Dear Representatives of the Steering Committee,

The Organisation for Economic Cooperation and Development (OECD) hereby endorses the project presented by the Government of Libya on an *SME development strategy for Libya* and is ready to assist the Government of Libya to carry it out and implement it in accordance with the Transition Fund’s Operations Manual and related procedures, and consistent with the terms of the Financial Procedure Agreement agreed with the Trustee.

In line with the G8 Foreign Affairs Ministers’ call at their meeting on 10-11 April that “supporting the growth of small and medium enterprises (SMEs) in the region will be central to economic development and growth”, this project will provide technical assistance to the Government of Libya to implement its priorities under the Libya Near-term Action Plan for SMEs. The project intends to contribute to the diversification of the Libyan economy and the sustainability of growth by developing and strengthening the overall legal and institutional framework for promoting entrepreneurship and high-potential SME’s in Libya.

This project has been prepared and finalised according to the OECD normal policies and procedures as set up by the OECD Governing Body. The appraisal of the project has been completed and cleared by the OECD management following internal consultation of the relevant OECD offices.

This endorsement letter is accompanied by the proper documentation reflecting the agreement by the OECD Governing Body to carry out such activities. The project proposal is hereby submitted to the Steering Committee with a request for approval.

Sincerely yours,

FABRIZIO PAGANI