secretary-General Mr. Ban Ki-moon's initiative on Investing in Women and Girls stipulates that "achieving gender equality and empowering women is a goal in itself. It is also a condition for building healthier, better educated, more peaceful and more prosperous societies. When women are fully empowered and engaged, all of society benefits. Only in this way can ITPO Bahrain successfully take on the enormous challenges confronting the world — from conflict resolution and peace building to fighting AIDS and reaching all the other Millennium Development Goals". In taking a closer look at these MDGs and the recently adopted Sustainable Development Goals, it is evident that the economic empowerment of women will undoubtedly lead to the political and social empowerment of women and in attaining these Goals.

The status of women varies from country to country to the extent that at times it even varies within different regions of these countries. For this, the need for economically empowering women has to be addressed on four levels: the public sector, the private sector, the multinational organizations and the non-governmental organizations.



HE Shaikh Ebrahim Al Khalifa, Chairman of AICEI Board of Trustees celebrating the "Entrepreneuers Ambassadors" with UNIDO ITPO Bahrain and UNIC.

Although women have made considerable gains in the area of health and education, they remain less economically and politically empowered than men. Achieving gender equality is central to the human development process since it involves meeting the needs of women and men alike and consequently this implies that guaranteeing the rights of all citizens.

In 2003, Mrs. Leila Fakhro, President of the Bahrain Businesswomen Society, embarked on an initiative to develop practical tools and programs that would ensure the empowerment of women on all levels. This led ITPO Bahrain to focus its efforts on stimulating and unleashing entrepreneurship with special attention to women. In 2005, ITPO Bahrain in cooperation with the Bahrain Businesswomen's Society launched the first EDIP program for women with the participation of 15 potential women entrepreneurs. Since then, the number of women entrepreneurs benefitting from EDIP has increased from 28% in 2003 to an impressive 56% by 2015.



Dr. Hashim Hussein, Head ITPO Bahrain signing the working arrangement with Mrs. Afnan Zayani, President of the Bahrain Businesswomen's Society in 2005

#### Since 2009, ITPO Bahrain has been actively

involved with the Supreme Council for Women (SCW), headed by HRH Princess Sabika Bint Ibrahim Al Khalifa, Wife of His Majesty the King and President of the SCW, in a number of programs and initiatives aimed at women's economic empowerment. In 2009, ITPO Bahrain was closely involved in the drafting of the economic empowerment component of the Bahrain National Women's Empowerment Strategy, which is in line with the EDIP Program. Furthermore, our cooperation with the Supreme Council for Women was intensified when the implementation of the strategy was launched.

#### ITPO Bahrain's Initiatives Towards Women's Economic Empowerment:

- In 2011, as part of the UNIDO General conference and with the aim to recognizing the
  role of Bahraini women entrepreneurs who were developing successful enterprises, HE Dr.
  Kandeh Yumkella, ex-UNIDO Director General named, for the first time, four Bahraini women
  entrepreneurs as "Entrepreneur Ambassadors" to act as role models for women in the region.
  The Entrepreneur Ambassadors have been actively involved in economic empowerment which
  has led them into political and social empowerment. Each of the appointed ambassadors
  focused on a specific developmental areas as part of their Corporate Social Responsibility.
- In early 2011, ITPO / AICEI Bahrain in cooperation with the Supreme Council for Women launched a number of specialized entrepreneurship programs based on the EDIP model in varies sectors such as media, fashion, photography, transport, translation, agro business and health & wellness.
- ITPO / AICEI Bahrain established an Entrepreneurship Center at the Royal University for Women to provide added value services to potential women entrepreneurs/students who aspire to start their own businesses, serving as a career orientation center on entrepreneurship. In developing this center, 20 professors from the Royal University for Women have been trained in enterprise development and Investment promotion program.

#### Business Counseling and Technology Tie – Up for Enterprise Development

For the successful replication of the EDIP model in any country a series of capacity building
programs are to be conducted namely in Enterprise creation and developing business
counselors for the growth of MSMEs. It has always been our policy and practice to ensure
that the majority of the counselors are women. This allows us to increase the number of
women trainers who can provide much needed support to potential and existing women
entrepreneurs.

#### Financial linkages

 ITPO / AICEI Bahrain supported the establishment of the Bank of Innovation in Bahrain, Sierra Leone, Jordan, Lebanon, Syria, Egypt, Sudan and Yemen. The Banks of Innovation aims at providing micro financing schemes without collateral to potential entrepreneurs, particularly women, that would help them in boosting their business and moving from the informal to the formal sector.

With the establishment of the Bank, the transformation of entrepreneurs towards the formal sector has been institutionalized through the strategic partnership with AICEI. This two-way approach means that the ITPO Bahrain offers the non-financial services and the Banks provide financial services to potential entrepreneurs.

• ITPO / AICEI Bahrain in cooperation with the Bank AI Khartoum and the Family Bank in Sudan are in the process of developing a non-financial unit in both Banks. The objective of the project is to promote inclusive industrial development in Sudan by supporting employment and income generating activities in the MSMEs sector, with a special focus on women. This will be achieved by strengthening the capacity of both banks to deliver non-financial services and financial products to potential and existing entrepreneurs willing to translate their business ideas into concrete businesses (start-ups) or grow and expand their existing enterprises.

The project envisages the establishment of non-financial "Enterprise Development & Investment Promotion" (EDIP) Units within both institutions to deliver a variety of non-financial services to potential and existing entrepreneurs in order to build and strengthen their entrepreneurial and business skills to start and grow a business, appropriate to her/his competencies and background.

#### **Incubation (In-Wall and Virtual)**

• In 2008, ITPO Bahrain conceptualized the Women Economic Empowerment Center in Bahrain, "Riyadat" the first women incubator/mall in Bahrain. The Center was officially inaugurated in 2013 by HRH Princess Sabika Bint Ibrahim Al Khalifa, Wife of His Majesty the King and President of the Supreme Council for Women. The center currently has a dual role of being an incubator and at the same time a shopping mall, allowing its entrepreneurs to display and sell their products and services. The Center's vision is to become a leading organization in Bahrain for supporting female owned start-up companies with a successful track record.

#### Post Incubation and Growth programs

• ITPO / AICEI Bahrain supported the establishment of the MENA Businesswomen's Network. The MENA BWN leverages the collective energy of businesswomen's organizations throughout the region to shape the role of women in business and leadership positions. This is a community that shares ideas, inspires each other and furthers the ultimate goal of increasing women's entrepreneurship across the region - while honoring traditional cultures and celebrating regional differences. ITPO Bahrain is opening up by unleashing the potential in young women and helping them to see how much they can achieve.

The MENA Businesswomen's Network (MENA BWN) was founded with the support of ITPO / AICEI Bahrain. It leverages the collective energy of businesswomen's organizations throughout the region to shape the role of women in business and leadership positions. A community that shares ideas, inspires each other, and furthers the ultimate goal of increasing women's entrepreneurship across the region - while honoring traditional cultures and celebrating regional differences. ITPO Bahrain is opening up by unleashing young women and helping them to see the potential they can achieve.

• The 6th Forum for Businesswomen in Islamic Countries was held in Bahrain in December 2012 under the patronage of HRH Princess Sabika Bint Ebrahim Al Khalifa, Wife of His Majesty the King and President of the Supreme Council for Women. It was organized by ITPO Bahrain in cooperation with the Islamic Chamber of Commerce, Industry and Agriculture; and the Islamic Development Bank. , The forum was attended by around 150



Press conference announcing the final recommendations of the 6th Forum for Businesswomen in Islamic countries

participants from 36 Member Countries, representatives of Islamic Development Bank Group and International Finance Corporation of the World Bank Group and some other local and international institutions. As a result of the forum the Manama Declaration 2012 on "Women and Youth Economic Empowerment in Islamic Countries" was drafted.

• The establishment of the women economic empowerment center "Boutique 33" in Kuwait in cooperation with the Ministry of Social Affairs & Labor and UNDP Kuwait was designed to develop business counselors specialized in the business development phase of start-up and growth. AICEI in co-operation with Ministry of Social Affairs and Labour in Kuwait conducted a series of capacity building programs to the staff of Boutique 33. This greatly supported the migration of entrepreneurs from micro to small and eventually small to medium enterprise and assisted them in business expansion. Boutique 33 is a unique women's incubator that encompasses all the services of a business incubator yet maintains the features of a shopping mall. Accordingly, most of the shops are managed by women entrepreneurs who have been supported through the EDIP program.

- A specialized Training of Trainers Program on EDIP "Enterprise Creation" was delivered by AICEI in cooperation with the Islamic Chamber of Commerce, Industry & Agriculture, Pakistan; the Iran Chamber of Commerce, Industries, Mines & Agriculture; and the Iran Businesswomen Association. The purpose was to promote economic empowerment of women in Iran and establish a formal process for the development of the women economic empowerment center.
- Women's economic empowerment centers were established in Abu Dhabi, UAE in cooperation with the Family Development Foundation. The center aims at (1) Raise awareness about entrepreneurship and its potential contributions to economic development, (2) Develop and strengthening national technical and institutional capacity to run and sustain the Enterprise Development & Investment Promotion Program (3) Enhance potential women entrepreneurs' capacity to conceive, develop and implement entrepreneurial/income generating activities, and (4) Enhance and/or expanding performance and growth of existing women owned enterprises.
- Under the patronage of H.E. Dr. Hassan Rowhani, the President of Iran the Islamic Chamber of Commerce, Industry & Agriculture in cooperation with ITPO Bahrain organized the 7th Forum for Businesswomen in Islamic Countries in Tehran with the participation of 350 businesswomen. As a follow-up to the forum in Iran, ITPO Bahrain in 2014 initiated the development of a Women Economic Empowerment Center in Tehran based on the EDIP Model in cooperation with the Iran Businesswomen Association and the Tehran Chamber of Commerce. In May 2014, the first capacity building program to transfer the EDIP program was organized with the participation of 25 women entrepreneurs and experts in the field of entrepreneurship development.
- The **Arab-African Businesswomen Council** was officially inaugurated during the International Entrepreneurs Investment Forum held in Bahrain on January 19-21, 2015 in cooperation with the Arab Bank for Economic Development in Africa and the Arab Businesswomen Council.
- ITPO Bahrain co-organized the "Women Entrepreneurship and Innovation" Conference held in 2015, under the patronage of the H.E. The Minister of Industry and Commerce, Dr. Hassan Fakhro, during the Global Entrepreneurship Week 2015.
- ITPO Bahrain co-organized the "B to B International Businesswomen's Exhibition & Forum" held in March 2016, under the patronage of Her Royal Highness Princess Sabika Bint Ibrahim Al Khalifa, Wife of His Majesty the King and President of the Supreme Council for Women.

