



Training Program on Entrepreneurship for MSMEs Leaders – Finance **Cairo, Egypt 17th - 18th September 2024**

The Training Program on Entrepreneurship for MSMEs Leaders – Finance was organized by the ICCIA Training Academy - Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) in collaboration with the Perez Gurrero Trust Funds for South-South Cooperation (PGTF) and the Federation of Egyptian Chambers of Commerce (FEDCOC). The event was held in FEDCOC premises in Cairo, Egypt on the 17th and 18th of September 2024.

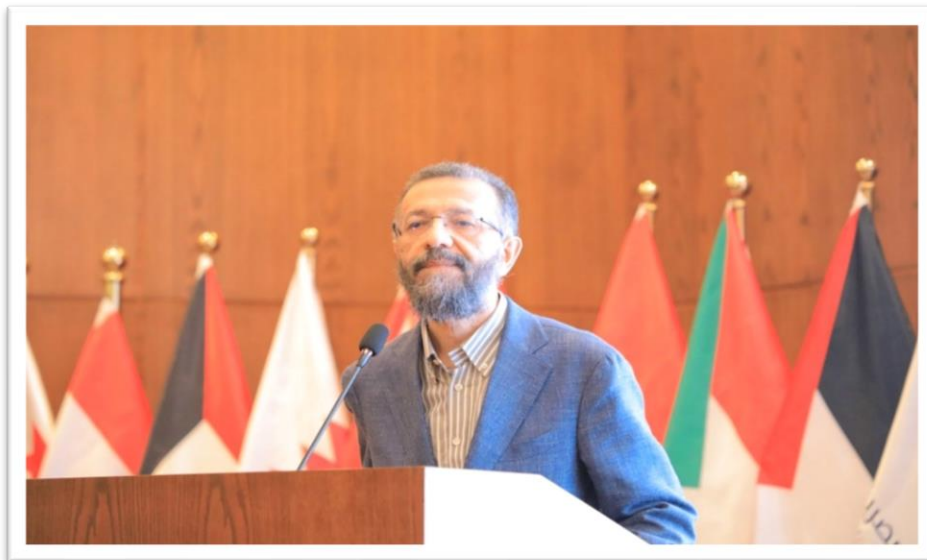
The training was attended by more than 30 participants from 10 countries, namely: Bahrain, Djibouti, Jordan, Mauritania, Oman, Palestine, Senegal, Somalia, UAE and Egypt. The attendees included Entrepreneurs, MSMEs, representatives from Chambers of Commerce, and members from the public and private sectors.

The objective of the training was to equip entrepreneurs with the knowledge and skills necessary to effectively manage their financial resources, make informed financial decisions, and secure the funding needed to grow their business.

Following is a brief overview of the different sessions of the training and key takeaways for ICCIA's potential future collaborations:

Opening Ceremony

The opening ceremony happened at 10:00 am on 17th September 2024, at FEDCOC Premises Cairo, Egypt. Dignitaries, Excellencies, and other important personalities were invited to attend the opening ceremony of the Entrepreneurship for MSMEs Leaders – Finance Training program. During the opening ceremony, a welcome note was presented by the Secretary General of the Islamic Chamber of Commerce, Industry & Agriculture “Mr. Yousef Hasan Khalawi”.



A brief talk was presented by Dr. Hazem Wagdy (Head of Central LGs). Dr. Hazem spoke about the core objectives of the training and the significance of finance in entrepreneurship in strengthening the economies of African and Arab countries.

Session I: Financial management and its significance for organizations and businesses

The session was conducted by Dr. Hazem Wagdy, Head of Central LGs, during this session following major aspects were discussed:

1. The difference between accounting and finance.
2. What is meant by financial management?
3. Functions of financial management.
4. Sources of funding for startups.

This session was about 90 minutes long, and the basic objective was to build up a baseline understanding of all the participants for further sessions which are purely designed on the principles of finance.

During this session, each participant was given the floor to briefly introduce themselves and discuss the dynamics of financial challenges in their organizations/countries.

