

# PPP model can promote SME development

## The Peninsula

**DOHA:** The contribution of Small and Mid-sized Enterprises (SMEs) to Qatari economy has reached 16 percent, and there is a big room to enhance its share to the country's GDP significantly by providing them needful support through various state-backed initiatives, including entrepreneurship education and training, said a top official of Doha Bank recently.

"In Saudi Arabia SMEs contribute around 33 percent to GDP. In the UAE, SMEs contribute to over 60 percent.

The contribution of SMEs to Qatar economy reached 16 percent. In the GCC, entrepreneurship and small business management education are very limited. There are very few graduate and concentration programmes in this area," Dr R Seetharaman, CEO of Doha Bank noted during a panel discussion at the recently concluded '3rd Entrepreneurship in Economic Development Forum'.

Dr Seetharaman, while speaking on a topic "Government intervention with SMEs and entrepreneurs", added: "GCC face the challenge of SME development on account of lack of entrepreneurship education.

Government initiatives should be designed to encourage startups to boost the growth of SMEs and must emphasise the importance of management development. Increasing the managerial qualities of the SMEs' human resources will lead to building trust between SMEs and their stakeholders."

The Doha Bank CEO also gave insight on measures taken by GCC Governments. He said: "The Saudi Arabian General Investment Authority is supporting SMEs with incubator programmes, which will focus on innovation. The UAE government has given thrust to the SME sector through

the Khalifa Fund in Abu Dhabi and Dubai's SME programmes, which are aimed at developing small businesses."

He highlighted that the government in Qatar is also playing a very significant role in supporting and promoting SMEs by way of mandating institutions such as QDB and through them launching a specialised credit guarantee programme under their indirect lending programme, called 'Al Dhameen', which encourages commercial banks in Qatar to lend financial support to Qatari SME by way of guaranteeing 75-85 percent of the principal outstanding to new as well as existing entities.



Dr. Seetharaman, CEO of Doha Bank, at the meet.