#### **Matera Creative Women Program**

Women's empowerment and gender equality were a key focus area at the Expo Milano 2015.
 Under the patronage of the Basilicata Region and with the Honorable participation of HE Sheikha Hissah Al-Sabah, President Council of Arab Business Women, ITPO Bahrain in cooperation with the Basilicata Region, Sviluppo Basilicata and AICEI organized the first kick-off workshop entitled "When Creativity meets Business: Sharing Stories of Women Entrepreneurs for Local

Development" under the banner of "Matera Pavilion of Knowledge" and "Matera European Capital of Culture 2019".

Currently, ITPO /AICEI Bahrain in cooperation with the Basilicata Region, Matera European Capital of Culture 2019 and the International Federation of Bahraini Business Professionals and Al Jasra Handicrafts Centre in Bahrain are implementing a three-year program aimed at stimulating



Matera: When Creativity meets Business: Sharing Stories of Women Entrepreneurs for Local Development

creative entrepreneurs especially women on both sides of the Mediterranean. In 2016, the focus will be on Bahrain; in 2017 it will shift to the Gulf Cooperation Council Countries, in 2018 the Arab Region and in 2019 it will encompass countries on the South and North of the Mediterranean. It is envisaged that these efforts will lead to the organization of the Pavilion of Creativity in Matera in 2019 and Dubai Expo 2020.

• A special concept program is also being currently developed, aimed at supporting the economic wellbeing of Syrian Refugees in the Region of Basilicata.



Group photo of the participants of the Matera: When Creativity meets Business: Sharing Stories of Women Entrepreneurs for Local Development

#### **Innovative Initiatives and Programs**

#### Agro - Preneurs Concept

Bahrain has been working diligently towards development of agriculture in Bahrain. There are constitutional provisions that outline the importance of agriculture in Bahrain where confirmation of the commitment of the Kingdom in maximizing use and productivity of arable land and supporting small scale farmers. In addition the National Initiative for Agricultural Development (NIAD) was launched to achieve the necessary balance between agricultural and urban development, to ensure domestic food security without relying on external resources to feed the population and increase the contribution of the agriculture sector to the gross domestic product (GDP).

Recent research shows that as food consumption increases, total GCC food imports will reach US\$ 53.1 billion by 2020, an increase of 105% from 2010 (US\$ 25.8 billion). With the gap between availability and demand increasing, food consumption is a critical issue. Between 2011-2015, consumption rose at the rate of 4.5% annually while GCC countries, which are traditionally short on arable land and water for cultivation, were forced to import 90% of their food products.

In light of the food security challenge and realizing that agricultural investments in Bahrain are limited in comparison to the size of investments made in other sectors, the agriculture sector suffers from lower technology levels. Accordingly, it is vital and essential to stimulate new investments into the agricultural sector through entrepreneurs who are keen on exploring these new opportunities.

Based on the above and as part of the Arab Entrepreneurs Day celebrations in Bahrain, ITPO / AICEI Bahrain in cooperation with the Islamic Development Bank, the National Initiative for Agriculture Development and the Ministry of Municipalities & Urban Planning officially launched a pilot initiative aimed at developing "Agro-Preneurs" initially in Bahrain and the world. The program aims at assisting entrepreneurs, who aspire to establish business in the agricultural sector to start, grow and expand their businesses.



HE Dr. Kandeh Yumkella, UNIDO Director General laying the foundation stone of the Agriculture Incubation (Agro-Pole), in the presence of HE Dr. Juma Bin Ahmed Al Kaabi. Minister of Municipalities Affairs and Urban Planning

This leading Ago-Preneurs Initiative has two main objectives (1) contributing to food security through sustainable agriculture (2) attaining body wellbeing through landscaping, organic fruits & vegetables, flowers, plants and herbal products.

Thus, the initiative is implemented simultaneously in two steps:

- Creating awareness and the provision of technical capacity building programs on the latest technologies and techniques in agriculture as water management, soil enhancement, irrigation and other related techniques. Topics will namely address the what, when and how to plant. In addition to that ITPO Bahrain will capitalize on existing UNIDO programs as Traceability and specialized packaging programs for agricultural products.
- 2. Potential Agro-Preneurs will benefit from the EDIP through its four stages encompassing empowerment, business counseling, financial linkages and incubation; in order to assist them in developing the business side of their private agricultural businesses.

In 2013, to further strengthen the program and add support to entrepreneurs, ITPO Bahrain embarked in cooperation with the IDB and the Bahrain Ministry of Finance on the development of a US\$ 3 million Agro-Growth Pole project, partially funded by the IDB with a US\$ 1 million grant. The main goal of the IDB and the Ministry of Finance was that ITPO Bahrain would develop and implement this project and be part of the reverse linkage programs of IDB.

Based on the above and as part of the ITPO / AICEI Bahrain The vision for this Agro-Preneur program is to push for the transformation of young people from job seekers to job creators and for domestic investors to get top-quality non-financial technical and technological support to back their agricultural enterprise. The final outcome will be a greater role for local agriculturists in achieving food security, reducing production costs with less reliance on imported agricultural products, attaining body wellbeing through landscaping, organic fruits & vegetables, flowers, plants and herbal products and a greater diversification of income sources.



#### **Bahrain International Garden Show**

For the past eight years, ITPO Bahrain has been an active partner and a main organizer for the Bahrain International Garden Show, organized under the patronage of His Majesty King Hamad by the Bahrain National Initiative for Agricultural Development (NIAD) and the Ministry of Municipalities and Urban Planning in cooperation with the Islamic Development Bank.



HRH Princess Sabika Bint Ibrahim Al Khalifa, Wife of His Majesty the King and President of the Supreme Council for Women officially inaugurating the Bahrain International Garden Show

The AICEI, through a 450 sqm "UNIDO Agro-preneurs Pavilion", facilitates and supports every year, the participation of 40 to 50 agro-preneurs worldwide through IDB funding.

In light of the food security challenge ITPO Bahrain in cooperation with IDB, the Ministry of Municipalities & Urban Planning and NIAD, officially launched the Agro-Preneurs program in 2012. The program aims at assisting entrepreneurs, who aspire to establish business in the agro sector to start, grow and expand their businesses. Whereby AICEI supports through the Enterprise Development & Investment Promotion program (EDIP) the potential agro-preneurs in developing their entrepreneurial business skills and on the other hand the Ministry of Municipalities and Urban planning provides support and interventions on the technical aspects of farming.



HRH Prince Salman Bin Hamad Al Khalifa, Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister visiting the UNIDO Agro Preneurs Pavilion

In 2013, to further strengthen the program and the support to entrepreneurs, ITPO Bahrain embarked in cooperation with the IDB and the Bahrain Ministry of Finance on the development of a three million USD Agro-Growth Pole project, partially funded by the IDB through a 1 million USD grant. The main goal of the IDB and the Ministry of Finance was that ITPO Bahrain would develop and implement this project and be part of the reverse linkage programs of IDB.



Receiving the First Award for the Pavilion in the International Garden Show from HE Shaikha Maram Bint Isa Al Khalifa, General Coordinator of Bahrain International Garden Show (BIGS)

#### **Innovative Initiatives and Programs**

#### **Health and Wellness**

The Kingdom of Bahrain has been working towards providing quality health care for all. In addition Bahrain has made partnerships with stakeholders to have an informed, integrated, regulated, sustainable, equitable and affordable health system to ensure the availability of high quality service to all population. The Ministry of Health in partnership with stakeholders leads an informed, integrated, regulated, sustainable, equitable and affordable health system to ensure the availability of high quality service to all population. The Ministry plays a major policy making role, promotes health and ensures that resources are used efficiently and effectively for a high standard evidence based care.

In December 2012, ITPO / AICEI Bahrain launched the "Health & Wellness Cluster Program" for Bahrain, in cooperation with the Bahrain Ministry of Health, Ministry of Industry & Commerce, the Supreme Council for Environment, the Supreme Council for Women and the Asian Federation for Fitness and Bodybuilding.

The reason for focusing on developing a Health & Wellness entrepreneurial cluster was the sedentary lifestyle epidemic that was leading to a rise in diabetes in the region - nearly 1 in every 5 Saudis over the age of 30 is diagnosed with diabetes, while 22 out of every 100 Kuwaiti children have been diagnosed as having developed diabetes that is highly correlated with obesity. Obesity in childhood can also cause adult obesity and impact a population's health and self-esteem.



HE Dr. Hassan Fakhro, Ministry of Industry and Commerce officially launching the UNIDO Health and Wellness program for Bahrain (2012)

A shift towards healthy living is a necessity; addressing a growing

obesity amongst youth is crucial, as they become future leaders. Engaging communities for health improvement has proven that individuals become more accountable and inevitably take ownership of their own lives. When it comes to making lifestyle decisions, sustainable enablers are key for successful change.

Studies have shown that good health and happiness among youth go hand in hand. Cultivating happiness cultivates life. Enforcing a positive self-image in a child's psych ensures that the leaders of tomorrow are well-nurtured mentally and physically.

The Health and Wellness Cluster is about introducing the mental shift in lifestyle management through awareness, physical education programs, and risk reducing habits for both children and adults; a comprehensive institute to promote best practices for healthy-living, with clustered facilities that encourage an active lifestyle and prevent onset of disease caused by inactivity and unfavorable health-choices. The center will be one-of-a-kind model and hub that refocuses efforts, and rechannels means for sustaining a healthy lifestyle. The cluster will also play a vital role in promoting investment into Bahrain towards the health and wellness industry, based on the following —

**Vision**: To promote the region as a hub for health and body-wellness by establishing a centre and community that cradles a sustainable lifestyle for stronger communities.

**Mission**: "Create health conscious citizens by providing a platform for lifestyle change, establishing communities that model life-enhancing and healthy living choices."

#### Objectives:

- Increased awareness geared toward local communities on balanced lifestyle options with access to services and products;
- Generate new business opportunities for the creation of health and wellness clusters;
- Sensitize entrepreneurs on themed topics of wellness and the need to improve worker conditions with an approach toward corporate social responsibility and sustainable business models.

