



**THE BOLOGNA CONFERENCE FOR MINISTERS RESPONSIBLE
FOR SMEs AND INDUSTRY MINISTERS ON "ENHANCING THE
COMPETITIVENESS OF SMEs IN THE GLOBAL ECONOMY:
STRATEGIES AND POLICIES"**

*Conference jointly organised by the OECD and the Italian Ministry of Industry,
to be held in Bologna, Italy, 13-15 June 2000*

**COMPENDIUM ON INTERNATIONAL AND REGIONAL BODIES:
ACTIVITIES AND INITIATIVES RELATED TO SMALL
AND MEDIUM-SIZED ENTERPRISES (SMEs)**

FOREWORD

This Compendium on the past, present and future activities in the area of SME issues and policies carried out by International and regional bodies, has been prepared by Professor Bernadette Madeuf (Université Paris X – Nanterre) in co-operation with Marie-Florence Estimé of the Industry Division/SME Unit of the OECD Directorate for Science, Technology and Industry. It has benefited from the comments of Thomas Andersson (OECD DSTI) and Luigi Corbò (IPI). The editorial assistance of Doranne Lecercle, Fabienne Abadie and Beatrice Jeffries is gratefully acknowledged.

The Compendium is an in-progress report. Following the Bologna Conference, it will be revised to take into account further responses and comments. It will continue to be developed thereafter as a tool for international co-operation.

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INTRODUCTION

The role of SMEs in the economy

Small and medium-sized enterprises (SMEs) are considered to be one of the main forces in economic growth and job creation, not only in the developed economies, but also in emerging economies or economies in transition. They present specific features, strengths and weaknesses, which may require special policy response.

SMEs' economic contribution is increasing. In the OECD area, SMEs – with more than 95% of firms and 60% to 70% of employment in most countries – are the source of most new jobs. The weight of SMEs in the economy is increasing as larger firms outsource more functions. In addition, the entry and exit of smaller firms are associated with productivity growth and competitive pressures, particularly in new industries, so that entrepreneurship, which allows for the creation and expansion of dynamic SMEs, is an engine of economic growth and performance.

SMEs are active in the technology-intensive and business services sectors. Most SME jobs are in the services sector, but SMEs also represent a high percentage of manufacturing firms in many OECD countries and provide at least half of OECD manufacturing employment. Smaller firms are increasingly present in technology-intensive industries such as information and communications technology (ICT) and biotechnology. At the same time, SMEs predominate in the important sub-sector of strategic business services, such as computer software and information processing or human resource development.

SMEs are heavily involved in the innovation process. Some 30-60% of SMEs in OECD countries are innovative in the broad sense. Although, on average, they spend less on research and development (R&D) than larger firms, they innovate in other ways; by creating or re-engineering products or services and by introducing new organisational approaches. Among SMEs, a subset of high-growth small firms have demonstrated exceptional innovative performance. Job creation rates by such SMEs exceed those of larger companies in most countries. They tend to be technology-based, conduct R&D, and integrated in formal or informal networks.

SMEs are relatively local in their orientation but increasingly active internationally, generally through inter-firm linkages and clusters. About 25% of manufacturing SMEs are now estimated to be competitive. They are responsible for 25-35% of world manufacturing exports. Internationally active SMEs are generally growing faster than SMEs focused on domestic markets. The strategic approach of SMEs in global markets is based on inter-firm linkages and clusters. Networking allows SMEs to combine the advantages of smaller size and greater flexibility with economies of scale and scope.

Despite their growing economic contribution, which is facilitated by new technologies which lessen the importance of economies of scale, **SMEs still face special problems:** barriers to financing, difficulties in exploiting technology, insufficient managerial capabilities, low productivity, regulatory burdens. SMEs need to upgrade their management skills, information gathering and technology base.

Governments, for their part, need to ensure that regulatory, legal, and financial frameworks are conducive to entrepreneurship and small firm start-up and growth and facilitate SMEs' access to information infrastructures and international markets. Fostering public-private partnerships and networks and clusters of small firms may be the most efficient way to encourage a dynamic SME sector.

The OECD Working Party on SMEs is the main OECD body responsible for SME activities. Based on a mandate (see Annex 1) to examine issues and policies pertaining to SMEs and entrepreneurship, it serves as a unique international forum for policy makers in the SME area. It also maintains contacts with non-member countries, international and regional organisations and non-governmental organisations (NGOs), with a view to international co-operation and exchange of information. In addition to the Working Party on SMEs, other bodies at the OECD (committees, working parties, etc.) conduct important SME-related activities.

The Bologna Conference and the Ministerial Declaration

The Italian Ministry of Industry has invited the OECD and its Working Party on SMEs to organise a conference at Ministerial level, "Enhancing the Competitiveness of SMEs in the Global Economy: Strategies and Policies", to be held in Bologna on 13-15 June 2000. Through this conference, the OECD will open a high-level dialogue among all interested parties on challenges facing small businesses. The conference will bring together ministers from all OECD countries and 22 non-member countries, policy makers, the business community and more than 60 international organisations and institutions. It will pave the way for implementing a partnership between OECD and non-member countries in the area of SME policies.

The Conference will propose concrete and feasible initiatives for enhancing the performance of SMEs by facilitating their capturing of local strengths and addressing of global challenges. These policy recommendations and initiatives will be presented in a Ministerial Declaration.

Nature and utility of the Compendium

Growing interest in the economic contribution of SMEs at international level has given rise to a large number of SMEs-oriented programmes in many international organisations, both governmental and non-governmental. This OECD Compendium offers an overview of work conducted by such organisations on SME issues and policies. Although the mandates of these international organisations differ, it appears useful to collect and share information on the work they carry out on what is a multi-faceted subject. By doing so, duplication of effort can be reduced and co-ordination and synergy among international organisations/institutions can be improved. The Bologna Conference offers an opportunity to give the Compendium large and immediate visibility. However, it should also continue to be developed as a tool for international co-operation.

Methodology of the survey

The Compendium was prepared on the basis of an OECD survey. International and regional bodies participating in the Bologna Conference were invited to provide updated information on their activities related to SMEs. Altogether, 43 international and regional organisations/institutions participated in the survey. Of these, five are not directly concerned with SME issues and 20 provided material which is included in the Compendium. **The present version is therefore a compilation of the answers received to date.** Some organisations have indicated their intention to respond and their answers will be incorporated in the next version of the Compendium. Other organisations and bodies which were unable to supply

information for various reasons, including non-completion of their programme of work or lack of time, have been invited to table, if possible, separate documentation at the Conference or to send it in the near future.

As part of the survey, the OECD also invited its own bodies to provide information on their SME-related activities.

Follow-up

The Compendium will be completed in the follow-up to the Bologna Conference and will include all information received in the interim. It is therefore a work in progress. Moreover, the objective is to propose a regular updating of pertinent information for release on the Internet. To produce a useful and valuable Compendium, this OECD initiative will require the co-operation and participation of all organisations concerned.

Structure of the Compendium

The Compendium is divided into four parts. Part I presents the OECD's activities; Part II those of organisations related to the United Nations System; Part III those of international and regional organisations and forums; while Part IV presents the work of non-governmental organisations (NGOs). Each part contains a table outlining each organisation's current or ongoing activities and possible areas of future work. The organisations presented are listed below.

