



# IOM'S SME ADVISORY SERVICES

## CAPACITY BUILDING AND BUSINESS DEVELOPMENT SERVICES



### BACKGROUND:

Iraq's Small, and Medium Enterprises (SME) sector is critical to the country's economic revitalization, particularly for absorbing underserved populations including unemployed returnees, internally displaced persons (IDPs) and host community members, rebuilding conflict-affected areas, and spearheading the economy's transformation and adaptation to climate change. Despite its importance, SMEs face significant challenges, including a lack of access to finance, limited technical and operational capacities, and an absence of tailored financial products and services.

As part of IOM's access to finance strategy and under SME advisory services, IOM provides business development support, including business training, information provision, mentorship, and consulting, to promote the investment readiness of Iraqi SMEs. In addition the advisory services, including supports SMEs

in their digital transformation to help them adapt to changing market demands and increasing digitalization. This support enables businesses to manage their operations more effectively and make informed decisions, ultimately strengthening their readiness to access investment and financial opportunities.

IOM offers a diverse range of training programs designed to support entrepreneurs at various stages of business development. These programs are designed to equip small, and medium-sized enterprises with the skills and resources needed to enhance and boost business potential and growth, ; by contributing to business formalization and helping local entrepreneurs satisfy common requirements for loan eligibility, IOM's SME advisory services help create a pool of promising, investment ready SMEs who are ready to access private financial markets.



Attendees gather around an exhibition booth during an indoor event. ©IOM Iraq 2025/Aram HAKIM

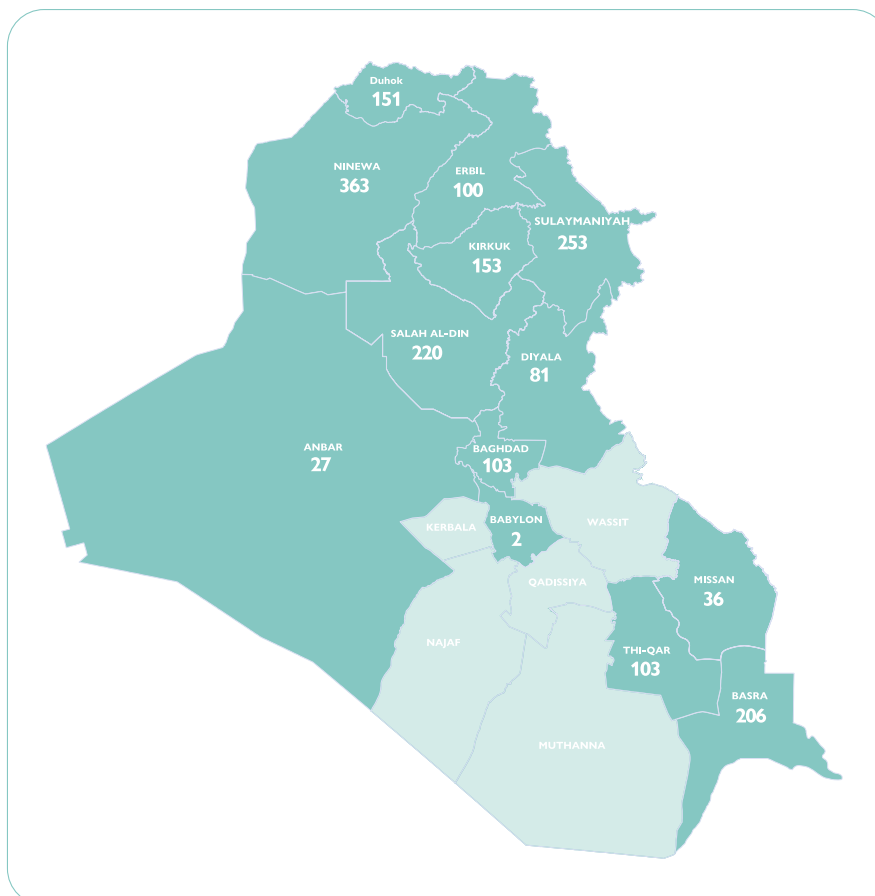
## The advisory services include:

1. **Improve Your Business (IYB):** IOM provides a two-day intensive training session in accordance with the "Start and Improve Your Business" (SIYB) methodology. This training focuses on key business **management principles, which address the core components of boosting business performance.** The IYB is supported by a set of six training manuals including marketing, costing, buying and stock control, record keeping, planning for your business, and people and productivity. **IYB Marketing training:** Participants in the marketing sessions learn strategies to attract and retain customers, increase sales, and boost long-term profits. The training covers product positioning and 'the seven P's' of marketing (price, promotion, place, packaging, people, process, and physical evidence). Complementary to these training courses, **IYB bookkeeping** training provides guidance to businesses on maintaining essential financial records to facilitate evidence-based profit and sales forecasting, thereby improving business performance. Participants learn how to document activities and business transactions, including cash flow, costs, sales,

and debts. The training also highlights additional records vital for micro, small, and medium enterprises (MSMEs), such as inventory, salaries, assets, and agreements with suppliers and customers.