#### **Innovative Initiatives and Programs**

#### **Entrepreneurship at Educational Institutions**

Bahrain has a long history in formal education since 1919 for males with the establishment of (alhedaya alkhalifia) school, and in 1929 another school was established for females, making it the oldest public education system in the Arabian peninsula. Bahrain is ranked the 1st among Arab states in the provision of education for all, without any gender discrimination. According to Data from the 2010 census, the literacy rate of Bahrain stands at 94.6%.

The Ministry of Education efforts focus on providing good educational services to all students, developing the educational system in form and content, and that it should cover all categories of learners. The MoE also seeks to upgrade and review this system continuously by conducting internal and external evaluation, to keep pace with the changes our society witnesses and to activate its role in building the Bahraini people's future abilities. This is currently accompanied by the expansion in implementing the initiatives of the National Project to Develop Education and Training to cater our developmental needs.

E-learning, which is being used on a large scale in Bahrain's schools, contributes effectively today to improving schools performance and consolidate communication between the parties involved in the teaching-learning process, mainly in the implementation of schools Improvement Project (SIP) that currently covers 60 schools and will later be generalized in all schools.

All societies around the globe aspire to enroll their siblings into the educational system at the level of schools and colleges/universities with the aim of providing them with an education that would equip them with the right tools, knowledge, skills and values to ensure a prosperous life. Unfortunately, in most developing countries the "prosperous life" tends to mean a secured job whereby the graduate would be a 'job-seeker'.

To shift from a 'job-seeker' society to an entrepreneurial 'job-creator' society, ITPO Bahrain has started working on nurturing the entrepreneurial vision of Bahrain's youth. To do this, ITPO / AICEI Bahrain have embarked on establishing an Entrepreneurship & Innovation Curriculum within Educational Institutions through the development of Entrepreneurship Centers in cooperation with UNESCO. This exposes graduates to the options of entrepreneurship and employment and lets them make the choice.

At the University levels, these Entrepreneurship & Innovation Centers have helped develop teams at the various universities to manage and coordinate the implementation of the curriculum that strengthens awareness about entrepreneurship in students and the community. Through capacity building, counseling, financial linkages and incubation coupled with growth programs, all entrepreneurs involved are supported and coached and this creates a good basis for fostering partnerships even at early stages of the enterprise creation

With the adoption of a package approach that delivers well-structured non-financial services in various fields of the project life cycle, the program is expanding geographically and large groups of new enterprises in various countries are expected to emerge.

There is also effective use of expertise among the University academic circles in the level of SMEs "Enterprise Upgrading". ITPO Bahrain utilizes the wide base of resources, experts and professionals at the University to provide services to existing SMEs. Hence, the University professionals and their students help to troubleshoot some of the issues faced by operating SMEs whether technical, managerial, financial or even operational.

Such partnerships emerging from University level entrepreneurship programs, will lead to exchange of knowledge, best practices and, more importantly, to possible joint business activities and access to markets otherwise unknown. These new and/or expanded business activities will contribute to employment generation, including youth employment, which is a final goal of any Government.

#### Entrepreneurship Center services:

For potential entrepreneurs UNIDO provides "Enterprise Creation" services. Through this Center and its core EDIP facilitation and business counseling, students will be supported in transforming their business ideas.

#### Center Core objectives:

- Develop and roll out the Entrepreneurship & Innovation Curriculum
- To create and develop a culture of entrepreneurship
- To stimulate the creation and expansion of successful business ventures

#### Accordingly, the centers include the following services:

- 1. Assist potential entrepreneurs/students transform their business ideas into existing businesses
- 2. Develop a pool of technical business counselors that would assist potential entrepreneurs expand and attain sustainable growth
- 3. Development of business plan competitions in the various colleges and departments. At a later stage a national competition can be held for all universities.
- 4. Conducting awareness campaigns at the University level as well as the national level, in order to transform our culture from job seekers to job providers.
- 5. Providing services to the private sector for the development and growth of SMEs through technical counselors
- 6. Organizing conferences and specialized technical workshops targeting students and the private sector
- 7. Transferring research from laboratories to the marketplace.

Summary of ITPO Bahrain achievements towards entrepreneurship education:

#### **Bahrain**

In 2004, ITPO Bahrain in cooperation with the curriculum department of the Ministry of Education and UNESCO launched a joint initiative to develop a special school curriculum on "How to start your own Business". By 2006, the curriculum was developed and has since then been taught in all Bahrain public schools for both tracks, vocational and commercial.

Moreover, to ensure effective transfer of the knowledge ITPO Bahrain has conducted capacity building programs for 400 teachers who are in charge of providing the curriculum to the students. The ultimate goal is to instill the spirit of entrepreneurship within students and broaden their horizon and future career choices. In addition the program seeks to making education fun through organizing a business plan competition, thus allowing them to feel and live each stage of developing a business.



In 2011, under the patronage of the Minister of Education the Entrepreneurship Development program in Schools was officially launched and a unit was established in the Ministry of Education. At the University level, ITPO Bahrain has established Entrepreneurship & Innovation Centers at most major universities in Bahrain through the namely: University of Bahrain, Arab Open University, Royal University for Women, Gulf University, AMA University, Ahlia University, Bahrain Training Institute and the Bahrain Institute of Banking and Finance.

To stimulate entrepreneurial vision, ITPO / AICEI Bahrain in cooperation with Ministry of Education and Tamkeen organized a Student Expo under the theme "My Creativity; My Idea; My Project; My Achievement". The expo aimed at stimulating the spirit of entrepreneurship in school students. A total of 600 high school students took part in the event and 100 projects where submitted of which the top three received start-up cash prizes and business counseling support from AICEI.

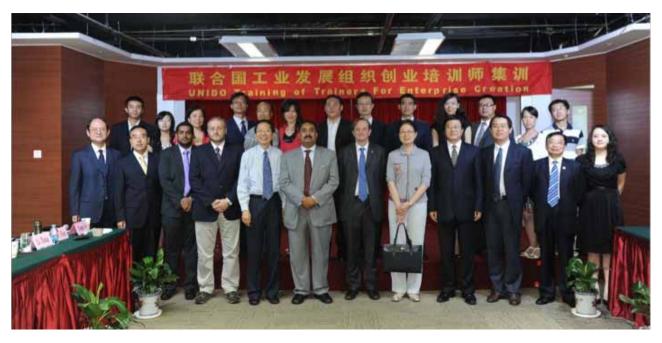
This pioneering Expo has triggered Tamkeen to develop "Mashroo3i Youth Business Awards – My project". Mashroo3i aims at exposing youth to the concept of "entrepreneurship" as a viable path to follow; it also makes them aware of the appropriate steps to be taken to become successful entrepreneurs and the rewards and risks associated during this journey.

#### **Jordan**

In 2005, ITPO Bahrain developed a core team and the action plan for the Princess Sumaya University for Technology, called the "Queen Rania Center for Entrepreneurship".

#### China

In 2009, through ITPO Bahrain's cooperation with the World Eminent Chinese Businessmen Association ITPO Bahrain institutionalized Entrepreneurship & Innovation Curriculum at a number of universities namely People's University of China, Tsinghua University, Capital Normal University and the Shanghai University.



Group photo of the participants of the EDIP Capacity Building Program (Beijing China 2011)

Through these universities, ITPO Bahrain has been able to develop a number of initiatives:

- 1. Developing Entrepreneurship & Innovation Centers
- 2. Implement Entrepreneurship curriculum
- 3. Assist in the creation of a number of start-ups and provide support to existing MSMEs.
- 4. Organize a number of events and workshops to stimulate entrepreneurship awareness
- 5. Proposed to the Tsinghua University the development of an Innovative and Entrepreneurial Talents Incubation Plan
- 6. Organized at the People's University of China for three years in a row, the Entrepreneurs Competition under the theme "Stars that Do Pioneering Work". It is worth noting that the funding and awards of the competition were fully provided by the University.



Official launch of the Enterprise Development and Investment Promotion Program in China

#### Sudan

Through Sudan's Ministry of Education, ITPO Bahrain has developed Entrepreneurship & Innovation Centers at the University of Khartoum, Gezira University, Bahri University, and Omdurman Islamic University.

An exciting outcome was a TV show in 2013, based on a business plan competition, called "Mashroo31" or "My Project" in 2013. As the first opening for Sudanese young entrepreneurs to showcase their business ideas to the public, it attracted 2000 entrepreneurs and students and 25% of these were female. The TV project was conducted through a collaborative partnership with the Universities and in cooperation with the British Council, the British Embassy and the Sudanese Young Businessmen Association.

# **Egypt**

Two Entrepreneurship Centers have already been institutionalized in Alexandria one at the University of Alexandria and the second at the Arab Academy for Science, Technology & Maritime Transport.

# **Promoting Green Economy**

The Kingdom of Bahrain has established many institutions, agencies, and commissions involved in the development programmes, policies, and strategies to achieve sustainability in various dimensions. This includes initiatives and tasks implemented through the Bahrain National Environment Strategy, The Supreme Council for Environment, Environment Protection Decrees and Decisions, The Millennium Development Goals, and others, including the establishing the Regional Office for West Asia, which includes experts who advice on environmental machinery and technical requirements, reviews project proposals, and recommends action by governments and other organizations.

This allowed Bahrain to continuously achieve great progress in the area of sustainable development to protect the environment and natural resources, with focus on the areas energy, water, air quality, biodiversity, land use and desertification, coastal areas, chemical substances, and waste.

ITPO Bahrain in partnership with the Supreme Council for Environment have developed a number of programs and initiatives that contribute towards sustaining the environment.

# **Bahrain International Green Tech-Expo and Forum 2012**

Bahrain International Green Tech-Expo and Forum 2012 was held for the first time under the patronage of His Highness Shaikh Abdulla bin Hamad Al Khalifa, Personal Representative of His Majesty the King, President of the Supreme Council for Environment (SCE), in collaboration with the United Nations Industrial Development Organization (UNIDO).

The EXPO was sponsored by 15 local and international agencies and attended by the Director-General of UNIDO, H.E Dr. Kandeh Yumkella. The Forum offered a platform for discussions on the following topics: Energy efficiency and sustainable development; Promoting investment and transfer of green technology; Waste management; Water management; and Bio Friendly Lifestyle

The findings and recommendations of this Forum provided the base for the themes of the second event, which was held in the Kingdom of Bahrain in January 2015.