Part I – the OECD

Part II – Organisations related to the United Nations System

Answers received:

The World Bank
United Nations Industrial Development Organisation (UNIDO)
United Nations Conference on Trade and Development (UNCTAD) (joint answer with WTO, under WTO/ITC)
International Labour Organisation (ILO)
United Nations Development Programme (UNDP)
Economic Commission for Europe (UN/ECE)
Economic Commission for Africa (UN/ECA)
Economic and Social Commission for Asia and the Pacific (UN/ESCAP)

Answers announced/expected:

World Intellectual Property Organisation (WIPO)
Economic Commission for Latin America and the Caribbean (UNECLAC/CEPAL)
Economic and Social Commission for Western Asia (UNESCWA)

Part III – International and regional organisations and forums

Answers received:

European Commission
World Trade Organisation (WTO, joint answer with UNCTAD)
Inter-American Development Bank (IADB)
Asian Development Bank (ADB)
European Investment Bank
European Investment Fund
Comision Sectorial para el Mercado Comun del Sur (Mercosur)
Association of Southeast Asian Nations (ASEAN)
Asia-Pacific Economic Cooperation (APEC)
TransAtlantic Business Dialogue (TADB)

Answers announced/expected:

African Development Bank
European Bank for Reconstruction and Development (EBRD)
Pacific Economic Cooperation Council (PECC)

Part IV – Non-governmental organisations (NGOs)

Answers received:

Business and Industry Advisory Committee to the OECD (BIAC)
Grupo Bolivar-Programa Bolivar

Answers announced/expected:

Trade Union Advisory Committee to the OECD (TUAC)
World Association of Small and Medium Enterprises (WASME)
International Small Business Congress (ISBC)
International Council for Small Business (ICSB)
Union Internationale de l'Artisanat et des Petites et Moyennes Entreprises (UIAPME)
European Private Equity and Venture Capital Association (EVCA)
European Network for SME Research (ENSR)
International Organisation for Standardisation (ISO)
The Competitiveness Institute
NUTEK
European Small Business Alliances

Framework of the responses

In each part, information on the activities of the various organisations is presented in a framework which corresponds to the issues covered by the survey questionnaire:

1. FINANCING

- 1.1. SMEs' access to bank lending and credit
- 1.2. SMEs' access to venture capital and equity markets
- 1.3. Other issues

2. EMPLOYMENT AND HUMAN RESOURCES

- 2.1. Job creation
- 2.2. Labour skills
- 2.3. Issues related to management training
- 2.4. Other issues

3. INNOVATION AND TECHNOLOGY

- 3.1. SMEs and innovation
- 3.2. Access to information and communication technologies (ICT) and use of electronic commerce
- 3.3. Financing for SME innovation
- 3.4. Labour skills and management capabilities
- 3.5. Innovation networks (co-operation among SMEs or with larger firms or public research centres at national or international level)
- 3.6. Patents and property rights
- 3.7. Other issues

4. SMEs AND GLOBALISATION

- 4.1. SME globalisation strategies
- 4.2. Financing issues
- 4.3. SMEs and electronic commerce
- 4.4. Other issues

5. NETWORKS, PARTNERSHIPS AND LOCAL CLUSTERS

- 5.1. SME networking at national and international level
- 5.2. SME partnerships with large firms
- 5.3. Local clusters
- 5.4. Internationalisation of industrial districts (networking for export promotion, FDI and subcontracting)
- 5.5. Other issues

6. BEST PRACTICE POLICIES FOR SMEs

- 6.1. Financing
- 6.2. Innovation and technology
- 6.3. Labour skills and management training
- 6.4. Business and regulatory environment
- 6.5. Access to domestic and international markets, including electronic commerce

7. DATA AND STATISTICS ON SMEs

- 7.1. Collection of data by size classes related to different variables (*e.g.* employment, output, exports, investments, etc., and by gender)
- 7.2. Specific surveys on SME globalisation
- 7.3. Specific surveys related to women entrepreneurship
- 7.5. Other issues

8. WOMEN ENTREPRENEURS AND WOMEN-OWNED BUSINESSES

- 8.1. Financing
- 8.2. Management training
- 8.3. Access to technology
- 8.4. Other issues

PART I: THE OECD

SUMMARY OF ACTIVITIES AND INITIATIVES

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
1. FINANCING		
<p><i>SMEs often have a limited access to resources for long-term credit and risk capital, which are necessary for starting up, expanding or upgrading a business. The greater variance in the profitability, survival and growth of SMEs compared to larger firms accounts for their special problems for financing. SMEs may encounter higher interest rates, as well as credit rationing due to shortage of collateral. Financing issues differ considerably for existing and for new firms, as well as for those that grow slowly and those that grow rapidly. The expansion of private equity markets, including informal ones, has greatly improved access to venture capital for start-ups and SMEs, but considerable differences remain among countries. In some, the lack of well-developed capital markets and an adequate regulatory system restricts access and deters the development of risk capital, an increasingly important source of financing for growth-oriented SMEs.</i></p>		
1.1. SMEs' access to bank lending and credit		
DSTI		
IND		
Working Party on SMEs	2000 – Report on “Financing for women-owned businesses: Challenges and opportunities”.	2000 – 2 nd OECD Conference on “Women Entrepreneurs in SMEs: Realising the Benefits of Globalisation and the Knowledge-based Economy” (29 November-1 December), one of the four Workshops of which will be on this theme.
DAFFE		
PSDU/CCNM	Forum for Entrepreneurship and Enterprise Development (FEED) (for NIS since 1998, Baltic states, 1999, Russian Federation 1999, south-east Europe 1999, Global Forum, 2000). Analysis of main obstacles and barriers for accessing capital. Development of policy recommendations.	Assessment of implementation of policy recommendations in Baltic states, south-east Europe, the Russian Federation, and the NIS. Country reviews and policy action plans.
Outreach Unit for Financial Sector Reform	Second Workshop on Financing Newly-Emerging Private Enterprises in Transition Economies (Paris, January 1998). Workshop on SME Financing in Asia (Manila, 3-4 July 2000, jointly with ADB).	Continued policy dialogue with relevant officials and experts in transition countries and in Asian economies, focusing on financing mechanisms for SMEs.

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
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TDS

LEED Programme	Microfinancing and Local Development (January 1998), LEED Notebook No. 26.	
	LEED is participating in the ongoing ILO-led initiative Microfinance for Self-employment.	
	Unpublished work by William Baumol for LEED on financing start-ups.	
	Other work on mutual credit guarantee schemes in Italy.	

1.2 SMEs' access to venture capital and equity markets

DSTI

IND

Working Party on SMEs	2000 – Report on “Financing for women-owned businesses: Challenges and opportunities”.	2000 – 2 nd OECD Conference on “Women Entrepreneurs in SMEs: Realising the Benefits of Globalisation and the Knowledge-based Economy” (29 November-1 December), one of the four Workshops of which will be on this theme.
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DAFFE

PSDU/CCNM	FEED: Venture capital in transition economies. Development of policy recommendations.	Assessment of implementation of the policy recommendations in transitions economies.
	Promoting SME finance in the Black Sea economic area in co-operation with the Istanbul Stock Exchange.	Promoting SME finance in the Black Sea economic area in co-operation with the Istanbul Stock Exchange.
		Venture capital and small business development in China.
		Finance and business development in Brazil.

1.3. Other issues

DAFFE

PSDU/CCNM	Regional Financial Systems and SME Development in south-east Europe, October 2000, FYR of Macedonia.	Publication on local financial systems and SME development in SEE.
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2. EMPLOYMENT AND HUMAN RESOURCES

SMEs account for 60-70% of jobs in most OECD countries. They also account for a disproportionately large share of new jobs, especially in countries with a strong employment record. Some evidence also points to the importance of age, rather than size, in job creation. However, less than half of start-ups survive for more than five years and only a fraction develop into the high-growth firms that make important contributions to job creation. High job turnover poses problems for employment security. Small firms also tend to invest less in training and rely relatively more on external recruitment for raising competence. SMEs and entrepreneurs themselves need to keep updating their skills in order to remain competitive. Nevertheless, SMEs tend to devote proportionately fewer resources than large firms for training their staff.

2.1. Job creation

DSTI

IND

Working Party on SMEs

High Growth SMEs and employment:

Future publication and follow-up to be determined.

Case studies of seven OECD countries (1997/1999) – Canada/Quebec, France, Greece, Italy, Netherlands, Spain, Sweden – which used firm-level data sets to identify high-growth firms and their differentiating characteristics.

Synthesis report based on the findings of these country studies.

DAFFE

PSDU/CCNM

FEED (NIS 1998, Baltic states, 1999, Russian Federation 1999, south-east Europe 1999, Global players, 2000). Development of policy recommendations.

Assessment of the implementation of the policy recommendations.

TDS

LEED Programme

Fostering Entrepreneurship (October 1998) TDS/LEED with other Directorates.

Business Incubation: International Case Studies (September 1999), LEED Programme.

Good Practice in Business Incubation (May 2000), LEED Notebook.

In collaboration with the Canadian Employment Research Forum the LEED Programme organised a conference on self-employment in 1998 in Burlington, Canada. Work on self-employment and local development is to be published shortly.

A multinational project on local partnerships is currently under way which considers, *inter alia*, local initiatives to support enterprise creation and development.