2. **Iraq's Financial Landscape Session:** As a complementary session and to support the investment readiness of the SMEs; businesses that attending the bookkeeping training will be benefited from a detailed presentation on Iraq's financial landscape. This presentation provides businesses with essential information on the financial system and availability of financial services in Iraq, including the different financial institutions and services available. **It explains key aspects of loans,** such as loan types, pricing and interests, and conditions, as well as the requirements needed to apply for loan. The session aims to help business owners better understand how to access finance and make informed decisions when seeking financial support for expanding their businesses.

## IYB KEY ACHIEVEMENTS



### IYB Key Achievements



133

IYB TRAININGS PROVIDED



1798

BUSINESS OWNERS TRAINED



WOMEN  
35%



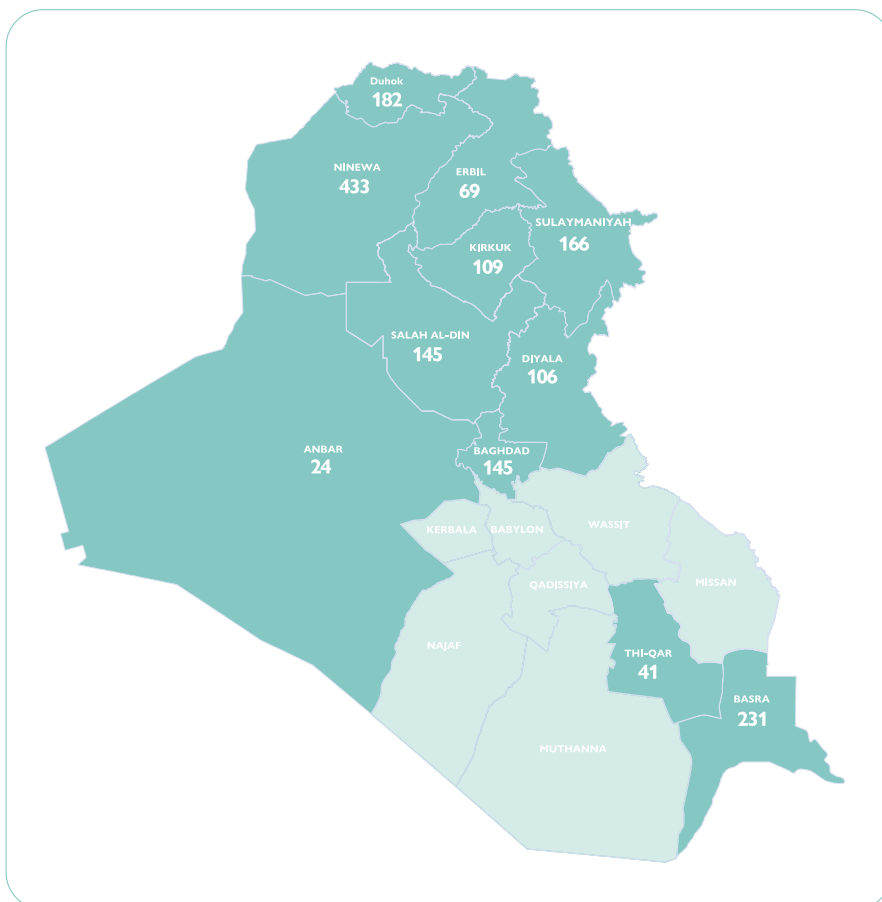
MALE  
65%

3. **Labour Standards & formalization Sessions:** This session is designed for SMEs that have received the Enterprise Development Fund (EDF) grant from IOM. The purpose is to enhance the owners' understanding of business best practices in relation to the business environment, work standards, safety, and security in the workplace. The session aims to increase knowledge about IOM's procedures and processes to follow during the EDF contract implementation s. Additionally, it educates participants on the Iraqi labor and social security laws. Other topics include IOM's **Complaint and Feedback Mechanism (CFM)** that helps participants understand reporting and communication channels, Protection from Sexual Exploitation and Abuse and Sexual Harassment (PSEAH), business registration channels, requirements, and benefits, and workplace safety measures and standards. The session provides detailed guidance on promoting occupational safety at the workplace.



