



International
Trade
Centre

EXPORT IMPACT
FOR GOOD

Facilitating SME Access to Finance for Trade

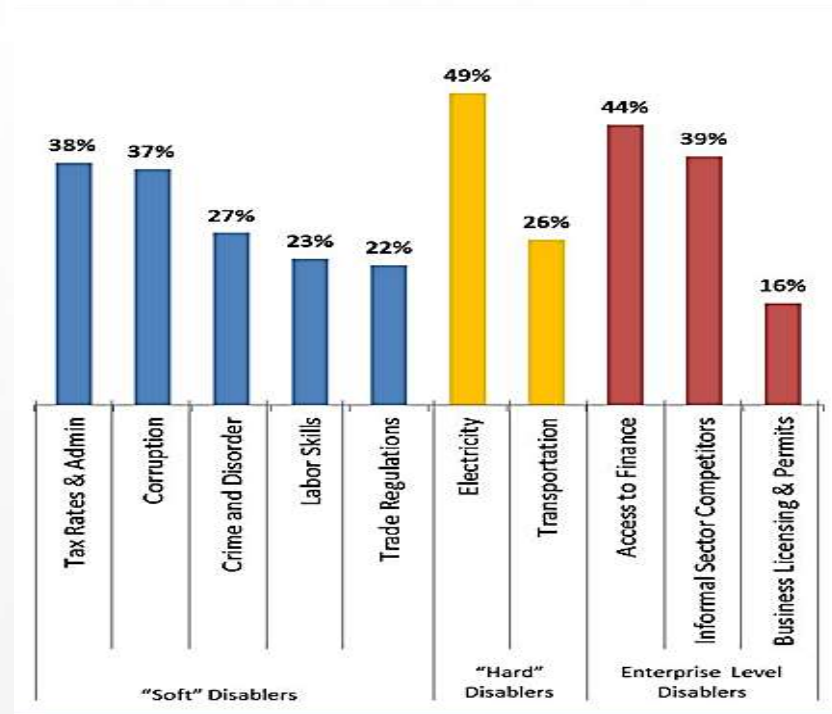


**Torek Farhadi, Senior Adviser, Access to Finance for SMEs
Second meeting of the COMCEC Trade Working Group
Ankara, Turkey (October 2013)**



Constraints to Accessing financing

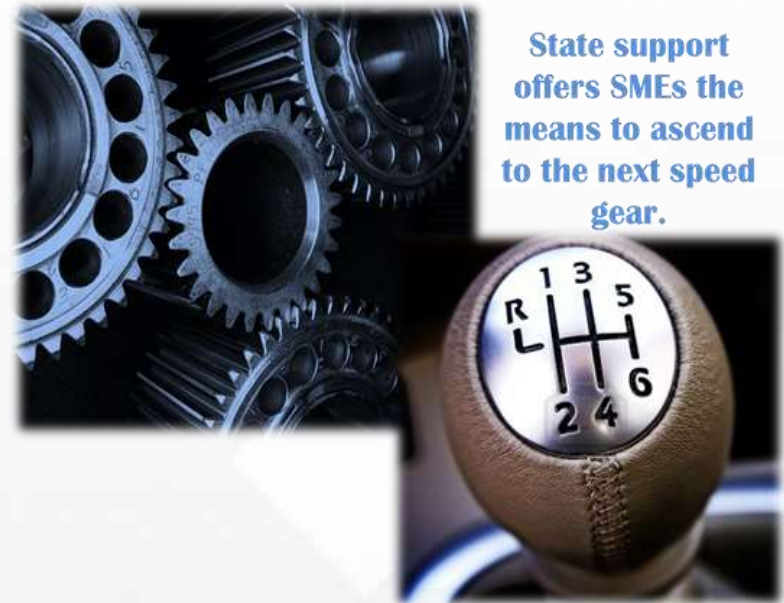
Despite efforts of different actors, access to finance remains as one of the top constraints to SME growth in almost all developing countries. A recent IFC study places SMEs' financing gap in developing countries at \$2 trillion.