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
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2.2. Labour skills

TDS

LEED Programme	Decentralising Employment Policy: New Trends and Challenges (April 1999), LEED Programme.
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2.3. Issues related to management training

DSTI

IND

Working Party on SMEs	<p>Management training in SMEs:</p> <p>Case studies of six OECD countries (1998/1999) – Canada, Germany, Finland, Japan, United Kingdom, United States.</p> <p>Synthesis report based on the findings of these country studies.</p>	Future publication and follow-up to be determined.
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TDS

LEED Programme	Local Management for More Effective Employment Policies (1998), LEED Programme.
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3. INNOVATION AND TECHNOLOGY

There is a small but important group of innovative SMEs at the forefront of the development of new industries, technologies and market niches. SME involvement in innovation and technology diffusion is greater than official data suggest. While formal R&D activities are generally concentrated in large enterprises, SMEs carry out a great deal of R&D that is informal or related to development, refinement and adaptation of products and processes. Furthermore, the growing demand for specialised products favours small enterprises and reduces the importance of mass production and cost minimisation. Small enterprises can respond better to rapidly changing consumer preferences and shorter product life cycles than large capital-intensive enterprises.

3.1. SMEs and innovation

DSTI

IND

Working Party on SMEs	The Bologna Conference for SME Ministers and Industry Ministers on “Enhancing the competitiveness of SME in the Global Economy: Strategies and Policies” (13-15 June 2000).
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STP

Working Party on Technology and Innovation Policy	<p>“Enhancing the competitiveness of SMEs in the Global Economy through innovation” background report for workshop 1 of the Bologna Conference.</p> <p>Technology Incubators; Nurturing Small Firms – OECD/GD(97)202.</p>
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OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
TDS		
Territorial Development Policy Committee	TDS organised a conference at Modena, May 1998, addressing issues of regionally-organised technology transfer to SMEs.	
3.2. Access to information and communication technologies (ICT) and use of electronic commerce		
DAFFE		
PSDU/CCNM	The electronic economy: overview of current practices in SMEs in the Baltic region (in the framework of Baltic FEED, 19-20 June).	Country review preparation.
3.3. Financing for SME innovation		
DSTI		
STP		
Working Party on Technology and Innovation Policy	Venture capital and innovation, OECD/GD(96)168. Government venture capital for technology-based firms – OECD/GD(97)201.	
3.5. Innovation networks (co-operation among SMEs or with larger firms or public research centres at national and international levels)		
DSTI		
STP		
Working Party on Technology and Innovation Policy	Boosting Innovation – The Cluster Approach OECD,1999. Benchmarking Industry/Science Relationships (ongoing).	
4. SMEs AND GLOBALISATION		
<i>Globalisation refers to an evolving pattern of cross-border enterprise activities, which include international investment, trade and strategic alliances for product development, production, sourcing and marketing. International activities enable firms to enter new markets, to exploit their technological and organisational advantage, and to reduce business costs and risks. The globalisation of economic activity affects SMEs mainly in two ways. For some it opens up new opportunities for outward expansion and growth. For a much larger group, inward globalisation poses new competitive challenges.</i>		
4.1. SME globalisation strategies		
DSTI		
IND		
Working Party on SMEs	Bologna Conference on “Enhancing the Competitiveness of SMEs in the Global Economy: Strategies and Policies” (13-15 June 2000).	2000 – 2 nd OECD Conference on “Women Entrepreneurs in SMEs: Realising the Benefits of Globalisation and the Knowledge-based Economy” (29 November-1 December).
	The two-volume study, <i>Globalisation and Small and Medium Enterprises (SMEs)</i> , which provides a comprehensive examination of the patterns of SME globalisation in 18 OECD countries.	

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
DAFFE		
PSDU/CCNM	<p>Bologna Conference Workshop 4 on competitiveness of SMEs in transition economies and developing countries in the global economy and their partnership with SMEs of OECD countries: strategies and policies.</p> <p>Global Forum for Entrepreneurship and Enterprise Development FEED Israel 17/18 April 2000.</p>	Global FEED.
TDS		
LEED/FEED	The LEED Programme is undertaking activities to facilitate collaboration among local industrial clusters of SMEs in various countries.	Work in this area will be undertaken by the global and regional FEEDs.
4.3. SMEs and electronic commerce		
DSTI		
IND		
Working Party on SMEs in co-operation with ICCP and EAS Divisions	<ol style="list-style-type: none"> 1. 2000 – Bologna Conference on “Enhancing the Competitiveness of SMEs in the Global Economy: Strategies and Policies”, Workshop 3 on “Realising the Potential of Electronic Commerce for SMEs in the Global Economy”. 2. The report on “Realising the Potential of Electronic Commerce for SMEs in the Global Economy” analyses SME adoption and use of electronic commerce and suggests policy actions to facilitate their uptake of it. 3. 1999 – A Manual for SMEs. The Year 2000 Problem: Risks and Solutions. 4. 1998 – Report on “SMEs and Electronic Commerce” prepared for the OECD Ministerial Conference on Electronic Commerce, Ottawa. 5. 1998 – Report on “A Global Marketplace for SMEs: An OECD SME User Survey”. 6. 1997 – Report on “The global information network for SMEs and government on-line services for SMEs: Review of Web sites and Recommendations”, contribution to the G7 Global Marketplace for SMEs Conference, Bonn. 	<p>Continue work on SME participation in the global marketplace:</p> <ul style="list-style-type: none"> – Development of a database of internationally comparable data concerning SMEs and their use of electronic commerce. – Sectoral analysis of business-to-business electronic commerce by SMEs.
DAFFE		
PSDU/CCNM	The electronic economy: overview of current practices in SMEs in the Baltic region in the framework of Baltic FEED (Forum for Entrepreneurship and Enterprise Development), 19-20 June.	Country reviews preparation.

5. NETWORKS, PARTNERSHIPS AND LOCAL CLUSTERS

A network is a group of firms that co-operate on joint development projects, complementing each other and specialising in order to overcome common problems, achieve collective efficiency and conquer markets beyond their reach as individuals. A cluster is an economic system composed of geographically and sectorally concentrated firms, which gives rise to external economies, such as the emergence of specialised suppliers of raw materials and components and the development of a pool of sector-specific skills. It can also favour the growth of local institutions, both private and public, that foster collective learning and local development, by providing technical, managerial and financial services. Despite the globalisation of economic activity, there is also a powerful competing tendency for firms in related lines of business to locate and operate in close geographical proximity and synergy while entering national or international networks and partnership. For SMEs, particularly, networking and partnership may open the road to globalisation.

5.1. SME networking at national and international levels

DSTI

IND

Working Party on SMEs in co-operation with TDS/LEED and DAFFE

The Bologna Conference for SME Ministers and Industry Ministers on "Enhancing the competitiveness of SME in the Global Economy: Strategies and Policies" (13-15 June 2000).

DAFFE

PSDU/CCNM

Horizontal and Vertical Networks and SMEs in south-east Europe, 22-23 September, Croatia.

Publication on Horizontal and Vertical Networks and SMEs in SEE.

"Enhancing the Competitiveness of SMEs in Transition Economies and Developing Countries in the Global Economy and their Partnership with SMEs of OECD Countries", background report of Bologna Conference workshop 4.

TDS

LEED

"Local Partnership, Clusters and SME Globalisation" Background document of Bologna Conference Workshop 2 (2000)

"Networks of Enterprises and Local Development (1996), LEED Programme.

5.2. SME partnership with large firms

TDS

LEED

LEED addressed the issue in *Networks of Enterprises and Local Development* (1996).

Work foreseen on foreign direct investment and local development.