Participants engage in a group discussion during a workshop session. ©IOM Iraq 2025/Aram HAKIM

### LABOUR STANDARDS & FORMALIZATION SESSIONS KEY ACHIEVEMENTS



#### Labour Standards & formalization Sessions Key Achievements



SESSIONS BEEN CONDUCTED



BUSINESS OWNERS TRAINED





A participant presents materials during a workshop exercise. ©IOM Iraq 2025/Aram HAKIM

**4. Business Mentorship and Consulting:** IOM's business mentorship and consulting program provides tailored support to entrepreneurs through a combination of classroom and non-classroom training sessions. Each participating business is paired with an experienced mentor who works closely with the businesses to identify gaps, assess their needs, and develop strategies for improvement. This service spans a period of six months per business and includes classroom services in addition to one-to-one visits and mentorships. This collaborative approach ensures that businesses receive tailored practical solutions to enhance their operations, build resilience, and foster sustainable growth.

The support package included an initial needs and gap assessment to identify key challenges and areas for improvement, followed by a bootcamp to introduce core business concepts. Based on these assessments, tailored mentorship, consulting, and training services were provided to address the specific needs of each business.

**Key Achievements:** Under this service, two batches of businesses were supported, reaching a total of 86 SMEs (50% Women owned) across 10 governorates.

By the end of 2025, more than 5,000 hours (approximately 620 days) of mentorship and consulting services had been delivered. These services covered a wide range of topics, including business strategy, health, safety and environment (HSE), human resources and

staffing, financial management, inventory management, marketing strategy, digital marketing, branding, and sales.

Building on these results, the service will be expanded starting in 2026 to reach additional businesses, the next phase is expected to include an additional 230 SMEs.



Photo 4: A participant takes part in a group exercise during a workshop session. ©IOM Iraq 2025/Aram HAKIM

**5. Providing Enterprise Resource Planning (ERP)**

**System:** IOM provides support to SMEs through the introduction of Enterprise Resource Planning (ERP) systems, in collaboration with a specialized service provider. This service begins with an assessment of businesses to understand their needs, interest, and readiness to adopt digital management solutions. Selected SMEs are then introduced to the ERP system through orientation sessions that explain its functions, benefits, and requirements.

Following this, participating businesses receive tailored support, including system installation, configuration, and hands-on training to ensure effective use, continuous technical support is also provided to support long-term adoption. The system is designed to operate both online and offline, allowing flexibility in different business environments.

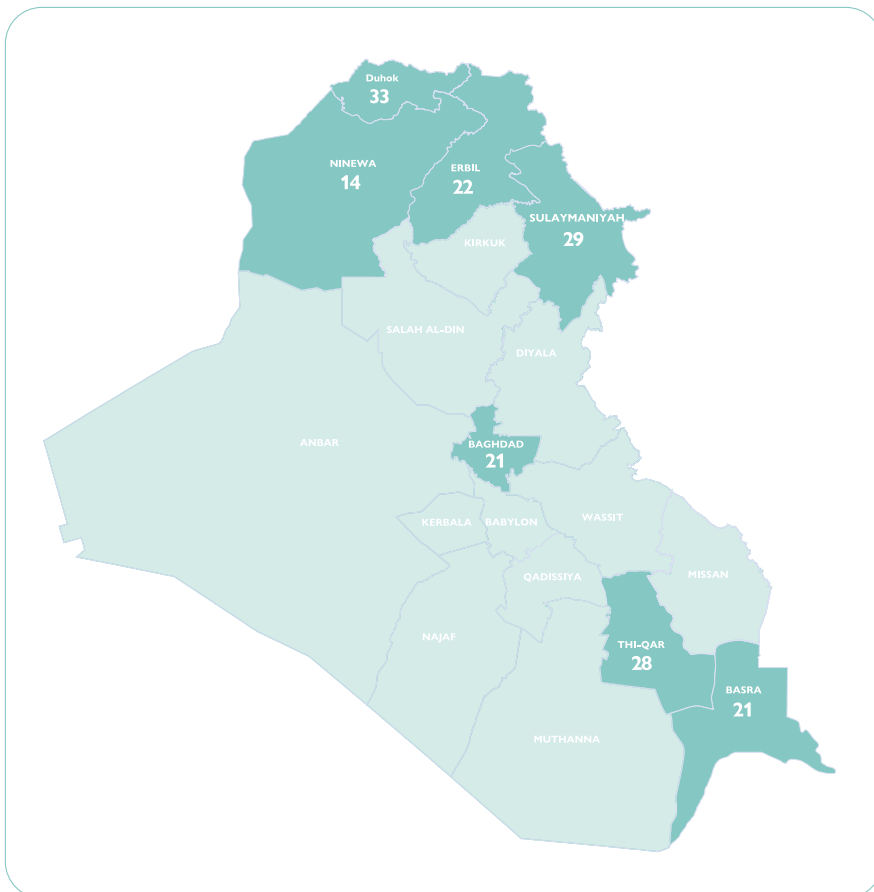
The ERP solution helps businesses strengthen their internal management systems by improving financial record-keeping, transparency, and overall organization. It also supports better planning and decision-making by streamlining processes such as accounting, inventory, sales, and reporting.

