

REFERENCE **ACP/85/031/031**
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NOTE VERBALE

The Secretariat of the African Caribbean and Pacific Group of States presents its compliments to the ACP Embassies and Missions and has the honour to inform them that the Second High Level Workshop on enhancing SMEs financing in ACP, is scheduled to take place from 13 – 14 October 2011, at ACP House, Brussels. The tentative programme of the proposed event is herewith annexed

The main objective of this meeting is to pursue our ongoing discussion on SME financing, in particular on SME access to finance under the EIB Managed Investment Facility. It would be recalled that BizClim has commissioned a study on behalf of the ACP Secretariat, on this specific issue. The preliminary results of this study will be presented and discussed during the Workshop.

In addition the workshop will also provide opportunity for reflecting on wider strategic issues, pertaining to private sector development in the ACP, *inter alia* the leveraging of capacity of ACP regional Banks in making use of resources availed by the EU to promote ACP development and explore how they can serve as instruments in replicating the Asian and the Latin American miracles in ACP countries and regions

As a follow up to the First Workshop held on 15 July 2011, in the ACP House, the October meeting will bring together High-level Executives of Regional Economic Communities, Presidents and High level Executives from Regional Banks, CEOs and Executives of Banks and of industrial and financial holdings operating in the ACP, etc, to assist the ACP Group in its reflection process on the above mentioned issues.

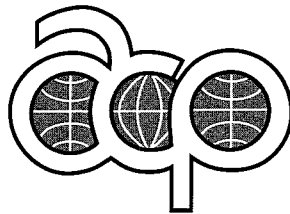
The Secretariat of the African Caribbean and Pacific Group of States avails itself of this opportunity to renew to ACP Embassies and Missions, the assurance of its highest consideration. 

Brussels, 5 October 2011



All ACP Embassies and Missions

Groupe des Etats d'Afrique
des Caraïbes et du Pacifique
(Groupe ACP)



African, Caribbean and
Pacific Group of States
(ACP Group)

REFERENCE **ACP/85/034/11**
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Brussels, 5 October 2011

**2nd High-level Meeting on SME financing
Concept Note**

The ACP Secretariat will hold a second **two-Day High-level Meeting on October 13-14, 2001 at the ACP House in Brussels**, as part of reflection on ways and means of improving SME financing and the impact of the Investment Facility on SMEs. The main objective of this meeting is to pursue the ACP Secretariat's ongoing discussion on SME financing, in particular on SME access to finance under the EIB Managed Investment Facility.

As a follow up to the First Workshop held on 15 July 2011, where a study on SME financing was launched, the October meeting will aim more specifically at discussing the preliminary findings of this study.

In addition the workshop will also provide opportunity for reflecting on wider strategic issues, pertaining to private sector development in the ACP, inter alia the leveraging of capacity of ACP regional Banks in making use of resources availed by the EU to promote ACP development and explore how they can serve as instruments in replicating the Asian and the Latin American miracles in ACP countries and regions.

The October meeting will bring together High-level Executives of Regional Economic Communities, Presidents and High level Executives from Regional Banks, CEOs and Executives of Banks and of industrial and financial holdings operating in the ACP, etc.

Background

It would be recalled that BizClim has commissioned a study on behalf of the ACP Secretariat on SME financing in accordance with the mandate given to the Committee of Ambassadors "to undertake a study on the operation, scope and access to the Investment Facility, in the context of the discussion on the next Multi-Annual Financial Framework, which will succeed the 10th EDF". The study is supported by BizClim, with the specific key objective of reviewing the options for increased cooperation with key stakeholders, including regional financial institutions and other organisations.

In context of the study, a first High-level Meeting took place on July 15, 2011 to provide guidance and inputs to the study. Its summary of proceedings are available on <http://www.smefinancing.eu>. During the meeting, the ACP Secretariat presented the rationale for the establishment of an ACP Trade & Investment Bank. The ACP Secretariat was mandated by Decision of the ACP Council of Ministers of 30 May 2011 to prepare recommendations for the establishment of this bank. Following the meeting, an Advisory Committee was established to review work in progress.

The study covers the mapping out of available financing instruments and needs and exploring ways for improving access to finance by Small States and SMES. To this effect, a team of consultants has carried out extensive consultations with the EIB and field investigations in 4 countries (Ghana, Togo, Dominican Republic and Grenade).

