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SMEs key for Kuwait's economic diversification, says CGI CEO

Capitas Group International (CGI), a leading Jeddah-based management and advisory firm providing housing and small and medium enterprise (SME) sector solutions, today said that the growth of Kuwait's SME segment is the key to developing a well diversified base for the country's future economic growth.

In its recently released comment piece on the significance of SME development for the Organisation of the Islamic Conference (OIC), CGI noted that in developed economies, such as the United States, 60-80% of new jobs are created

solely by the SME sector annually. Furthermore, in Europe, SME's employ 75% of the workforce. This compares to a recent statistics which state that the percentage of Kuwaitis working in the private sector in 2009 was only 20%, up from 16% in 2007.

Mr. Naveed Siddiqui, Chief Executive Officer of CGI said, "Entrepreneurship is part of the Kuwaiti heritage. The country has a long history of successful businesses. Its seafaring and trading pedigree has provided the Gulf and the broader Middle East with some of its most

successful business names such as Agility, Alshaya Group and Alghanim Industries. Kuwait will realize its full potential by leveraging its successful tradition of entrepreneurship which will lead to the development of a globally competitive SME sector."

Regarding the importance of SMEs to Kuwait's economy, Mr. Wahid Sarij, Executive Vice President of CGI said, "Statistics show us that the number of SMEs in Kuwait rose 32% from 2003 to 2007 (from 25,000 businesses to 33,000 businesses)."