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
5.3. Local clusters		
TDS		
LEED	<p>The LEED Programme acts as secretariat to the International Club of Local Clusters, which serves as an umbrella organisation for various national associations of clusters and industrial districts.</p> <p>The LEED Programme has principal responsibility for the substantive aspects of Workshop 2 of the Bologna Conference (Local Partnerships, Clusters and SME Globalisation).</p>	<p>Work with the International Club of Local Clusters is ongoing.</p> <p>In Spring 2001 a conference will be jointly organised in Trieste by LEED with the EBRD and the Central European Initiative on industrial clusters in central and eastern Europe.</p> <p>Paris, January 2001, a world conference on local productive systems undertaken with DATAR, with an associated publication.</p> <p>Initiatives to map clusters in a number of OECD Member countries.</p>
5.4. Internationalisation of industrial districts (networking for export promotion, FDI, subcontracting)		
DAFFE		
PSDU/CCNM	Investment Strategies for the north-west regions of the Russian Federation (started 1999).	Preparation and publication of an investment profile of the north-west regions of the Russian Federation.
TDS		
LEED	Treated by LEED in various of the publications/conferences referred to above.	
5.5. Other issues		
DAFFE		
PSDU/CCNM	Handbook for local and regional small business promotion in south-east Europe.	<p>Publication of the handbook.</p> <p>Evaluation and monitoring of selected projects.</p> <p>Feedback incorporated into a final version set up as an Internet site.</p>

6. BEST PRACTICE POLICIES FOR SMEs

SMEs are attracting a great deal of attention from policy makers in OECD Member countries and elsewhere. In an economic environment characterised by rapid globalisation, new opportunities are opening up for small firms, which are increasingly seen as a source of vitality, flexibility and, not least, a key source of new job opportunities. At the same time, there exist many barriers to the creation and development of SMEs, either in the marketplace or government-induced, which call for policy action. Analysis of best practice policies should identify which policies are most effective, why and the extent to which the lessons are transferable.

DSTI

IND

Working Party on SMEs

The OECD SME Outlook (2000).
Best Practice Policies for SMEs (annual reports 1995, 1996, 1997).

Second addition in 2002.

6.1. Financing

DAFFE

PSDU/CCNM

FEED: Policy guidelines and recommendations (NIS; Baltic states, Russian Federation, SEE, global players).

Assessment of implementation of the FEED guidelines.

Forum for Entrepreneurship and Enterprise Development in the Middle East and the Mediterranean (Middle East FEED).

South-Africa Forum for Entrepreneurship and Enterprise Development (South-Africa FEED).

DAFFE

Fiscal Affairs (within the Directorate for Fiscal, Financial and Enterprise Affairs) is the main OECD body responsible for tax policy analysis and the reporting of tax statistics.

Taxation and Small Businesses (Fiscal Affairs publication), OECD, 1994. This report reviews the tax treatment of small businesses in OECD countries, policy reasons for special tax relief to small business (primarily to assist financing), and experience with such measures.

No work on small business taxation is included in the proposed programme of work for Fiscal Affairs (Working Party No. 2 on Tax Policy Analysis and Tax Statistics) for 2000-02.

DCD

Resource Mobilisation and Private Sector Development Division

Preparation of a set of good practices in enterprise development for donor aid agencies, practitioners in the field and the business community of both donor and recipient countries, based on the outcome of the joint DAC/World Bank workshop, Enterprise Development for Private Sector-led Growth, Paris, January 2000.

Workshops: Meeting Infrastructure Needs into the 21st Century (May 1998); Financial Systems for Sustainable Resource Mobilisation in Less Advanced Developing Countries (March 1999).

DAC workshop: Towards Good Practices for Donors on Capacity Development for Trade (May 2000), to serve as the key building block in the preparation of a set of donor good practices in capacity development for trade, to be presented to the DAC Senior Level Meeting, December 2000.

Work on development finance for private sector-led growth in less advanced developing countries, to be finalised by the end of the year 2000.

Follow-up work on the roles of aid agencies in enterprise and infrastructure development, financial sector strengthening and capacity development for trade, of particular relevance to SMEs in developing countries.

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
6.3. Labour skills and management training		
DSTI		
IND		
Working Party on SMEs	The OECD SME Outlook (2000). Best Practice Policies for SMEs (annual reports 1995, 1996, 1997).	Second addition in 2002.
DCD		
Resource Mobilisation and Private Sector Development Division	See 6.1.	See 6.1.
TDS		
LEED Programme	<i>Best Practices in Local Development</i> (Vol. 1. <i>Objective 1 Areas</i>), LEED, 1999.	<i>Best Practices in Local Development</i> (Vol. 2, <i>Objective 2 Areas</i>).
6.4. Business and regulatory environment		
PUMA		
Regulatory Management and Reform Division	Multicountry business survey assessing the regulatory and administrative environment for SMEs. The survey aims to develop the first quantitative, comparative data on administrative cost burdens and business perceptions of regulatory costs and administrative environments across countries of SMEs. 11 countries completed the survey by 1999 (Australia, Austria, Belgium, Finland, Iceland, Mexico, New Zealand, Norway, Portugal, Spain, and Sweden) and a comparative benchmarking report is under preparation for publication in 2000.	Second round of surveys in 2001 to produce the first comparable time-series data on enterprise environments, and include new countries willing to participate. A new activity will concentrate on promising practices for reducing burdens in areas including information provision, one stop shops, licensing and permitting practices and paperwork reduction.
DAFFE		
PSDU/CCNM	FEED Policy guidelines and recommendations (NIS; Baltic states, Russian Federation, SEE, global players). Country reviews, SME policy evaluations in south-east Europe and NIS. Investment Strategies in north-west regions of the Russian Federation.	Assessment of implementation of the FEED Guidelines. Country reviews, SME policy evaluations in south-east Europe and NIS, progress monitoring. An investment profile of the north-west regions of the Russian Federation.

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
6.5. Access to domestic and international markets, including electronic commerce		
DCD		
Resource Mobilisation and Private Sector Development Division	See 6.1.	See 6.1.
7. DATA AND STATISTICS ON SMEs		
<p><i>Demand for reliable, relevant and internationally comparable data on SMEs has been rising. Statistical offices have started to collect and publish such data but serious shortcomings persist. International comparability has remained weak, owing to differences in the definition of size classes and treatment of underlying units (firms, establishments) and variation in industry classification and time periods used. Many issues relating to SMEs can only be addressed with sets of micro-level data that allow for tracing individual firms or establishments over time. In addition to problems of comparability, the sheer volume of the data sets involved, as well as questions of confidentiality, have prevented rapid progress in studies at international level.</i></p>		
7.1. Collection of data by size classes related to different variables (e.g. employment, output, exports, investments, etc., and by gender)		
STD		
MEI	1999 – Joint OECD/EUROSTAT database on statistics relating to small and medium-sized enterprises by size classes.	Future publication of SME related Indicators in 2001.
NAD	Preparation of the 2000 version of the questionnaire.	
DSTI		
IND		
Working Party on SMEs/Statistical Working Party of the Industry Committee (SWIC)	1999 – OECD Member country survey: The availability of data on women-owned firms.	2001 – Possible statistical workshop on women-owned firms and enterprise demography.
Working Party on SMEs	2000 – Report on women-owned businesses and enterprise demography.	2000 – 2 nd OECD Conference on “Women Entrepreneurs in SMEs: Realising the Benefits of Globalisation and the Knowledge-based Economy” (29 November-1 December); Workshop: Improving Knowledge about Women’s Entrepreneurship.
DAFFE		
PSDU/CCNM	FEED (NIS; Baltic states, Russian Federation, SEE).	FEED (NIS; Baltic states, Russian Federation, SEE, global players).

OECD BODIES**PAST AND PRESENT WORK****FUTURE WORK**

7.3. Specific surveys related to women entrepreneurship

DSTI

IND

Working Party on SMEs 1998 – OECD Member country survey: Financing of women-owned SMEs: Survey to assess good practices.

Working Party on SMEs/Statistical Working Party of the Industry Committee (SWIC) 1999 – OECD Member country survey: The Availability of Data on Women-owned Firms.

8. WOMEN ENTREPRENEURS AND WOMEN-OWNED BUSINESSES

Women-owned SMEs are growing at a faster rate than the economy as a whole in several OECD countries. The potential of women-owned SMEs for job and wealth creation, as well as innovation, is increasingly focusing the attention of policy makers on this sector. While the numbers indicate the growing importance of the sector, the economic potential of women entrepreneurs remains partly untapped. Research indicates some unique characteristics of, and barriers to, women-owned businesses. The need to improve economic performance and social well-being today calls for a closer look at the contribution and needs of women-owned SMEs and for the implementation of commensurate structural reforms.

8.1. Financing

DSTI

IND

Working Party on SMEs 2000 – Report: “Financing for Women-owned Businesses: Challenges and Opportunities”. 2000 – 2nd OECD Conference on “Women Entrepreneurs in SMEs: Realising the Benefits of Globalisation and the Knowledge-based Economy” (29 November-1 December), one of the 4 Workshops of which will be on this theme.