HH Shaikh Abdulla bin Hamad Al Khalifa, Personal Representative of His Majesty the King, President of the Supreme Council for Environment together with HE Mr. Kandeh Yumkella, UNIDO Director General inaugurating the BGTE 2012

# The International Forum on Economy and Green Technologies 2015

The International Forum on Economy and Green Technologies 2015 picked up where the EXPO ended and attracted specialists and global experts in the areas of economy and green technologies, who shared and discussed their experiences in this field. The Forum was held during the period 19-21 January 2015, under the patronage of His Highness Shaikh Abdulla bin Hamad Al Khalifa, Personal Representative of His Majesty the King, President of the Supreme Council for Environment (SCE), in collaboration with UNIDO with the attendance of H.E Mr. Li Yong UNIDO Director-General.

The Forum aimed to reinforce Bahrain's vision for sustainable natural resources and the diversification of energy, to include renewable and alternative sources in order to protect the environment. It also aimed to promote relevant themes on economy and green technologies and their role in achieving sustainable development. The Forum covered four technical themes as listed below, where global experts showcased their experience in Renewable and Alternative Sources of Energy; Sustainable Development and Green Economy; Green Lifestyle and Sustainable Consumption; and Solid Waste Management.



HE Mr. Li Yong, UNIDO Director General delivering his opening statement at the International Forum on Economy and Green Technologies 2015



International Forum on Economy and Green Technologies 2015

# E-Waste Awareness Campaign 2015-2016

Under the patronage of HH Shaikh Abdulla bin Hamad Al Khalifa, Personal Representative of His Majesty the King, President of the Supreme Council for Environment (SCE), and in collaboration with Zain Telecom Company, and with the support of ITPO Bahrain, an awareness campaign and a competition were launched to collect e-waste. The campaign aimed to increase the environmental awareness of the students and the public about recycling of electronic waste.

E-waste collection boxes were placed at the premises of the Supreme Council for Environment. As part of the campaign, all government schools in the Kingdom of Bahrain were encouraged to take part in workshops and educational lectures which explained the importance of proper disposal recycling of electronic waste.

More than 45 government schools participated in this competition, and more than three tons of e-waste was collected. Participating schools will be evaluated and those collecting the biggest amount of e-waste by the end of the year will be recognized.

# Specialized Capacity Building Program in Bahrain focusing on Sustainable Energy and Green Industry

With the support of the Supreme Council for Environment a specialized Capacity Building Program in Bahrain focusing on Sustainable Energy and Green Industry was organized in collaboration with ITPO Bahrain, the UNIDO Capacity Building Institute, the University of Bahrain and AICEI. The eight-day regional training program entitled "Green industry: Towards Inclusive Sustainable Development" gathered 30 participants from seventeen countries; Bahrain, Tunisia, Morocco, Lebanon, Jordan, Egypt, Sudan, Zimbabwe, Tanzania, Cape Verde, Nigeria, Cameroon, Ghana, South Africa, Kenya, Senegal and Swaziland. It focused on green technology and financing and how to develop sustainable systems in the region.

The program was designed to provide participants with the opportunity to familiarize themselves with the latest trends in sustainable solutions to further reflect on practical, innovative and cost effective ways to address sustainability problems within industries. The participants collectively worked on concepts and strategies to improve industrial environmental performance and implement the concepts of green industry and sustainable energy solutions within the context of UNIDO's mission.

# Forum on Keys to Sustainable Communities: Global Partnerships for Green Policy, Technology, and Finance 2015

Under the patronage of the Supreme Council for Environment, a forum on the Keys to Sustainable Communities: Global Partnerships for Green Policy, Technology, and Finance, was organized by the American Chamber of Commerce in collaboration with ITPO Bahrain.

The event was led by Mr. Terry Tamminen, author, lecturer and strategic researcher in the field of energy and environment, who participated as a keynote speaker at the event. Government and business leaders also participated to discuss how the private sector can create and lead a strong, clean and climate-resilient economy that will generate new economic benefits and opportunities.

The forum covered the following topics:

- Public sector partnerships
- Best practices in environmental management and development
- The roles of financial institutions and the private sector; and the role of policymakers



Forum on Keys to Sustainable Communities: Global Partnerships for Green Policy, Technology, and Finance 2015

# Bahrain International Conference on the Protection of the Environment 2016

Bahrain International Conference on the Protection of the Environment was held under the patronage of His Highness Shaikh Abdulla bin Hamad Al Khalifa, Personal Representative of His Majesty the King, President of the Supreme Council for Environment (SCE).

The event was organized and coordinated by Dalal Al-Zayed Centre for Training in collaboration with UNIDO. It aimed to address environmental issues in the Kingdom of Bahrain and the Gulf region in general in accordance with the Gulf standards and specifications. In addition, it shed light on environmental conventions and guidelines as well as local legislations related to environmental matters in line with the future.

The conference attracted a number of environmental specialists and legal advisors, who showcased their experiences in this field. The key topics addressed by the conference covered the following:

- International situation and strategy for the environment
- "Gulf Arab" legislations in the field of environmental protection
- Legal protection
- Environmental pollution "Risks, Reflections and Protection"
- Environmental Accountability

# **Selected International Forums and Conferences**

In facilitating the sustainable growth of MSMEs and entrepreneurs in Bahrain, ITPO Bahrain embarked on a major plan to develop joint cooperation and collaboration between Bahraini and foreign counterparts. In doing that, ITPO Bahrain focused its efforts on (1) developing and organizing investment events targeting sector specific areas (2) at the same time facilitating the participation of Bahraini entrepreneurs in major investment forums and trade shows and finally (3) developing industrial investment profiles.

In achieving this, ITPO Bahrain partnered with the Economic Development Board, the Ministry of Industry and Commerce, the Bahrain Chamber of Commerce and Industry and other concerned agencies.

Examples include the Aluminum Business Forum held in the year 2000 in cooperation with the Islamic Development Bank; the Green Economy Week held in February in 2005; The Water Middle East Conference and Exhibition 2003 to 2007; Bahrain International Garden Show from 2003 to date; Animal Production Maraae 2014, Health and Wellness Expo and Forum; The Invest in Bahrain from 2003 to date.



HE Mr. Zayed Al Zayani Minister of Industry, Commerce and Tourism receiving HE Mr. Li Yong and the UNIDO official delegation

# First International Entrepreneurs Investment Forum (IEIF)

Under the patronage of HRH Prince Khalifa bin Salman Al Khalifa, The Prime Minister of Bahrain, the First International Entrepreneurs Investment Forum (IEIF) on "Entrepreneurship and Investment for Inclusive and Sustainable Industrial Development" was officially inaugurated on January 20th 2015 by HH Shaikh Ali bin Khalifa Al Khalifa the Deputy Prime Minister in the presence of HE Mr. Li Yong, the UNIDO Director General and a number of senior officials and dignitaries.

The IEIF forum was organized in cooperation with General Union of Chambers of Commerce, Industry and Agriculture for Arab Countries; the Islamic Development Bank; the Arab Bank for Economic Development in Africa and through the support and sponsorship of the Arab International Center for Entrepreneurship & Investment, Global Entrepreneurship Network, Tamkeen Bahrain, International SME Network (INSME), MENA OECD Investment Center, the Arab Thought Forum, the Federation of GCC Chambers of Commerce, Industry & Agriculture; EU-Africa Chamber of Commerce, the Bahrain Chamber of Commerce, Al Baraka Bank, Bank Al Khartoum, the Bahrain Development Bank, Entrepreneurs Organization-Bahrain Chapter, the Arab Businesswomen Council, and the Bahrain Businesswomen's Society.



HE Mr. Li Yong, UNIDO Director General, with a number of entrepreneurs at the official opening of the International Entrepreneurs Investment Forum held in Bahrain in 2015.

The IEIF forum was attended by 800 entrepreneurs from 80 countries. The forum sessions, with 85 experts and speakers, showcased best practices and highlighted a number of vital topics that are key in the development and success of entrepreneurs and MSMEs namely; Fostering Entrepreneurship Development; Financial Mechanisms for Entrepreneurship Development; Gender Dimensions of Entrepreneurship; Support Institutions for Entrepreneurs -Role of Chambers; Role of business infrastructure (industrial parks and zones); and an entrepreneurs debate entitled "Entrepreneurship Development: Challenges, Opportunities and Recommendations".

As a result of the entrepreneur's debate and the two days of deliberations the "Manama Declaration 2015 on Entrepreneurship for Development" has been derived. The Ministry of Foreign Affairs of Bahrain communicated this declaration to its permanent mission in New York and has requested that it be circulated as a document of the General Assembly within its current 69th session under agenda item 19 "Sustainable Development" under reference A/69/748. It is worth noting that H.E. Mr. Ban Ki Moon, UN Secretary General has sent a special message praising the forum and its drive towards entrepreneurship development.



HE Mr. Li Yong, UNIDO Director General, with a number of entrepreneurs at the official opening of the International Entrepreneurs Investment Forum held in Bahrain in 2015



HE Shaikh Khaled Bin Ahmed Al Khalifa, Minister of Foreign Affairs receiving HE Mr. Li Yong and the UNIDO official delegation

An Entrepreneur 2 Entrepreneur platform was also organized through which 1000 bilateral meetings were held, thus resulting in the signing of 88 letters of intent between entrepreneurs.

A permanent secretariat has been established for IEIF Forum at the UNIDO Arab International Center for Entrepreneurship & Investment in Bahrain in order to review and follow up on the progress moreover, to identify additional areas of cooperation and action to promote investment in entrepreneurship. Ultimately the goal is to organize the IEIF on a yearly base once in Bahrain and once in any country which requests to host it.

As an integral part and in parallel to the IEIF forum the Arab Youth Conference was organized on January 21st 2015 under the patronage of HRH Prince Al Hassan Bin Talal of Jordan, President of the Arab Thought Forum; which was officially inaugurated by HRH Princess Rahma Bint El Hassan of Jordan. The forum was attended by 150 Arab entrepreneurs, think tanks, economic activists and youth development experts from 22 Arab countries.

# Maritime-Continental Silk Road (MCSR)

The Maritime-Continental Silk Road is an ancient network of trade routes that for centuries were central to cultural interaction through regions of the Asian continent connecting the East and West from China to the Mediterranean Sea. These routes played a vital role to promote culture, trade and above all peace and prosperity. Today there is a major effort played primarily by China to reinitiate this route through promoting sustainable development in the countries who make up the route.

# Maritime-Continental Silk Road (MCSR) Cities Alliance

A key tool in bringing alive this trade and cultural partnership is the MCSR, an institutional mechanism aimed at facilitating the coordination of policies, building of partnerships, formulation of initiatives and access to finance, leading to intensified trade, investment and exchange among participating cities.