World Bank 2012 Global Enterprise Survey

State Driven Best Practices Facilitating SME Access to Finance (1)

- Venture Capital Financing (Canada);
- Bridging the Skill Gap programmes (Canada);
- Drawing SMEs into service Networks (Finance, Trade Facilitation, Legal advice);
- Special equity Funds for High tech start-ups;
- Risk sharing with partner institutions (Enterprise Europe Network-Access to Finance);
- Early stage financing (German 'SartGeld' Programme);
- Green initiative (support for energy efficiency projects);



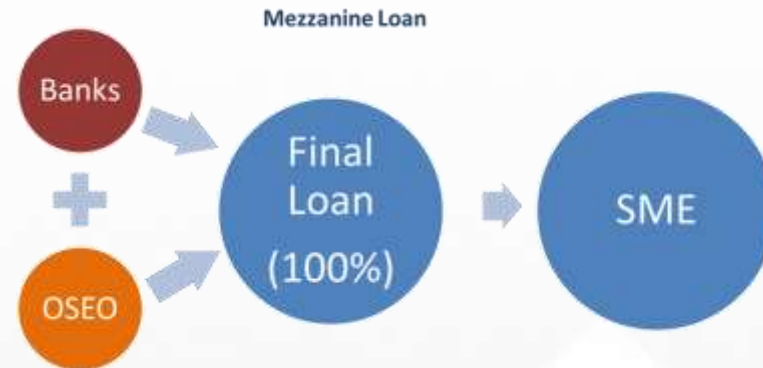
State Driven Best Practices Facilitating SME Access to Finance (2)

- Growth Accelerators, including access to finance and investors and Management advice (UK) and Start –up loan programmes;
- Seed Enterprise Investment Scheme (UK). The programme helps small early stage companies raise equity financing;
- State support to SMEs through non-financial entities (State owned companies, Regions, Governorates) (France);
- State support through banks to SMEs (France);
- Plant and Equipment leasing programmes.



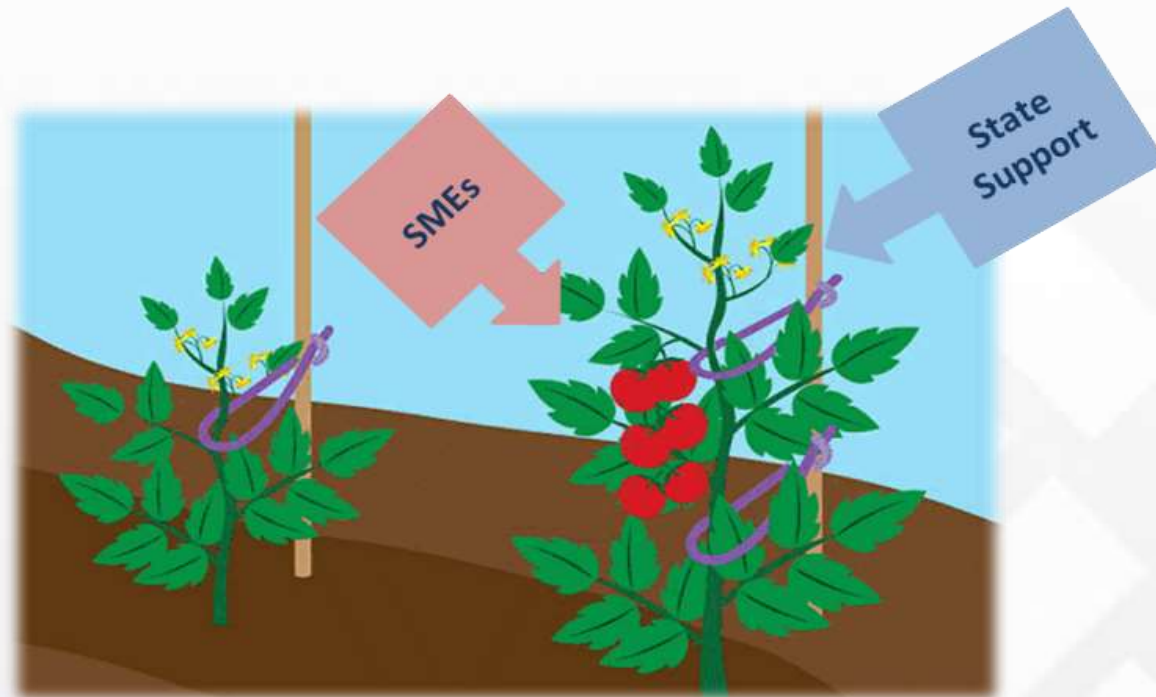
State Driven Best Practices Facilitating SME Access to Finance (3)

- Mezzanine Equity Loan programmes (Oséo, France);
- Guarantee Programmes (France): The success of the Credit Guarantee Fund is due to many factors, including:
 - A strong regulatory and supervisory system;
 - An intensive publicity and promotional campaign launched by the government to explain the utility of the programme. Additionally, training programmes were provided to commercial banks to acclimate them with the Guarantee fund and its policies



State Driven Best Practices Facilitating SME Access to Finance (4)

- Research and Development Tax Credits;
- TEB SME Academy (Turkey).



For further information:

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