For the baseline concepts alignment examples from finance mature organizations in different sectors were discussed such as financial planning, financial oversight, Make financial decisions.

The most motivating part was that there was very active participation from the audience in the form of questions and discussions. Participants from the Senegal Chamber of Commerce acknowledged the significance of the financial management, but also talked about the importance of financial decisions and how it will impact the business decisions.



Session II: The framework of efficient financial management

The session was also conducted by Dr. Hazem Wagdy, Head of Central LGs, during this session following major aspects were discussed:

1. Financial management jobs.
2. Financial management objectives.
 - a. Providing cash liquidity
 - b. Realization of return for shareholder investors
 - c. Profit goal.
3. Financial management in small businesses
4. Financial management in medium-sized companies
5. Financial management in large-sized companies.

This session was about 120 minutes long and this session discussed Financial management jobs cover a broad spectrum of roles essential for the efficient handling of an organization's financial affairs. These roles include financial analysts, finance managers, risk managers, and chief financial officers, each playing a vital part in ensuring the effective management of financial resources within the company.

In parallel, the objectives of financial management are multifaceted. They involve providing cash liquidity to meet operational requirements, realizing returns for shareholder investors through prudent investment strategies, and attaining profit goals to sustain and enhance the business in the long term. These pivotal objectives serve as the cornerstone for strategic financial decision-making and planning across companies of varying sizes.

Some focused discussion during this session was also done explore the evolving roles within financial management. How has technology (e.g., AI, automation) reshaped the responsibilities of traditional roles like financial controllers or analysts? Discuss the increasing demand for risk management and compliance officers as regulations grow more complex. Towards the end of this session, representatives from Bahrain can share insights into how financial management practices are evolving within the region, especially in the context of Bahrain's growing business landscape.

Session III: Various Types of financial management reports.

The session was conducted by Dr. Hazem Wagdy, Head of Central LGs, during this session following major aspects were discussed:

1. Income Statement (Profit and Loss Statement)
2. Balance Sheet
3. Cash Flow Statement
4. Statement of Changes in Equity (Statement of Retained Earnings)
5. Notes to the Financial Statements
6. Comprehensive Income Statement
7. Trial Balance
8. Segment Reporting
9. Management Discussion and Analysis (MD&A)
10. Budget vs. Actual Statements

This session was about 120 minutes long and During discussions on financial statements, various key aspects are typically covered. The Income Statement delves into the company's revenues, expenses, and overall profitability during a specific period. The Balance Sheet provides a snapshot of the company's financial position at a given point in time, detailing its assets, liabilities, and equity.

Moreover, the Cash Flow Statement is examined to understand the company's cash inflows and outflows, crucial for assessing liquidity and operational financial activities. The Statement of Changes in Equity reveals shifts in equity, including retained earnings, shedding light on how profits and dividends impact shareholder equity. These discussions offer a comprehensive view of the company's financial health and performance.

A focused 30-minute activity was conducted during this session in which each participant Provide each group with a different financial management scenario related to the topics discussed in the session (e.g., managing cash flow, evaluating investment opportunities, preparing a budget, etc.).

Towards the end of this session representatives from Oman and Palestine about how financial management practices are adapting to their unique economic contexts and challenges.



Session IV: Financial Risk Management

The session was conducted by Dr. Khaled Wagih Hafez, PhD in Accounting, during this session following major aspects were discussed:

1. Identification of Financial Risks
2. Risk Assessment and Mitigation
3. Risk Management Frameworks
4. Derivatives and Hedging
5. Risk Reporting and Monitoring

During the 90-minute session on Financial Risk Management, the discussion indeed encompassed the identification of various financial risks that organizations face, including market risk, credit risk, liquidity risk, and operational risk. Participants delved into methods for recognizing these risks within different operational contexts and understanding their potential impacts on financial performance.