The MCSR Cities Alliance was established "in the spirit of peaceful partnership, inclusive development, mutual learning, and mutual benefit to further promote exchange, cooperation and build a bright future for the 21st Century Maritime-Continental Silk Road.

In the context of H.E. Mr. Ban Ki Moon, United Nations Secretary General articulation of world leaders' vision for the Post - 2015 Development Agenda, "in many instances, local authorities, including Mayors, are already leading the change for sustainable development,".

The China International Center for Economic & Technical Exchanges (CICETE) officially launched the MCSR Cities Alliance – Business Council on September 11th in Beijing, with the participation of 600 delegates from 38 countries. This program was held in cooperation with the United Nations Industrial Development Organization, the United Nations Development Program, the United Nations Office for South-South Cooperation, United Nations Educational, Scientific & Cultural Organization and the World Tourism Organization.

ITPO Bahrain has been very active in promoting and supporting the MCSR Cities Alliance. We have successfully inducted the Southern Governorate of Bahrain, Platers in Cyprus and the City of Beirut as new members to the Cities Alliance. Currently follow-up is being carried out with the Alexandria, Southern Province of Saudi Arabia, Khartoum in Sudan and Amman in Jordan.

It is worth highlighting that Dr. Hashim Hussein, Head of UNIDO ITPO Bahrain has been appointed as Honorary Advisor to the Cities Alliance, based on his long record and achievements towards economic empowerment.

#### **MCSR Entrepreneurs Alliance**

The countries of the East and West of the traditional Maritime-Continental Silk Road have created strong ties through trade and investment which led to cultural exchange for the people of the countries of the Silk Road over hundreds of years.

Accordingly, revitalizing these economic ties through joint investment and trade facilitation would undoubtedly lead to peaceful partnership, inclusive development, mutual learning and mutual benefit.

It is in this context that ITPO Bahrain and the AICEI organized a panel discussion on the Maritime-Continental Silk Road "Entrepreneurs Alliance" in Xiamen on Tuesday September 8th, 2015. The discussion was organized in cooperation with the China International Center for Economic &



Technical Exchanges, the Fujian Provincial Department of Commerce and the China International Fair for Investment & Trade

The main objective of the panel was to create a platform for entrepreneurs and financial institutions from the countries of the MSCR to deliberate on the challenges, opportunities and recommendations for promoting joint investment opportunities, trade facilitation, partnerships, technology transfer and know how, thus leading to effective economic, innovation and trade cooperation.

The panel was officially inaugurated by HE Mr. Li Yong, UNIDO Director General, together with HE Mr. Zayed AL Zayani, Minister of Industry & Commerce of Bahrain; through which a number of high ranking speakers and entrepreneurs provided their interventions on the means of further developing economic ties between the countries of the MCSR.

The event saw the participation of 180 participants from 20 countries (Bahrain, Saudi Arabia, Lebanon, Tunisia, Jordan, Sudan, Egypt, Morocco, Qatar, Uganda, Kenya, China, Indonesia, Cambodia, Pakistan, Malaysia, India, Turkey, Belgium and Cyprus) who discussed and deliberated on the challenges, opportunities and recommendations for promoting investment and trade facilitation between the countries along the Maritime Silk-Road Countries.

This led to the following recommendations;

- Launch the MCSR Entrepreneurs Alliance Initiative Secretariat in Bahrain.
- Promote investment and trade between entrepreneurs
- Enhance capacity building programs and organize visits between participating countries
- Support in facilitating access to finance
- Support youth and explore their contribution of ideas and energetic output
- Women participation should be enhanced
- Strengthen the economic contribution of MSMEs, youth and women
- Organize annual events and fairs in the participating countries in each region Europe, Africa and Asia with extensive participation of Entrepreneurs, Youth, women and MSMEs.

As a result of the panel the MCSR Entrepreneurs Alliance was formed and it was agreed that its secretariat is to be based at the UNIDO AICEI, Bahrain which will be mandated with developing and implementing programs of cooperation that would mobilize and promote investment and trade between entrepreneurs from the MCSR countries. In addition to organizing events, workshops, conferences and exhibitions to share best practices on enterprise/entrepreneur development, the Alliance also developed as a platform for sharing ideas, knowledge, accessing finance; leading to the strengthening of entrepreneurs and entrepreneurship support institutions in the MCSR Countries.

The MCSR Entrepreneurs Alliance aims at creating a platform for entrepreneurs and financial institutions from the countries of the MSCR to deliberate on the challenges, opportunities and recommendations for promoting joint investment opportunities, trade facilitation, partnerships, technology transfer and know how; thus leading to effective economic, innovation and trade cooperation.

It is worth noting that the "MCSR Entrepreneurs Alliance Initiative" is a founding member of the Business Council and Dr. Hashim Hussein, Head UNIDO ITPO / AICEI Bahrain has been appointed as the Chief Executive for the Secretariat which is being hosted at the UNIDO AICEI in Bahrain.

Currently, the Secretariat is working on compiling and developing a number of initiatives that would actively contribute to economic development within the countries of the Maritime-Continental Silk Road under the Theme Sea Meets the Land.

# Bahrain as Country Guest of Honor 2015 China International Fair for Investment & Trade (CIFIT)

Under the patronage of HRH Prince Khalifa Bin Salman Al Khalifa the Prime Minister of Bahrain, the Kingdom of Bahrain was declared the Country Guest of Honor at the 19th China International Fair for Investment & Trade that was held in Xiamen on September 8th to 11th, 2015. The Bahrain delegation consisted of 127 Bahraini entrepreneurs and 42 entrepreneurs from 18 countries. The pavilion itself hosted 127 Bahraini delegates representing 68 private sector companies, 3 financial institutions, public organizations in addition to a number of officials and dignitaries. At the Fair, UNIDO ITPO Bahrain organized a series of events aimed at promoting investment and trade between entrepreneurs from the countries of the Maritime-Continental Silk Road.

The 1,000 square meter pavilion was jointly organized Through the joint partnership of ITPO Bahrain, the Ministry of Industry & Commerce, the Economic Development Board, Tamkeen and the Chamber of Commerce and Industry. On September 8th, the Bahrain Country Guest of Honor pavilion was officially inaugurated by HE Mr. Zayed Al Zayani, Minister of Industry & Commerce in the presence of HE Mr. Li Yong, UNIDO Director General; H.E. Mr. Su Shulin, Governor of Fujian Province and a number of senior officials from the Kingdom of Bahrain and the People's Republic of China.

#### **Bahrain China Investment Forum**

ITPO Bahrain has played a significant role in promoting the "Bahrain-China Investment Forum" that was held on September 9th which was attended by over 400 investors from Bahrain and China. The forum aimed



Official Inauguration of the Bahrain Country Guest of Honor Pavilion (From Left HE Mr. Zayed Al Zayani, Bahrain Minister of Industry & Commerce; HE Mr. Khaled Al Romahi, Chief Executive of Bahrain Economic Development Board; HE Mr. Li Yong, UNIDO Director General; HE Mr. Su Shulin, Governor of Fujian Province

at showcasing a number of investment opportunities in Bahrain and China in various sectors as information technology, aluminum, tourism, hospitality, banking, retail and manufacturing.



Bahrain Delegation to the Chine International Fair of Investment and Trade

# **Selected Special Innovative Initiatives**

# **Enabling Franchisors to Participate in the Global Economy**

The Middle East & North Africa business climate, with particular significance towards MSMEs, has begun to exhibit signs of maturity and growth in the entrepreneurship sector. This potential, enabled by increasing education and development of entrepreneurs, has led several MSMEs to begin considering Franchising as a way forward towards increased growth (as franchisors).

The MSMEs in this regard are those showing promise, particularly in the areas of financial performance and market share, while enjoying brand appeal. As such, a considerable amount of MSME entrepreneurs have been approached by regional and international companies and entrepreneurs displaying their admiration and interest (as Franchisees) towards such businesses.

# The Franchise Association for the Middle East (FAME)

MSMEs with potentiality for franchising are investigating the franchising spectrum for growth. However, they face limited information on core franchising practices; minimal education on the subject; insufficient preparation on developing their own franchising potential and lack of expertise in developing suitable and beneficial Franchising relationships.

Furthermore, such entrepreneurs tend to lack effective representation through Franchising Associations in their target country, and on a regional level. Such obstacles hinder opportunities for economic growth and international trade.

The above necessitated the launch of the Franchise Association for the Middle East (FAME) in 2012, through the joint efforts of ITPO / AICEI Bahrain and the MENA OECD Investment Center in Bahrain, which provides strong and efficient coordination for franchisors through a network of franchises and similar organizations spreading awareness and coherence to MSMEs. The association involves multiple countries, and aims to empower the franchise spectrum while safeguarding the prime interest of franchisors and franchisees against possible malpractice.

#### Vision:

- To be recognized as the MENA voice of franchising.
- To promote excellence and growth in franchising while serving the interests of members.

#### Major Services / Objectives:

- To create awareness in the area of the importance of franchising as the most appropriate and modern marketing tool of products, services and culture.
- To assist in the creation of franchise associations in the countries of the region compatible with international rules and regulations.
- To provide an infrastructure that optimizes the strategic capacity of members to fulfill the vision and the mission.
- To strengthen FAME's credibility and maximize its influence in order to strengthen the positive perception of franchising.
- To provide arbitration and mediation service to members.
- To ensure financial stability to enable FAME fulfill its designated strategies, goals, and objectives.

#### The Franchise Toolkit

The Franchise Toolkit, a reference guide towards franchising, was unveiled in November 2015 by ITPO / AICEI Bahrain, in co-operation with the Franchise Association for the Middle East (FAME) and through the funding of the Islamic Development Bank. The Toolkit comprises of a comprehensive guide towards the entire spectrum of franchising, and empowers franchising advocates and authorities with the tools and knowledge necessary to counsel existing and potential franchisors of the region. In addition, it paves a clear and systemized path towards developing a business into a franchise and increase its franchising potential.

Toolkit Focus Areas include: Rules of Franchising, Franchise Development, Technical Tools to Run a Franchise, and Animation & Communication of the Franchise Network. The area relevant to entrepreneur capacity building focuses on their development of 8 Franchise Manuals, each covering specific areas of the business that would be presented to the potential franchisees.