1999 – Report: “Financing for Women-owned SMEs: Trends and Issues”.

1998 – OECD Member country survey: Financing of Women-owned SMEs: Survey to assess good practices.

1997 – 1st OECD Conference on “Women Entrepreneurs in SMEs: A Major Force for Innovation and Job Creation”.

TDS

LEED Programme Project on a bank for women entrepreneurs in south-eastern Europe under discussion with the EBRD/Central European Initiative.

OECD BODIES	PAST AND PRESENT WORK	FUTURE WORK
8.2. Management training		
DSTI		
IND		
Working Party on SMEs		2000 – 2 nd OECD Conference on “Women Entrepreneurs in SMEs: Realising the Benefits of Globalisation and the Knowledge-based Economy” (29 November-1 December); Workshop 4: Fostering an Entrepreneurial Culture for Women: Education, Management Training and Societal Values.

PART II: INTERNATIONAL ORGANISATIONS (UNITED NATIONS SYSTEM)

PRESENTATION OF RESPONDING ORGANISATIONS

The World Bank

<http://www.worldbank.org>

Both the World Bank and the International Finance Corporation (IFC) have developed special facilities to improve entrepreneurs' access to international credit for micro, small, and medium-sized enterprises. Information on particular sectors or countries can be found through the World Bank Group.

The "Extending IFC's Reach" initiative promotes private investment in selected regions and countries where difficult conditions have constrained IFC activity. The countries included in the three-year pilot are: Central Africa, Western Africa, Eastern Caribbean, Albania, Azerbaijan, Bosnia and Herzegovina, Cambodia and Lao People's Democratic Republic (Lao PDR), El Salvador, Ethiopia and Eritrea, Former Yugoslav Republic (FYR) of Macedonia, Guyana, Kazakhstan, Mongolia, Mozambique, Senegal, Slovak Republic, Uzbekistan, and West Bank and Gaza. IFC field staff identify local entrepreneurs and target commercially sound enterprises. Technical assistance to client entities is a major part of this programme.

A Small Enterprise Fund is used to invest in projects with total costs between USD 250 000 and USD 5 million. It primarily provides debt financing but also has the flexibility to make equity and quasi-equity investments and to provide local currency guarantees.

IFC has established "regional financing mechanisms" to assist entrepreneurs develop business proposals and raise financing for projects. These mechanisms help channel funds from local and foreign banks, private investors, and investment funds to meet the financing needs of the enterprises. Complementary financing mechanisms are also available through IFC for seed capital.

United Nations Industrial Development Organisation (UNIDO)

By the nature of its mandate as the UN's specialised agency for industrial development, UNIDO places private sector and SME development issues at the core of its mission and operations. Over the years, UNIDO's technical co-operation has increasingly focused on SME development, with the overall aim of laying a firm foundation for long-term sustainable economic and social progress in developing countries and transition economies. Co-operation focuses on the creation, survival, expansion, modernisation or rehabilitation of SMEs, the strengthening of their representative business organisations, and the creation of a more favourable policy and institutional environment. At the same time, UNIDO has increasingly established linkages with institutions and enterprises in the private sector of developed countries, many of which have become partners in projects and contributed to UNIDO's work.

Within that overall mandate, UNIDO focuses on providing information, direct advice, training and institution building services addressing:

- SME policy
- SME networking
- Industrial business development services
- Rural SME development
- Women's entrepreneurship development

Industrial partnerships
Investment and technology promotion
Continuous improvement and quality management

Within UNIDO, the Private Sector Development Branch, Investment Promotion and Institutional Capacity-Building Division, assumes the co-ordinating role for activities relating to SMEs.

United Nations Conference on Trade and Development (UNCTAD)

<http://www.unctad.org>
<http://www-partners.unctad.ch/>

Established in 1964 as a permanent inter-governmental body, UNCTAD is the principal organ of the United Nations General Assembly in the field of trade and development. It is the focal point in the United Nations for the integrated treatment of development and related issues in the areas of trade, finance, technology, investment and sustainable development. Its main goals are to maximise trade, investment and development opportunities of developing countries and to help them face challenges arising from globalisation and become part of the world economy on an equitable basis.

UNCTAD pursues its goals through research and policy analysis, intergovernmental deliberations, technical co-operation and interaction with civil society and the business sector. Many intergovernmental and non-governmental organisations have observer status and participate in its work.

International Labour Organisation (ILO)

The International Labour Organisation is a specialised UN agency which promotes social justice and international recognition of human and labour rights. It was founded in 1919 and is the only surviving major creation of the Treaty of Versailles which brought the League of Nations into being. It became the first specialised agency of the UN in 1946.

The ILO formulates international labour standards in the form of Conventions and Recommendations setting minimum standards of basic labour rights: freedom of association, the right to organise, collective bargaining, abolition of forced labour, equality of opportunity and treatment and other standards regulating conditions across the entire spectrum of work-related issues. It provides technical assistance primarily in the fields of vocational training and vocational rehabilitation, employment policy, labour administration, labour law and industrial relations, working conditions, management development, co-operatives, social security, labour statistics and occupational safety and health. It promotes the development of independent employers' and workers' organisations and provides training and advisory services to such organisations. Within the UN system, the ILO has a unique tripartite structure, with workers and employers participating as equal partners with governments in the work of its governing organs.

United Nations Development Programme (UNDP)

UNDP is part of the United Nations and upholds the United Nations Charter. It is committed to the principle that development is inseparable from the quest for peace and human security and that the United Nations must be a strong force for development as well as peace.

UNDP's mission is to help countries in their efforts to achieve sustainable human development by assisting them to build their capacity to design and carry out development programmes in poverty eradication, employment creation and sustainable livelihoods, the empowerment of women and the protection and regeneration of the environment. Its first priority is eradication of poverty.

UNDP also acts to help the United Nations family to become a unified and powerful force for sustainable human development and works to strengthen international co-operation to this end.

UNDP, at the request of governments and in support of its areas of focus, assists in building capacity for good governance, popular participation, private and public sector development and growth with equity. It stresses that national plans and priorities constitute the only viable frame of reference for national programming of operational activities for development within the United Nations system.

UNDP has recently taken the lead in preparing a UN Interagency Resource Guide for Small Enterprise Development (with ILO, UNCTAD, UNIDO, ITC, FAO), to be published in the spring of 2000.

United Nations Economic Commission for Europe (UN/ECE)

The Economic Commission for Europe (UN/ECE) is the forum where the countries of North America, western, central and eastern Europe and central Asia come together to forge the tools of economic co-operation. It aims at bringing about better understanding and agreement on common guidelines and policies, negotiates agreements and prepares assistance activities. Its main purpose is to harmonise the policies and practices of its member countries in order to facilitate economic exchange, investment and the integration of transport networks, but also to make environmental procedures more effective.

Within the framework of the Regional Advisory Services Programme (RASP), the Industry and Technology Division launched a Programme for the Development of SMEs in Countries in Transition to assist countries in transition to formulate national SME policy, design SME promotion programmes, develop an SME infrastructure and help beginners to become entrepreneurs. Since 1998 this programme is implemented in the Co-ordinating Unit for Operational Activities by the Regional Adviser on Entrepreneurship and SMEs. It is linked with and supported by other ECE programmes and it seeks to help SMEs in countries in transition to integrate the European and global economy.

United Nations Economic Commission for Africa (UN/ECA)

ECA is a regional arm of the United Nations, mandated to support the economic and social development of its 53 member states, foster regional integration, and promote international co-operation for Africa's development. Established in 1958 and based in Addis Ababa, Ethiopia, ECA is one of five regional economic commissions under the administrative direction of the UN Headquarters.

During its 40-year history, ECA has made a number of significant contributions to African development. It was instrumental in setting up the African Development Bank (ADB), which is the continent's leading multilateral development financier today. It facilitated the establishment of a number of sub-regional organisations, including the Economic Community of West African States (ECOWAS) and the Preferential Trade Area for Eastern and Southern Africa (PTA), now the Community of Eastern and Southern Africa (COMESA). It was instrumental in building some 30 technical institutions to buttress the socio-economic development of Africa, encompassing such fields as technology, banking and finance, minerals and remote sensing and planning and management. Notable among these is the Eastern and Southern African Management Institute (ESAMI) and the African Institute for Economic Development and Planning (IDEP). ECA also played a key role in the articulation of landmark economic strategies, such as the Lagos Plan of Action and the Cairo Agenda for Relaunching Africa's Development. ECA continues to provide member states with technical assistance in many fields and to foster the development of civil society groups, including NGOs, professional associations and intellectual networks.