Overall, this service enhances operational efficiency, supports digital transformation, and improves SMEs' readiness to access finance and investment opportunities.

**Key Achievements:** As of February 2026, IOM organized 12 sessions for 203 businesses in seven governorates, and the system and continue support provided to 168 (23% Female and 77% Male owned) SMEs as follow:



Participants attend a meeting around a conference table. ©IOM Iraq 2025/ Rafal ABDULATEEF



**Key Achievements**

---

**12**  
SESSIONS BEEN CONDUCTED

---

**203**  
BUSINESS OWNERS TRAINED

---

**WOMEN**  
**23%**

**MALE**  
**77%**

## AN IRAQI ENTREPRENEUR'S BUSINESS AWAKENING



Samad stands in front of stacked agricultural pipes at his factory in Sulaymaniyah. ©IOM Iraq 2025/Aram HAKIM

Sulaymaniyah, Iraq – Across Iraq's industrial zones, plastic waste is transformed into valuable products, thanks to entrepreneurs like Samad, who have spent nearly a decade converting environmental challenges into economic opportunities.

Samad's factory collects plastic waste and recycles it into agricultural pipes, essential for farmers in central and southern Iraq. Located near Kirkuk, the factory exports its products to regions where demand is highest, while farmers in Iraqi Kurdistan often import similar items from Iran due to lower prices and easier border procedures.

*"I established this factory in 2016 out of my love for the environment," Samad says.*

It's now a source of income for hundreds in the area, with waste collectors supplying plastic from across Sulaymaniyah Governorate.

While production and sales appeared steady, Samad struggled with informal practices and lack of business planning, causing his business to fail three times. "I used to work in a disorganized manner," he recalls.

Many Iraqi entrepreneurs face similar obstacles, including limited access to finance and gaps in technical knowledge.

Samad applied to the International Organization for Migration (IOM) in Iraq's Enterprise Development Fund (EDF), initially seeking financial support. Instead, he received business development and financial training, supported by the German Federal Government via the German Development Bank (KfW). IOM's Access To Finance programme offers advisory services and

strengthens micro, small, and medium enterprises through capacity-building and partnerships.

The intensive two-day training covered marketing, accounting, financial record-keeping, business planning, productivity, and labor laws. Samad learned to forecast demand, plan production, and use accounting software to track sales and expenses.

*"I used to work without accounting software. After the training, I realized I needed a proper system."*

He also discovered new financial tools, including bank loans, and improved workplace safety by installing fire extinguishing systems and instituting regular working hours.

The training fostered networking among entrepreneurs, encouraging knowledge exchange and collaboration across different sectors.

Since 2022, IOM has delivered more than 250 trainings, reaching over 3,400 Iraqi entrepreneurs and transforming both individual businesses and broader economic ecosystems.

For Samad, the most valuable lesson was adopting structured business practices. "I first joined the training for financial help, but later I realized the training itself was more valuable."

Today, Samad's factory operates efficiently, with production aligned to market demand, systematic finances, and safe working conditions. As Iraq continues its economic recovery, formal business practices and ongoing training are building confidence and resilience among entrepreneurs across the country.



## IOM IRAQ

[iraq.iom.int](http://iraq.iom.int)

[iomiraq@iom.int](mailto:iomiraq@iom.int)

UNAMI Compound (Diwan 2),  
International Zone,  
Baghdad/Iraq

     
@IOMIraq



Implemented by:

**KFW**



**Access to  
Finance**



© 2026 International Organization for Migration (IOM)

No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior written permission of the publisher.