# Launching of the Franchise Tool Kit / Bahrain

ITPO Bahrain developed and successfully conducted the Training of Trainers Program "Franchise Tool Kit" in Manama, Bahrain. The capacity building program was held in order to equip the participants on identifying project ideas and the means of converting them into a franchise concept through developing the operational manuals, branding and marketing, while taking into consideration the legal and financial aspects. The program was attended by the Ministry of Industry, Commerce and Tourism, Tamkeen, the Bahrain Development Bank, and private sector consultants. The program consists of best practices and a systematic approach towards counseling and empowering the entrepreneurs related to the franchising spectrum.

#### Launching of the Franchise Tool Kit / Saudi Arabia

Once again ITPO Bahrain, in cooperation with the Islamic Development Bank and the International Entrepreneurs Academy of the Centennial Fund in Saudi Arabia in Riyadh conducted another "Franchise Tool Kit" but this time in Riyadh, Kingdom of Saudi Arabia. The event provided entrepreneurs and participants in general training on how to franchise your business.

# **Selected Special Innovative Initiatives**

#### **2013 United Nations Public Service Forum:**

"Transformative e-Government and Innovation: Creating a Better Future for All"

In line with the 2013 United Nations Public Service Forum held in Bahrain through the joint efforts of the UN System and the E-Government of Bahrain, the ITPO / AICEI Bahrain has requested to develop a special workshop on Entrepreneurship. In line with the UN Resolution number 67/202 on Entrepreneurship for Development, ITPO / AICEI Bahrain organized Workshop 5 under the theme ""Creating an Enabling Environment for Entrepreneurship & Economic Development through Innovation and e-Government".



Opening session Symposium on "Innovation & Entrepreneurship in ICT"

#### The workshop aimed at:

- 1. Sharing best practices on the optimal eco-system that would ensure the smooth creation and growth of entrepreneurial enterprises
- 2. Addressed and presented potential investment opportunities in the area of Green Industry and the Bahrain Cluster of Health & Wellness "Green Lifestyle".
- 3. Deliberated on the role of the various support institutions financial and non-financial service providers and educational institutions in promoting entrepreneurship.
- 4. The entrepreneur's debate was organized with the participation of 120 entrepreneurs from eleven countries namely Armenia, Bahrain, Egypt, Italy, Kenya, Kuwait, Lebanon, Saudi Arabia, Sierra Leone, Sudan and Tunisia. During which they shared their personal experiences and deliberate on the challenges and future role in better shaping national economies and ensuring their contribution in the international value chain.

Based on the two day deliberations and discussions held among the 35 experts and 120 entrepreneurs the Manama Declaration 2013 on "Entrepreneurship & Development" has been derived and submitted through the Bahrain Ministry of Foreign Affairs as a communique to the ongoing debate taking place simultaneously at the UN in New York.

The declaration stipulates the following recommendations:

- 1. In order to better enhance the eco-system for the start-up and growth of entrepreneurs and MSMEs, the participation of Entrepreneurs directly in the process of decision making and policy advocacy has to be facilitated. In addition, financial and non-financial service providers to entrepreneurs have to adopt E-based platforms for rendering their services.
- 2. To further promote investment among entrepreneurs there is a pressing need to develop networks that would foster joint investments and trade facilitation in new innovative sectors namely Green Growth through facilitating investment into Health & Wellness Green Lifestyle and renewable energy business ideas and opportunities.
- 3. Develop and improve the role of support institutions for entrepreneurs in the area of access to finance, marketing, mentoring, business counseling and incubation for the start-up and growth of MSMEs
- 4. Stimulate and unleash the spirit of Entrepreneurship among women and youth; through introducing special educational curriculums at schools, universities, training institutes and NGOs.
- 5. Promote joint investments and collaboration within entrepreneurs. Facilitating technology transfer between technology suppliers and entrepreneurs, through organizing specialized forums, conferences, workshops and exhibitions for sharing best practices and facilitating linkages between local, regional and international organizations.
- 6. Institutionalize innovative marketing access programs (export promotion tools) as franchising, clusters, export development centers, social media market place and export consortia.

# **Partnerships with Local, Regional and International Organizations**

# Tamkeen (Labour Fund)

Since the establishment of the Labour Fund (currently known as Tamkeen) in Bahrain in 2006, Tamkeen was very active in developing a strategic partnership with ITPO / AICEI Bahrain. This partnership was successful as its was built on the basis of the fully aligned mandates of the three organizations which work towards firstly fostering the creation and development of enterprises, and secondly, providing support to enhance the productivity and growth of enterprises and individuals.



Tamkeen's CEO Mr. Mahmood Hashem Al-Kooheji, with UNIDO ITPO Bahrain Head Dr. Hussein, celebrating their strategic partnership

ITPO / AICEI Bahrain and Tamkeen complemented each other in ensuring the start-up and growth of MSMEs in Bahrain whereby AICEI provided the non-financial services to entrepreneurs and MSMEs in Bahrain, Tamkeen played a vital role in offering and developing financial schemes and programs that would support the unleashing of entrepreneurs and ITPO Bahrain contributed by providing the access to international markets and technology sourcing for Bahraini entrepreneurs and MSMEs in order to attain sustainable growth.

In this process, Tamkeen became a major partner in the UNIDO "Enterprise Development & Investment Promotion program" together with the Ministry of Industry & Commerce and the Bahrain Development Bank. In addition to that, Tamkeen became a strong advocate and promoter for the ITPO / AICEI Bahrain programs and initiatives.

This partnership was intensified by ITPO / AICEI Bahrain being an active member of the consultative committee for the shaping and development of Tamkeen's overall strategy.

Summary of the major programs and initiatives jointly developed:

# 1. Bahrain Award for Entrepreneurship

Under the patronage of His Royal Highness Prince Salman bin Hamad Al Khalifa, Crown Prince, First Deputy Prime Minister and Chairman of Bahrain Economic Development Board, the "Bahrain Award for Entrepreneurship" was initially incepted in 2015. ITPO / AICEI Bahrain has been a knowledge advisor and supporter to this prestigious award ever since.

The Bahrain Award for Entrepreneurship celebrates entrepreneurial spirit and inspires innovation across all sectors to highlight the success and outstanding performance of entrepreneurs in Bahrain. The award encourages creativity, supports enterprising ideas and elevates entrepreneurial standards of award winners enabling them to contribute to the economic development in line with the Kingdom's vision.

# 2. "Kun Muntijan" (Be Productive)

ITPO / AICEI Bahrain has been a proactive supporter of the "Kun Muntijan – Be Productive Initiative", since its inception. This initiative comes as an integral part of UNIDO and Tamkeen's efforts to support enterprises/entrepreneurs and provide them with continued growth and development opportunities. The Be Productive initiative represents a series of interactive events, which aim to help micro-enterprises become more aware of the support and solutions, available to them through various support institutions operating in Bahrain, to develop their businesses further.

# 3. Schools Business Plan Competition

Tamkeen, in cooperation with Ministry of Education and ITPO / AICEI Bahrain organized the Student Expo under the theme "My Creativity; My Idea; My Project; My Achievement". The expo, aimed at stimulating the spirit of entrepreneurship in school students and 600 high school students took part in the event. A total of 100 projects were submitted of which the top three received start-up cash prizes and business counseling support from AICEI. This pioneering Expo has triggered Tamkeen to develop "Mashroo3i Youth Business Awards – My project". Mashroo3i aims at exposing youth to the concept of "entrepreneurship" as a viable path to follow. It also makes them aware of the appropriate steps to be taken to become successful entrepreneurs and the rewards and risks associated during this journey.

# 4. Specialized Workshops

Tamkeen, in cooperation with ITPO / AICEI Bahrain launched a series of specialized Entrepreneurship Workshops to encourage entrepreneurship and innovation among Bahrainis, a core objective of AICEI and Tamkeen. The workshops held under the theme "Developing a Strong Brand Identity" and "Product/Service Development" benefitted 62 enterprises and entrepreneurs in Bahrain. Each of the participating enterprises went through a rigorous follow-up and counselling support in order to achieve sustainable growth.

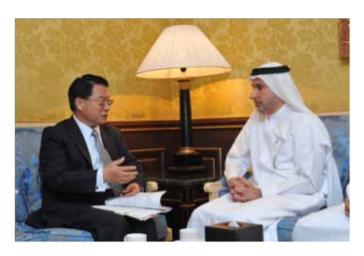


ITPO / AICEI Bahrain Entrepreneurship Workshop, in cooperation with Tamkeen

# World Free Zone Organization (WFZO)

The World Free Zone Organization was officially launched in Dubai in 2014, through the active support of ITPO Bahrain with the ultimate goal of addressing the concept of "Future Free Zones".

UNIDO was one of the first organizations to sign a memorandum of understanding and have recently finalized a comprehensive strategy for Future Free Zones which includes a holistic approach to the development of economic zones thus entailing the stimulation of entrepreneurship and innovation and creating value chains for existing SMEs.



Bilateral Meeting between UNIDO Director General and Chairman of the World Free Zone Organization

# **Intel Corporation**

ITPO Bahrain has been a strong partner of Intel Corporation through the organization of the MENA Intel Business Challenge for the past 8 years. To further enhance the cooperation, UNIDO and Intel signed a memorandum of understanding, in January 2015, towards fostering entrepreneurship and innovation skills among youth in the Middle East and North Africa (MENA) region and at closing the digital gender divide in Africa as well as at fostering economic growth and innovation in the region.



Group Picture for the MENA Intel Business Challenge

The MoU resulted in the co-development of the UNIDO – Intel Virtual Entrepreneurship and Innovation hub that will be officially inaugurated during the UNIDO 50th Anniversary.

The Hub was created to support the development of Micro and Small and Medium Enterprises (MSMEs,) young innovators, and entrepreneurs. Entrepreneurs will be able to access online programs to improve their business skills and to receive business counseling and mentorship. At the same time, they will also be assisted to obtain access to potential financial and technology partners. Furthermore, the Hub aims at becoming an online community for MSMEs and at developing into a global collaborative ecosystem, which is conducive to enterprises through online information and knowledge exchange, including the sharing of best practices.

UNIDO seeks to foster an innovation and entrepreneurship movement for a better future; this strategic initiative will be undertaken in collaboration with governments, mentors, counselors, financial institutions and MSMEs in order to support local talent and to enable the development of knowledge-based economies.

# Arab Bank for Economic Development in Africa (BADEA)

The unique partnership with BADEA has led leads to mutual benefit; ITPO Bahrain has been a strong supporter to the initiatives and programs implemented by BADEA towards the economic empowerment of the private sector, MSMEs and entrepreneurs in Africa.