Moreover, the session involved an exploration of risk assessment and mitigation strategies, with a focus on how organizations evaluated the severity of risks and implemented measures to reduce their adverse effects. Discussions revolved around developing risk management frameworks tailored to the organization's needs, ensuring a structured approach to identifying, analyzing, and managing risks effectively. Additionally, topics such as derivatives and hedging techniques, as well as the importance of ongoing risk reporting and monitoring procedures, were addressed to emphasize the significance of proactively managing financial risks for organizational resilience.

Towards the end of the session, the representative from Somalia discussed several key points regarding the financial landscape and challenges faced by the country.

Session V: Choosing an Investment Decision

The session was conducted by Dr. Khaled Wagih Hafez, PhD in Accounting, during this session following major aspects were discussed:

1. Define Investment Goals:
 - a. Identify Objectives
 - b. Time Horizon
1. Assess Risk Tolerance
2. Conduct Research and Analysis
3. Diversification Strategy
4. Evaluate Investment Costs
5. Develop an Investment Plan
6. Monitor and Review
7. Consult Professionals

This session was about 120 minutes long and this session discussed choosing an investment decision requires careful consideration of your financial goals, risk tolerance, and market conditions. By following a structured approach and conducting thorough research, you can make informed investment choices that align with your objectives and help you achieve long-term financial success

There was a very interesting and long discussion towards the end of this session in which participants started to brainstorm the different solutions that would have a drastically positive impact on the economies of their respective countries.

Session VI: Planning and control

The session was conducted by Dr. Khaled Wagih Hafez, PhD in Accounting, during this session the speaker highlighted Planning and control are integral to effective financial management, enabling organizations to set objectives, allocate resources, and monitor performance systematically. By employing robust planning and control mechanisms, businesses can enhance their ability to achieve financial goals, adapt to market changes, and ensure long-term sustainability This session was about 60 minutes long.



Session VII: What is the difference between fixed costs and variable costs?

The session was conducted by Dr.Khaled Wagih Hafez, PhD in Accounting. The core objective of this session both fixed and variable costs play essential roles in financial management and operational decision-making. Businesses must analyse their cost structures to optimize budgeting, pricing, and overall financial performance. Understanding the distinction between these costs enables better planning and resource allocation. This session was about 60 minutes long.

Session VI: Distribution of Certificates and Closing of Workshop

After all the technical sessions, it was time to close the program. All the participants were given the feedback forms followed by brief closing remarks from Dr Hazem Wagdy & Dr Khaled Wagih. Certificates were distributed among the participants and a group photo was taken to formally close the workshop.



Important Sideline Meetings



Following important meetings were conducted in FEDCOC in line with ICCIA's vision and objectives.

1. Dr. Hazem Wagdy, Head of Central LGs): Dr. Hazem was very glad and impressed by the initiatives of ICCIA and shared details about different challenges could be discussed more. Dr. Hazem shared his idea of organizing more courses and training programs in how to overcome entrepreneur challenges.
2. Mr. Mamadou Falilo Sar (Senegal Chamber of Commerce): Mr. Mamadou was very thankful to ICCIA for conducting the Finance in Entrepreneurship, furthermore, Mr. Mamadou requested support from ICCIA in developing different financial initiatives at Senegal Chamber of Commerce.

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Recommendations

Following the Entrepreneurship for MSMEs Leaders – Finance training program, the subsequent recommendations are crucial for augmenting tech infrastructure and organizational portfolios in the African and Arab Region:

1. Implement Learning in Practice

- Encourage participants to apply the financial concepts and tools learned during the training in their businesses. This could involve creating a financial action plan tailored to their specific needs.

2. Establish Networking Opportunities

- Facilitate ongoing networking events or forums for MSME leaders to share experiences, challenges, and solutions. This fosters collaboration and can lead to potential partnerships.

3. Continuous Education

- Promote further education on finance and entrepreneurship through advanced workshops or online courses. This could cover topics such as advanced financial management, investment strategies, or market analysis.

4. Follow-Up Support

- Implement a follow-up support system, such as regular check-ins or webinars, to help participants stay on track with their financial goals and to reinforce their learning.