United Nations Economic and Social Commission for Asia and the Pacific (UN/ESCAP)

The demands and challenges facing the Asia-Pacific region today are enormous: poverty eradication, education, daunting infrastructure needs, a deteriorating environment and social rebuilding. Since the World War II, ESCAP has worked with governments to find solutions for these problems.

Located in Bangkok, ESCAP is the largest of the five UN regional commissions, with 51 members and 9 associate members and representing some 60% of the world's population (3.5 billion people). Its members include Japan and Australia, the dynamic "tiger" economies (Korea, Singapore, Thailand, Indonesia, Malaysia, Hong Kong, China), and seven new republics of central Asia, which are undergoing rapid economic transition. Thirteen of the world's least developed countries represent one-quarter of ESCAP's full members. And 19 small Pacific-island developing countries account for over one-third of ESCAP's total membership.

In ESCAP, the International Trade and Industry Division has the primary mandate in the area of SME development, including sustainable industrial and technological development and trade promotion in the Asia-Pacific region. Indeed, as is well recognised, SMEs in this region play a fundamental role in industrial development and an increasing role in international trade. Therefore, SME-related activities are high among ESCAP's priorities. The Division publishes on a regular basis a *Small Industry Bulletin for Asia and the Pacific*.

The Division has organised various regional and national workshops on private sector development and privatisation in selected least developed countries and economies in transition over the last three years. These meetings have addressed issues relating to the role of SMEs in private sector development. In addition, regional and national workshops have been organised on the promotion of foreign direct investment where issues relating to the financing of SMEs have been regular feature.

SUMMARY OF ACTIVITIES AND INITIATIVES

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
1. FINANCING		
1.1. SMEs' access to bank lending and credit		
<p>WORLD BANK</p> <p>The World Bank and IFC regional departments, together with the IFC financial markets are responsible for the lending and investment operations.</p> <p>The new joint IFC/World Bank Global Products SME Department will play a lead co-ordinating and catalytic role and manage local currency operations.</p> <p>The IFC Environment Technical Department manages the IFC/GEF programme.</p> <p>The RPEP programme is run out of the Africa regional department.</p>	<p>IFC has financed SMEs directly as well as through financial intermediaries such as banks, equity funds, leasing companies, and non-banking financial institutions. A total USD 1.5 billion in SME investment was approved during the last three years. Direct investments accounted for only about 10% of the total investments in SMEs. However, these investments played an important role in extending IFC's reach in frontier markets with underdeveloped financial markets. Close to USD 1.0 billion of IFC's SME investments were in the form of credit lines to banks. Another USD 200 million was in the form of equity investments in SME-focused banks. Investments in leasing companies and private equity/venture capital funds accounted for USD 210 million.</p> <p>The WB has financed SMEs through credit lines channelled through APEX institutions, retail banks, and non-financial intermediaries such as parastatals or NGOs. During the last three years, credit components in SME-related loans totalled roughly USD 850 million. The bank also approved a number of adjustment loans that may have benefited SMEs through credit lines used to purchase specific goods and services. However, an estimate of such credit components is not available at present because of a lack of systematic tracking of SME projects.</p> <p>Through commercial banks:</p> <ul style="list-style-type: none"> – WB: USD 5 billion. Approvals FY98-00 (65 projects). – IFC: USD 1.4 billion. Approvals FY98-00 (148 projects). <p><i>e.g.</i></p> <ul style="list-style-type: none"> – Bosnia and Herzegovina: Emergency Pilot Credit Line-1. – Balkans: Wood Agency Line. – Argentina: Social Protection (FY96) (microcredit). – Albania: Rural Poverty Alleviation. – Moldova: Private Sector Development I. – Kosovo (FYR) (FY00): SME Line of Credit. 	<p>IFC plans to be much more selective in using this instrument in the coming years and intends to place a greater emphasis on reaching SMEs through financial intermediaries. IFC expects to invest around USD 395 million in SME projects in the coming year. The World Bank expects to invest about USD 1.8 billion in SME projects over the next 2-3 years.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>UNIDO</p> <p>Private Development Sector Investment Promotion and Institutional Branch, Capacity-building Division assumes co-ordinating role for activities related to SMEs</p>	<p>During the International Conference on investment opportunities in privately financed small and medium-sized infrastructure projects in emerging economies (organised in 1998 in co-operation with the Federal Office for Foreign Economic Affairs of Switzerland), the promotion of financial instruments to increase participation of SMEs in the private infrastructure business was a basic issue. The conference opened a window for identifying investment projects suitable for involvement of SMEs from developing countries and countries in transition. Selected projects are being promoted in the framework of UNIDO's integrated programmes.</p>	
<p>ILO</p> <p>Social Finance Unit</p> <p>For more information: http://www.ilo.org/public/english/employment/finance/fin_pub.htm</p>	<p>Action-oriented research on the effectiveness and sustainability of self-employment programmes for the unemployed in industrialised countries.</p> <p>Action research on microfinance in post-conflict countries.</p> <p>Programme to strengthen MFI's capacity to manage guarantee funds through development of tools and technical co-operation.</p> <p>Building sustainable microfinance institutions (Africa).</p> <p>Study on collateral substitutes, to overcome the lack of collateral as a constraint for SMEs.</p> <p>Research on migrant worker remittances and their potential for SME development.</p>	<p>Replication of the self-employment programme on a larger scale.</p> <p>Policy advice and technical assistance in the context of post-conflict countries and microfinance.</p> <p>Technical assistance and policy advice on the establishment and maintenance of sustainable microfinance institutions (including guarantee funds).</p> <p>Research and development of tools to connect micro-insurance products with microfinance institutions.</p> <p>Advice on safety net mechanisms targeting displaced workers, to facilitate their movement into alternative productive work.</p>