In 2009 and 2011, BADEA sponsored the implementation of the EDIP modality into Ghana, Kenya, Sierra Leone, Uganda, Tanzania, Zanzibar, Eretria, Ethiopia and Zambia. BADEA was also the main sponsor to the International Entrepreneurs Investment Forum, in 2015.



UNIDO Director General meeting with HE Mr. Yousif Al Bassam, Chairman of BADEA and and HE Mr. Abdulaziz bin Hamad Al-Ageel, Secretary General of Gulf Organization for Industrial Consulting (GOIC)

Currently, and in line with the renewed MoU with BADEA, ITPO Bahrain has recently finalized in cooperation with BADEA a three-year joint program towards the enhancement of the private sector in Africa based on the EDIP Modality. This strong strategic partnership has led BADEA to become one of the main sponsors of the UNIDO 50th Anniversary.



HE Mr. Yousif Al Bassam, Chairman of BADEA and Mr. Li Yong, UNIDO Director General, signing the Memorandum of Understanding

# Islamic Development Bank (IDB)

The ITPO Bahrain - IDB partnership extends back to the year 2003, when a 3-year program was developed to develop the capacities of the IDB staff on "Project preparation and appraisal using COMFAR".

UNIDO played a vital role in the development of IDB Investment & Technical Assistance Program. The objective of ITAP is to unlock the development potential of member countries through a comprehensive and integrated program of foreign investment promotion and technical assistance. It provides advice to member countries on how to improve their investment climate, build the capacity of investment promotion agencies, and identify investment opportunities by organizing events to attract foreign direct investments.

Through ITAP, the IDB supported the Investment Promotion Program for Sudan and Uganda; similarly, is being implemented in Sierra Leone. Recently ITPO Bahrain and ITAP have finalized a three-year joint business plan (2017 – 2019) aimed at developing MSMEs to facilitate investment promotion.

The Agro-preneurs program launched in Bahrain was also developed in cooperation with IDB. Furthermore; the first prototype Agro-Pole was funded through a grant by IDB in Bahrain.



HE Mr. Yoweri Museveni, President of Uganda and HE Shaikh Ebrahim Bin Khalifa Honorary Chairman of AICEI inaugurating the Uganda GCC Investment Forum

ITPO Bahrain has recently been approached by IDB to assist in implementing a 50 million USD "youth employment fund" in Bahrain; hence ITPO Bahrain has been requested to facilitate the non-financial linkages ITPO Bahrain will start providing our support in a number of countries.

# **Kuwait Fund for Development**

In 2013, and after two months of intensive discussions between ITPO Bahrain and the Kuwait Fund for Development, the Kuwait Fund injected US\$50 million in the Bahrain Development Bank (BDB). The loan was awarded to BDB at a competitive rate and of which 2% would utilized in providing non-financial services to potential and existing entrepreneurs through ITPO / AICEI Bahrain.



HRH Prince Khalifa Bin Salman Al Khalifa, Prime Minister of the Kingdom of Bahrain officially inaugurating the Bahrain Business Incubator Center

Through this contribution, the famous Bahrain Business Incubator Center was established and officially inaugurated in April 2003 by HE Prince Khalifa bin Salman Al Khalifa, the Prime Minister of Bahrain.



HE Mr Li Yong, UNIDO Director General visiting the Bahrain Business Incubator Center

# **Confederation of Indian Industry**

In June 2015, the Government of India formally launched the Smart City Mission which aims at creating 100 smart cities in the country over next 5 years with an estimated budget of USD 15 billion. The Smart Cities Mission aims to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions. The focus is on sustainable and inclusive development and the idea is to look at compact areas, create a replicable model which will act like a light house to other aspiring cities. It is meant to set examples that can be replicated both within and outside the Smart City, catalyzing the creation of similar Smart Cities in various regions and parts of the country.

The key core infrastructure elements which the Smart City Proposal will cover, namely water supply, electricity supply, sanitation, including solid waste management, urban mobility and public transport, affordable housing, IT connectivity & digitalization, good governance, especially e-Governance and citizen participation, sustainable environment, safety and security of citizens, particularly women, children, the elderly, and health & education.

The Confederation of Indian Industry a leading economic player in the smart city mission has approached ITPO / AICEI Bahrain to support in the development of the economic aspects of these cities through promoting entrepreneurship and innovation. Accordingly, the first EDIP Center will be officially launched ending 2016 in Andhra Pradesh.

# Manama as the Arab Capital for Innovation & Entrepreneurship

Under the patronage of HE Shaikh Hisham Bin Abdulrahman Al Khalifa, the Governor of Manama, and in the presence of HE Mrs. Samira Ibrahim bin Rajab, State Minister for Information Affairs, ITPO / AICEI Bahrain and the prestigious Arab Thought Forum, headed by HRH Prince El Hassan bin Talal of Jordan have officially launched Manama as the Arab Capital for Innovation & Entrepreneurship for the year 2014. It is worth noting that Manama is the first capital to be named Capital of Entrepreneurship and this initiative will be replicated in another Arab capital on a yearly basis.



Official Announcement naming Manama the Arab Capital for Entrepreneurship & Innovation 2014

The initiative aims at developing and implementing a series of events, forums, workshops and programs that would enhance entrepreneurship culture and expose Arab Youth in the region towards entrepreneurship, innovation and private sector initiatives. Thus, stimulating the spirit of entrepreneurship among youth and facilitating economic diversification; hence, leading to job creation.

# General Union for Arab Chambers of Commerce, Industry and Agriculture (UAC)

The UAC remains a strong partner and supporter of the ITPO / AICEI Bahrain mandate, In light of the successful results achieved by the EDIP Lebanon through the Federation of Lebanese Chambers ITPO / AICEI Bahrain has been requested by the UAC to develop similar Entrepreneurship Support Centers in their 22 member countries and a working arrangement was signed between ITPO / AICEI Bahrain and the UAC to meet that objective.

In 2012, the General Union celebrated their 60th anniversary under the patronage of the Lebanese President and in the presence of the Lebanese Prime



HE Mr. Adnan Kassar, Honorary President General Union of Arab Chambers signing a cooperation agreement with HE Shaikh Ebrahim Bin Khalifa Honorary Chairman of AICEI

Minister, Head of Parliament, Presidents of Arab Chambers, President of the EU Chamber and EU Development Bank. In his inaugural speech the Lebanese President raised the issue of job creation in the Arab region and the need to create millions of jobs and that democracy and equality is ensured only through economic and social growth. He then praised the signed working arrangement between UNIDO-AICEI and the General Union stating that it will serve as the main solution to overcome the issue of unemployment and job creation through entrepreneurship and SME development for the Arab Region.

Through this strategic partnership a number of joint events and programs have been developed and implemented towards the promotion of domestic and foreign investment. One of the main areas of cooperation was the participation and joint submission of a proposal for "Promoting the private sector and youth economic empowerment" at the 2013 Pre-Arab Economic Summit held in Riyadh, Saudi Arabia.

# In Conclusion

The 20 years of ITPO Bahrain have been fruitful for Bahrain, the region, and the globe. Such efforts have been lauded by an Independent Evaluation for ITPO Bahrain (2008) on its success in various measures of development such as the ITPO Bahrain's programs towards entrepreneurship development, access to finance, women empowerment, incubation, etc.

Below are some quotes derived from the Report in ITPO Bahrain\*;

"The EDIP encompasses various components of business skills development, counseling and technology tie-up, financial linkages and incubation and growth programmes. The private sector representatives consulted by the evaluation team find the services of the Office relevant and there is a high demand to participate in the EDIP Programme."

"The Office has also actively promoted EDIP in other countries, within the region and beyond. This has created visibility for UNIDO and enhanced the international and developmental aspects of the Office."

"The Office has achieved its objectives in terms of generating investments, promoting new technology and contributed to a more diversified Bahraini economy. Moreover, the office should be applauded for having successfully promoted women's entrepreneurship and the role of women in economic development. Many projects promoted have been in the field of "clean" technology and can be expected to have positive effects on the environment."

"The ITPO staff members are highly qualified, dynamic and resourceful and this has contributed to the excellent reputation of the Office, within and outside Bahrain."

"The ITPO Bahrain has been able to promote what could be defined as "opportunity entrepreneurship" as opposed to "necessity entrepreneurship" and the EDIP programme shows that entrepreneurs can be unleashed or created. The staff of the ITPO function more or less as business angels and maybe this "tool" should be explored for other UNIDO programmes and projects."

#### **Moving forward**

ITPO Bahrain remains committed to continue with increased momentum and unwavering dedication towards achieving its mandate, and continues to embark on new initiatives while reiterating its firm commitment towards economic development and investment promotion.

It is essential to note that such initiatives are empowered by the Economic Vision and Reform Program of His Majesty King Hamad Bin Isa Al Khalifa, which remains to be the critical success factor towards such initiatives.

# Annex 1 – The Arab International Center for Entrepreneurship & Investment (AICEI)

#### Mission

- 1. Contribute to the economic empowerment of youth and women regionally and internationally.
- 2. Unleash and stimulate the spirit of entrepreneurship through various awareness and support programs for women and youth.
- 3. Assist in developing eco-systems for the development of micro, small & medium enterprises (MSMEs) through capacity building programs, technology transfer, financing and incubation systems.
- 4. Share and disseminate best practices for the development of value added services to entrepreneurs through local support institutions.
- 5. Institutionalize business counseling and mentoring programs aimed at facilitating enterprise growth.
- 6. Developing linkages between financial institutions and entrepreneurship programs.
- 7. The establishment of business incubator systems as they play a key role in the development and growth of MSMEs through a range of services offered.

#### ARCEIT / AICEI Time line:

2001: ARCEIT was established and the Bahrain Model evolved

2003: Inauguration of the Bahrain Business Incubator Center

2005: Working arrangement with the Islamic Development Bank

2006: Working arrangement with the Arab Gulf Program for Development (AGFUND) and the Bahrain Model being labeled as the "Bahrain – Arab Model"

2007: UNIDO 12th General Conference officially adopts the Bahrain-Arab Model as its tool for Investment Promotion & Technology Transfer.

2008: UNIDO Independent evaluation to ITPO / ARCEIT Bahrain Activities, which concluded that the role played by ARCEIT is instrumental in Economic Empowerment and recommended its conversion from a regional into an International Center for Entrepreneurship & Investment.