The Agenda for the 2nd High-level Meeting

The preliminary results of the study on SME financing will be presented and discussed during the upcoming October Workshop. The morning of first day of the meeting, October 13th, will discuss in plenary the preliminary findings of the team of Experts, centred on key conclusions and recommendations of significant relevance to enhancing SME financing and improving the outreach of the Invest Facility to SMEs and Small States. In the afternoon, the Consultants, key Experts and members of the Advisory Committee will convene to deepen the reflection on SME financing and articulate specific result-oriented recommendations for discussion on next day, the 14th.

On October the 14th, the meeting will reconvene in plenary to receive presentations on and further discuss the following issues, with the objective on providing additional inputs into the study:

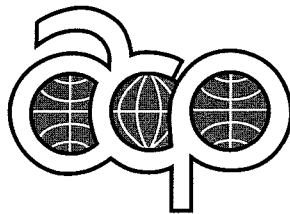
1. Establishment of an ACP Trade & Investment Bank
2. The Asian experience in SME Financing and lessons for ACP countries.
3. Social entrepreneurship and SME financing
4. Best practice and success stories in SME financing
5. Mapping out available financing instruments and needs
6. Study on SME financing: wrap-up and key actions needed to ensure effective use of the study results and recommendations.

The plenary session is also expected to consider a contribution prepared the Advisory Committee, following the proceedings of the first day, and suggest the way forward.

About the Investment Facility (IF)

The European Investment Bank ("EIB") is entrusted with the management of the Facility, endowed with €3,185.5 million risk-bearing revolving fund geared to fostering private sector investment in ACP countries; as well as of grants for the financing of interest rate subsidies worth 400 million, of which up to EUR 40 million can be used to fund project-related technical assistance. The projects are financed in the ACP regions with a broad range of flexible risk-bearing instruments to support projects that deliver sustainable economic, social and environmental benefits.

Groupe des Etats d'Afrique
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Brussels, 5 October 2011

Draft Programme

2nd High-level Meeting on SME Financing in ACP Countries
Brussels, October 13-14, 2011

October 13, 2011

08:30 – 09:00	<i>Registration</i>
09:00 – 09:05	<i>Welcoming address</i>
09:05 – 09:20	<i>Opening speech</i> H.E. Mohamed Ibn Chambas, Secretary General
09:20 – 11:00	<i>Preliminary findings of the study on Enhancing SME financing in ACP countries</i> IDC Consultants <i>Q&As</i>
11:00 – 12:00	<i>Feed-back from the Advisory Committee and selected key Experts on the relevance of study findings for SME financing and improving the outreach of the Investment Facility to SMEs and Small States</i> Advisory Committee members
11:30 – 13:00	<i>Summary of morning discussions and highlights</i> IDC Consultants
13:00 – 14:30	<i>Lunch break</i>
14:30 – 16:30	<i>Experts Meeting to deepen reflection on SME financing and articulating specific recommendations for achieving key results</i>
16:30 – 16:45	<i>Coffee break</i>
16:45 – 17:45	<i>Conclusions & recommendation to be tabled for plenary discussions on next day</i>
17:45 – 18:00	<i>Wrap-up</i>

Note: Participation in afternoon session is reserved for IDC Consultants, Advisory Committee members and selected key Experts.

October 14, 2011

09:00 – 09:05	<i>Outline of day's proceedings</i>
09:05 – 10:00	<i>Presentation on Social Entrepreneurship and best practice in SME financing</i> <i>Q&As</i>
10:00 – 11:00	<i>Presentation on the Asian and Latin experience in SME Financing and lessons for ACP countries</i> <i>Q&As</i>
11:00 – 12:15	<i>Presentation on the establishment of an ACP Trade & Investment Bank</i> <i>ACP Secretariat</i> <i>Q&As</i>
12:15 – 13:00	<i>Lessons learnt for integration in the study on SME financing: Plenary discussions</i>
13:00 – 14:30	<i>Lunch break</i>
14:30 – 15:30	<i>Mapping out available financing instruments and needs: final Gap assessment and highlighting of useful solutions</i> <i>IDC Consultants</i>
15:30 – 17:30	<i>Wrap-up and key actions needed to ensure effective use of the study results and recommendations on the way forward: plenary discussions</i>
17:30 – 18:00	<i>Concluding Remarks</i>
18:00 – 19:30	<i>Cocktail</i>