<p>UNDP</p> <p>Regional Enterprise Africa Office, Ghana UNDP Africa</p> <p>Enterprise Development Unit, UN Capital Development Fund (UNCDF)</p>	<p>In Africa, UNDP's regional "Enterprise Africa" programme includes a component on improving access to finance for SMEs. The strategy for this component includes: <i>i</i>) integrated support to direct credit delivery; <i>ii</i>) support to facilitate access to finance from existing financial institutions and credit sources; and <i>iii</i>) exploring access to equity financing. The regional programme currently supports nine country programmes in the region and aims at increasing this number to 20 within the next few years. The finance component of Enterprise Africa is expected to be implemented in at least some of these countries.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
UN/ECE	<p>In the developing sub-regional initiative, major ECE activities have been oriented to the SECI project, Financial Policies to Strengthen SMEs through Microcredit and Credit Guarantee Schemes, which aims to develop best practices in microcredit and credit guarantee arrangements for SMEs, provide training for financial institutions and create a network among SME focal points and financial intermediaries.</p> <p>Guidelines and discussion papers: “Financing Private Enterprises and Trade: A guide for the transition economies”, 1996; “Financial Policies to Promote SMEs through Microcredit and Credit Guarantee Schemes”, 1997.</p> <p>Workshop: The Microcredit Training Course, Budapest, 1997.</p> <p>Within the framework of the Balkan Stability Pact, ECE developed a project, Microfinancing for crisis-affected areas in Albania. ECE is co-operating with the Central European Initiative for the implementation of a two-year pilot project that should start when the Government of Albania gives official authorisation.</p> <p>Jointly with the EBRD, ECE prepared a guide for SMEs on project opportunity methodology for presenting investment projects. ECE maintains jointly with the CEI secretariat and EBRD a focal point on the POM in Geneva.</p>	<p>The focus will be on legal issues surrounding SME development. A regional advisory mission and roundtable discussion will be carried out in individual countries on development of national policies.</p> <p>If the pilot project (see left) is successful, a larger Fund for Small Businesses could be financed by international financial institutions (e.g. EBRD) through local intermediaries/banks in Albania. A similar fund might be created in the Former Yugoslav Republic of Macedonia.</p>
UN/ECA The Development Management Division (DMD)	<p>The former ECA/Industry division organised in 1996 a workshop on the role of financial and other support institutions in the development of cottage and small industries in Africa in Dakar, Senegal.</p> <p>ECA/DMD’s technical publication, <i>Reconciling Indigenous Informal and Formal Microfinancing Systems and Practices in Africa</i>, November 1997.</p> <p><i>Case Study on Mobilisation of Resources for Local Development</i>, ECA/DMD, 1998.</p> <p><i>The Role of Microfinancing in the Sustainable Development of Small and Medium-sized Industries in Africa</i>, ECA/DMD, 1999.</p>	
UN/ESCAP The International Trade and Industry Division has the primary mandate in the area of SME development	<p>An Ad Hoc Expert Group Meeting on Industrial Finance in Asia and the Pacific paid particular attention to financing needs of SMEs and policies to address them, 1997.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
1.2 SMEs access to venture capital and equity markets		
WORLD BANK	<p>IFC: on average, 62 direct investments a year were approved between FY98 and FY00 totalling USD 71 million:</p> <ul style="list-style-type: none"> - Philippines, India. - Ukraine: VC Fund. - Thailand: Ayudhya Leasing. 	<p>Example of new initiatives:</p> <ul style="list-style-type: none"> - Czech Republic: Czech VC Fund. - China: SIGC (Guarantee/Equity Fund for SMEs). - Algeria: First Private Enterprise Development Project (equity finance and debt-finance-leasing). - Developmental Equity Lines.
<p>ILO</p> <p>Social Finance Unit</p> <p>For more information: http://www.ilo.org/public/english/employment/finance/fin_pub.htm</p>	<p>Action Programme on Self-employment for the Unemployed (“business angels”) (research on Europe and North America).</p>	<p>Action Programme on Self-employment for the Unemployed (“business angels”) (development of guidelines, general).</p> <p>Research to identify the potential of equity financing and leasing arrangements.</p> <p>Research on socially responsible investments.</p>
<p>UNDP</p> <p>UNDP Argentina</p> <p>UNDP Regional Bureau for Latin America and the Caribbean</p>	<p>In Argentina, a pilot-scale local venture capital fund has been launched by UNDP in co-operation with NGOs and the private sector to increase involvement of the local private sector in creating employment opportunities for the low income population.</p>	
<p>UN/ECE</p>	<p>Guidelines, “How to Prepare a Business Plan: A guide for start-ups and advanced private enterprises in countries in transition”, 16 September 1996</p>	
1.3 Other issues		
WORLD BANK	<p>The World Bank Group has supported capital market development, including the establishment of stock exchanges.</p> <p>There is also a USD 20 million GEF-financed, IFC-implemented programme designed to provide financing to SMEs to introduce energy conservation technology addressing biodiversity and climate change issues.</p> <p>The World Bank, through the Regional Program for Enterprise Development (RPEP), is looking at alternative trade financing instruments including factoring, discounting, etc.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
UNIDO	Suitable synergy between financial services and business development services (BDS) – information, training, counselling, marketing, facilitation of business linkages – can make SME credit schemes more effective and can produce a more successful outcome in lending programmes. A core feature of many UNIDO projects, therefore, is to strengthen BDS capacity of service providers, with particular focus on promoting networking between financial services and BDS providers.	
ILO Social Finance Unit For more information: http://www.ilo.org/public/english/employment/finance/fin_pub.htm	Research on debt bondage, a particular form of forced labour (Asia). Research on the impact of financial sector liberalisation on small enterprises and the poor (Africa). Establishment of assessment methodologies to measure the impact of microfinance interventions (general).	Expand activities on debt bondage to awareness raising and prevention. Continue to undertake research on the impact of financial sector liberalisation on small enterprises and the poor (Africa).
UNECE	ECE was represented at the Council of UN Agencies for the Microcredit Summit, held in 1997 and 1998. ECE produced a discussion paper on poverty alleviation and microcredit in CITs. This Council is spearheaded by UNDP.	
UNECA	The former ECA/Industry Division organised in 1994 a workshop on sustaining small and medium-scale enterprises through effective outreach programmes, access to finance and improvement of the legal and regulatory environment in Addis Ababa. <i>Comparative Case Studies on Private Sector Development Programmes of Selected Countries in Asia and Latin America</i> , DMD, 1999	ECA/DMD is preparing for 2000/2001, publications on: – Critical review of existing support services for the improvement of regional and global competitiveness of SMEs in Africa (June 2000). – Analysis of private sector enterprise in selected African countries (December 2000). – Source book and best practices on private sector financing of infrastructure projects (July 2001).