2009: Bahrain – Arab Model named best developmental program with in the UN agencies

2010: The League of Arab States through its Arab Union for Small Enterprises officially endorse the Bahrain – Arab Model

2012: The General Union of Chambers of Commerce, Industry & Agriculture for Arab Countries endorses the Bahrain – Arab Model and its implementation in 22-member country Chambers.

2013: Arab Regional Center for Entrepreneurship & Investment Training is transformed into the Arab International Center for Entrepreneurship & Investment

Currently, the UNIDO Arab International Center for Entrepreneurship & Investment Training since its inception in 2001 has developed the capacities of 3500 experts from 46 countries and supported millions around the world. The EDIP modality is currently implemented in 48 countries as follows:

- African continent the model has been developed in Sierra Leone, Gambia, Zanzibar, Tanzania, Eretria, Ethiopia, Ghana, Kenya, Uganda, Mozambique, Guinea and Liberia
- Latin America, the Model has also been developed in Uruguay
- Asian continent, Turkey, Pakistan, Brunei, Kazakhstan, Azerbaijan, Turkmenistan, Laos, Afghanistan, Bangladesh and Malaysia. The Model didn't stop in the Asian continent it was also replicated in China through eleven centers in major economic cities and providing services in 300 cities. In the case of India, ITPO Bahrain is currently in the process of developing 10 EDIP Centers in 10 States as part of the India Smart City Initiative.
- Gulf region, the model was also developed in Kuwait, Oman, the United Arab Emirates and the Kingdom of Saudi Arabia.
- Middle East and North Africa region, it is implemented in Lebanon, Syria, Jordan, Tunisia, Yemen, Sudan, Iraq, Egypt, Palestine and Morocco.
- Europe: Cyprus



Global Outreach of the Enterprise Development & Investment Promotion Program

This overwhelming success has led the AICEI to establish partnerships with a number of regional and international partners namely the Islamic Development Bank, the Kuwait fund for Development, the Arab Fund, the Saudi Fund for Development, the Abu Dhabi Fund, the Arab Bank for Economic Development in Africa, the Gulf Program for Development, the Kuwait Finance House, and the Italian Cooperation for Development.

# Annex 2 - Enterprise Development & Investment Promotion Program (EDIP)

The EDIP is a package approach aimed at developing the capacities of potential entrepreneurs in order to boost their capabilities and assist them in developing their own private businesses. The process is based on an approach that deals with building entrepreneurial capabilities in addition to enterprise planning, implementation and management.

The EDIP is multifaceted in the sense that it need not only assist in developing start-up entrepreneurs (Enterprise Creation Program) but rather represents a major mechanism for upgrading and expanding existing enterprises (Enterprise Growth Program). Through the provision of value added services, tools and programs to potential entrepreneurs. Moreover; it facilitates and promotes domestic investment which undoubtedly leads to the attraction of foreign direct investments mainly through the linkage with the UNIDO ITPO Network, thus leading to job creation and a more diversified economy. Further to the above the EDIP has evolved into a practical well-structured Incubation System.

However; it is worth noting that Incubators as a stand-alone entity will not be successful unless it is coupled with pre-incubation added value services that would ensure the smooth development of the potential entrepreneur from the idea generation to the stage where the entrepreneur will be incubated regardless whether it is virtual or in-wall incubation.

The EDIP consists for five steps:

- A. Pre-Incubation encompassing
- 1. Preparation & Empowerment
- 2. Business Counseling & Technology Tie-up leading to full-fledged joint ventures
- 3. Financial linkages
- B. Incubation (In-Wall and Virtual)
- C. Post Incubation and Growth programs

# A. Enterprise Creation Program

The Entrepreneurship Development process is based on a theory or belief, well -grounded on historical experience that entrepreneurs are not only born but can also be trained and developed. It is of course recognized that all individuals do not possess entrepreneurial traits-desire to do something new and unconventional in a specific context, to be on one's own by starting one's own business and thus to climb the social ladder-" but some do have such traits irrespective of socioeconomic class to which they belong.

Hence, the program designed is into four steps and is aimed at helping potential entrepreneurs/investors translate their ideas into commercial ventures in the manufacturing and service sectors.

**Enterprise Development & Investment Promotion Program** 

# Post Incubation & Growth Counseling / Inchoolings Top up to No. Proparation & Innovement Prop Incubation Prop Incubation

# Pre - Incubation 1st STEP - Preparation & Empowerment

With the ultimate objective of assisting the potential entrepreneurs/investors to set up their own enterprises, the business skills development has been designed to cover the following:

- Setting up an enterprise: Rules, procedures and formalities, whom to contact for what, nature and extent of assistance available from various institutions
- Business Opportunity Identification: How to identify business opportunities, how to screen them, how to firm up a business idea for further exploration.
- Market Assessment: How to assess the market potential, guidance in carrying out field work for market assessment for the proposed product/service
- Entrepreneurial Competencies
- Business Plan: Skills in preparing a Business Plan and assistance in finalizing it
- · Essentials of managing an enterprise
- Inputs on how to implement a project/enterprise

The organization of a business plan competition has been added to step one which represents a major component for assessing the effectiveness of the program and whether the potential entrepreneurs/investors were able to acquire the needed skills and competencies.

# 2nd STEP - Counseling & Technology Tie-up possibly leading to a full-fledged Joint Venture

Subsequent to the preparation & empowerment step, a vigorous follow-up mechanism to provide business counseling with the ultimate objective of facilitating project implementation. Developed entrepreneurs/investors are helped in finalizing their business ideas and in obtaining necessary information and preparing their business plans/investment profiles as per UNIDO methodology. A very crucial component is provided to entrepreneurs, enabling them sourcing technology tie-ups which could also lead to the development of full-fledged partnerships; which is carried out through the UNIDO-ITPO/IPU Network. In addition to that administrative support on legal and licensing issues are facilitated through the respective government entities.

It may be noted that the nature and extent of business counseling services depend on the needs of respective entrepreneurs. The counseling & technology tie-up step is a lengthy relationship between the counselor and the entrepreneur/investor. It may generally include the following activities:

- Business opportunity identification, analysis and finalization
- Market research Collection, analysis and compilation of relevant data
- Identification and sourcing information on appropriate technology, machinery/equipment, and raw materials etc.
- Facilitating technology tie ups which could lead to the establishment of joint venture collaborations (annex 2)
- Business plan preparation
- Completing legal documentation and seeking necessary registrations/licenses/clearances
- Finalizing project implementation plan

# **3rd STEP - Financial Linkages**

The service linked next to the business counseling is facilitating project linkage to the financial scheme.

Appropriate financial linkages are identified based on the project requirements and entrepreneurs' investment capacity.

Entrepreneurs/Investors are advised and guided to completing the required formalities for seeking loan support from the relevant financial institutions. At this stage need based advice and support is also provided by the financial counselors. The business counselor acts as a link between the entrepreneur, the financial counselor and the financial institution in order to facilitate the process and ensure project's linkage with the financial scheme.

# Incubation 4th STEP – Virtual & In-wall Incubation

Incubation takes two forms either virtual or in-wall. Virtual incubation there need not be established at a specific incubator but rather establish their businesses in any location and would revert to us on a need basis. As for in-wall incubated entrepreneurs these are directed towards those businesses that require constant follow-up and longer periods in reaching breaking even.

With all the essential resources for the project tied up the entrepreneur is guided through the project implementation plan, formulated during the counseling phase (Step 2). Essential linkages are facilitated with institutions dealing in services related to entrepreneurs needs. A lot of capacity building is provided throughout the program in terms of technical, marketing access and linkages; continuous follow-up with institutions delivering administrative services. Day to day follow-up with entrepreneurs on different issues is provided to sustain their smooth growth. Need based guidance and support is extended for procurement, installation and commissioning of the project machinery and equipment as well as for procuring the raw materials and other utilities. Business counselors in association with the financial counselors closely monitor the project implementation process and guide the project to become operational.

Tailor made business advisory as well as training interventions are brought in to ensure project survival at crucial stages of initial operation and to facilitate growth in the subsequent period of project operation.

# Post Incubation

#### B. Enterprise Growth Program

The Enterprise Growth program through EDIP is intended to bring about tangible results in the quickest possible time frame to enterprises which have growth potential, but are faced with problems related to competitiveness and productivity. The focus of the program is on assessing the problems faced by the existing enterprises and finding solutions for enhancing their competitiveness through enterprise upgrading.

- Develop a common understanding among all the parties involved (cluster actors/enterprises) and identify the challenges faced by the enterprise.
- Carrying out diagnostic studies for the selected enterprises with a view to identify the critical
  problems they face and to propose remedial actions. The diagnosis covers each aspect of the
  operation of the enterprise, including management, energy utilization, environment, market,
  quality, technology and equipment. This in turn should lead to the preparation of a preliminary
  enterprise-upgrading plan.

- Provide direct assistance and support to implement the upgrading plans for the selected enterprises. (In some cases, the plans are implemented with local inputs alone).
- Those upgrading plans, which require foreign inputs in terms of technology, strategic alliances, joint venture, market access, etc. are promoted through UNIDO ITPO network in order to identify foreign partners and technology suppliers.

Services offered can be but not limited to the following:

# **Technical Support/Administrative**

- Access to information and data / Developing growth business plans
- Business Counseling, Co-entrepreneurship & Angels Program
- Technology upgrading: Raw materials sourcing , sourcing of technology
- Quality management & upgrading to ensure adherence to international markets
- Legal support

Access to new Markets: through Franchising, Clusters, export consortia and subcontracting exchanges Financial Support: Medium to large financing, Seed capital and Equity & Venture Capital Funds Infrastructure: Sector specific Incubators; Technology Parks; Research & development facilities

# References

UNIDO – United Nations Industrial Development Organization

ITPO - Investment & Technology Promotion Office(s)

ITPO Bahrain – The UNIDO ITPO Office in Bahrain

ARCEIT - Arab Regional Center for Entrepreneurship & Investment Training, Bahrain

AICEI - Arab International Center for Entrepreneurship & Investment, Bahrain

BDB - Bahrain Development Bank

ESCWA - United Nations Economic and Social Commission for Western Asia

IDB - Islamic Development Bank

AGFUND - Arab Gulf program for Development

BADEA - Arab Bank for Economic Development in Africa

EDIP – Enterprise Development and Investment Promotion Programme

SCW - Supreme Council for Women, Kingdom of Bahrain

SCE - Supreme Council for Environment, Kingdom of Bahrain

IEIF - International Entrepreneurs Investment Forum





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