2. EMPLOYMENT AND HUMAN RESOURCES

2.1. Job creation

WORLD BANK

In addition to the work in this areas by the IFC/WB regional departments and the SME Department, distance learning programmes are being implemented by the World Bank Institute.

Most World Bank and IFC SME-related projects have job creation as a main objective. Project Development Facilities and Social Fund operations have been particularly active in this respect.

As part of its mandate, the SME Department is to develop and implement an SME metrics framework that will provide more robust information on job creation.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p> <p>SIYB programme Web site: http://www.ilo.org/public/english/employment/ent/sed/bds/siyb/index.htm</p>	<p>Start and Improve Your Business Programme (SIYB) (management training programme for aspiring and existing entrepreneurs, through training of trainers).</p> <p>SME promotion through the implementation of enterprise development agencies (eastern Europe).</p>	<p>Start and Improve Your Business Programme (SIYB) (management training programme for aspiring and existing entrepreneurs, through training of trainers).</p> <p>Promotion of SMEs through implementation of enterprise development agencies (Eastern Europe).</p> <p>Development of methods for measuring the employment impact of SME projects and programmes (in co-ordination with other multi- and bilateral agencies).</p> <p>Review of knowledge and impact of self-employment schemes for youth.</p> <p>Research on favourable policy environment for employment creation through development of small enterprise.</p>
<p>UNDP</p> <p>Enterprise Africa programme unit, Ghana</p> <p>UNDP Regional Bureau for Europe/CIS</p> <p>Enterprise Development Unit assistance to various country offices</p>	<p>The primary goal of UNDP's Enterprise Africa programme is to help strengthen entrepreneurship and enterprise development to create jobs.</p> <p>In Europe and the CIS, UNDP has supported job creation through a regional initiative to assist UNDP country offices establish SME development initiatives to encourage jobs creation.</p> <p>In a number of countries, UNDP has also supported the establishment of business incubators, often in co-operation with UNIDO. Egypt is one recent example.</p>	
UN/ECE	<p>Guidelines and discussion papers:</p> <ul style="list-style-type: none"> - Industrial Restructuring in Selected Countries in Transition, 1995. - Discussion papers for the preparation of strategy and programme of the Working Group on SMEs of the Central Europe Initiative. - Risk Management for SMEs in CITs, 1998. - Promotion and Development of Local Enterprises Initiative, Discussion Paper prepared for the BSEC-ECE-KAF Workshop on the Role of Local and Regional Government in Enterprise Creation, 1999. 	
<p>UN/ECA</p> <p>Development Management Division (DMD)</p>	<p>ECA/DMD organised a forum and an exhibition of technology for SMEs involved in food processing, in Abuja, Nigeria, 5-7 October 1999.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
2.2. Labour skills		
WORLD BANK	<p>Various World Bank programmes have supported technical and vocational training.</p> <p>The Africa Virtual Learning University is increasingly used to deliver professional development training in Africa, e.g. engineering and MBAs.</p> <p>The Global Learning Network can also be used to provide training of trainers in support of local training needs.</p> <p>The majority of IFC SME-related projects are complemented by a technical assistance component, which provides for training geared to specific needs of individual SMEs, including transfer of technology and technical skills.</p>	<p>The WBG will be increasing its support to and utilisation of Internet and new IT technologies to provide lower-cost, sustainable training services.</p>
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)	<p>Start and Improve Your Business Programme (SIYB) (management training programme for aspiring and existing entrepreneurs, working through training of trainers).</p>	<p>Start and Improve Your Business Programme (SIYB) (management training programme for aspiring and existing entrepreneurs, working through training of trainers) (see also under 3.4).</p>
UNIDO	<p>In the field of business development services (BDS), UNIDO technical assistance is primarily intended to strengthen the capacity of service providers (private/public/NGOs) to deliver business services (41 countries are concerned). The business incubator is a specialised form of BDS which provides not only various types of services but also a physical location. UNIDO provides technical assistance and support to conduct feasibility studies and prepare business plans to guide the establishment of the incubators. UNIDO has prepared various manuals and other materials to provide guidance to potential sponsors.</p> <p>Development of rural micro and small enterprises (MSEs). UNIDO's approach is to support local initiatives for integrated services to strengthen MSE organisations and public support institutions (18 countries concerned). Activities emphasise capacity-building activities aimed at enhancing the ability of existing sectors to support MSEs.</p>	
UN/ECE	<p>ECE organised two workshops related to human resource development for SMEs within the framework of the BSEC and with financial and technical assistance of the Konrad Adenauer Foundation: <i>i</i>) Workshop on SMEs: Entrepreneurship, May 1998; <i>ii</i>) Workshop on SMEs – Their Needs in Human and Financial Resources, November 1998.</p> <p>Within the framework of RASP, ECE assists CIT governments to formulate project proposals, including for human resource development. For example, ECE developed the Project on Support to the Moldovan Government in Developing Entrepreneurship and Business Training. It is exploring the possibility of financing and implementing this project with the assistance of the European Training Foundation.</p>	<p>ECE will continue its activities in the field of development of entrepreneurship and human resources. In 2000, a training seminar is being held in Tel-Aviv on organisational assistance, support measures and credit guarantees for SMEs jointly with the Israeli Ministry of Foreign Affairs to present the Israeli experience of enterprise creation and small business support.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
2.3. Issues related to management training		
WORLD BANK	Project Development Facilities (PDFs) in the Mekong Delta, South Pacific, and Sub-Saharan Africa.	Project Development Facilities in the Balkans, Russia/Ukraine, China, West Bank/Gaza, India/Nepal/Bangladesh, Central Asia, North Africa, East Timor and South Turkey
UNIDO	The UNIDO Capacity Building for Partnership Development Programme focuses on building the institutional competencies and professional skills needed for SME innovation, investment and technology transfer. The programme offers a package of training courses and related tools and methodologies to train trainers, achieve a multiplier effect and sustainability of the process and outputs. The programme has operated for many years and covers all regions. Examples of courses covered by the package are: Industrial Project Preparation and Appraisal; Feasibility Analysis and Reporting; Technology Transfer Negotiations; Technology Management at the Enterprise Level; Technology and Investment Partnerships; Joint Ventures and Business Alliances.	
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED) Job Creation and Enterprise Development Department, Co-operative Branch	Start and Improve Your Business Programme (SIYB) (management training programme for aspiring and existing entrepreneurs, working through training of trainers). Increasing productivity by improving working conditions (pilot test in the Philippines). Grass Roots Management Training [improvement of the management and marketing capacity of (female) micro-entrepreneurs with little or no formal education] (Africa). FIT Programme (stimulation of the for-profit provision of Business Development Services, Rapid Market Appraisal) (Africa).	Start and Improve Your Business Programme (SIYB) (management training programme for aspiring and existing entrepreneurs, working through training of trainers). Increasing productivity by improving working conditions. Know About Business Training Package (KAB) (entrepreneurship education in vocational and technical training institutions) (Africa, Eastern Europe). FIT Programme (stimulation of the for-profit provision of Business Development Services, Rapid Market Appraisal).
UN/ECE	ECE organised two training programmes: <i>i</i>) for the SECI and CEI countries: The role of government in enterprise creation and support for SMEs, organised jointly with the Centro Europeo di Impresa e Innovazione (CEII) on behalf of the Italian Ministry of Foreign Affairs and the Italian Ministry of Industry, to present Italian experience on enterprise creation and support to small business; <i>ii</i>) a sub-regional workshop on Training of trainers in management of small and medium-sized enterprises in Central Asian and Caucasian economies, May 1999, organised jointly with UN/ESCAP and the Government of Kazakhstan/Kazakhstan Training Centre, and attended by the UN Asian and Pacific Centre for Transfer of Technology (APCTT) and the International Training Centre of the ILO.	Organisation of workshops and seminars for training of trainers in SME management and elaboration of national project proposals remain future tasks of the RASP.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
UN/ECA	<p>The former ECA/Industry Division organised a workshop, Development of Entrepreneurial Capability in Cottage and Small-scale Industries, Dakar, Senegal, 1995.</p> <p>The former ECA/Industry Division organised an Ad-hoc Expert Group Meeting on Manual for Trainers in the Development of Entrepreneurship in Small Scale Industries from 11-14 June 1996 in Addis Ababa, Ethiopia.</p>	
UN/ESCAP	<p>A sub-regional workshop on training of trainers for SME management was organised in Almaty, Kazakhstan, for Central Asian and Caucasian Economies in Transition, in co-operation with the ECE and ILO and the European Training Foundation (May 1999).</p> <p>A substantive activity involves the annual two- or three-week regional workshop on training of trainers in investment project appraisal, management and evaluation. These workshops are often implemented in collaboration with UNIDO and also provide training in SME project appraisal and SME financial and analysis techniques.</p>	<p>Follow-up activities at national level are planned in selected economies.</p> <p>The next training workshop is scheduled in Beijing in May 2000 for economies in transition. A series of national training workshops is scheduled for the second half of 2000 and 2001.</p>
2.4. Other issues		
<p>ILO</p> <p>Job Creation and Enterprise Development Department, Management Development Programme</p>	<p>Support for businesses of retrenched workers and spin-off enterprises as large enterprises restructure (eastern Europe).</p>	<p>Support for businesses of retrenched workers and spin-off enterprises as large enterprises restructure (eastern Europe).</p>
<p>UNDP</p> <p>Enterprise Development Unit (UN Capital Development Fund, UNCDF)</p>	<p>UNDP has recently taken the lead in preparing a <i>UN Interagency Resource Guide for Small Enterprise Development</i> (with ILO, UNCTAD, UNIDO, ITC, FAO) to be published in spring 2000. In support of this guide, UNDP will expand its support to country offices in the area of SME job creation. For example, support will be given to assessing country needs in the SME area.</p>	
3. INNOVATION AND TECHNOLOGY		
3.1. SMEs and innovation		
<p>WORLD BANK</p> <p>Business Environment Group, Private Sector Development Advisory Services (PSDBE)</p> <p>World Bank Knowledge Group, WBI</p>	<p>Mexico: Knowledge and Innovation Project (FY98).</p> <p>Turkey: Industrial Technology Project (FY99).</p> <p>Indonesia: Industrial Technology Project (FY96).</p> <p>El Salvador: Competitiveness Enhancement (FY96).</p>	<p>Focus on support to innovative small enterprises, increasingly led by IFC side of WBG via technology-oriented incubators and venture funds.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p> <p>Job Creation and Enterprise Development Department, Management Development Programme</p>	<p>FIT Programme (stimulation of the for-profit provision of Business Development Services, user-led innovation through customer focus groups) (Africa).</p> <p>Support (training manuals, guides, workshops) for national productivity centres and employers' organisations for providing services to help improve SME productivity (Africa, Asia).</p>	<p>FIT Programme (stimulation of the for-profit provision of Business Development Services, user-led innovation through customer focus groups) (Africa, Latin America).</p> <p>Support (training manuals, guides, workshops) for national productivity centres and employers' organisations for providing services to help improve SME productivity (Africa, Asia).</p>
UN/ECE	<p>ECE is involved in reviewing the development and sustainability of the business incubation process in the ECE region. The document, "Promoting and Sustaining Business Incubators for the Development of SMEs", summarises the current business incubation services, including business incubators, science parks, technopoles, industrial development sites and export zones. The Expert Meeting on Business Incubation was held in June 1999.</p> <p>An international conference, Higher Education, Research and Industry, held in 1997, highlighted the problems of promoting science and technology, including for SMEs in CITs.</p>	<p>ECE will prepare a comprehensive study on business incubation in 2000.</p> <p>An international conference, Technology Transfer for Economic Development: Experiences in Transition, will be held in June 2000 in Zagreb (Croatia).</p>
UN/ECA	<p><i>Selected Technologies for and without Licensing in the Framework of IDDA II, 1996.</i></p>	
UN/ESCAP	<p>The Asian and Pacific Centre for Transfer of Technology (APCTT), a Delhi-based ESCAP subsidiary, focuses almost exclusively on meeting technology needs of SMEs in the region and is active in providing information, databases and technical assistance and in setting up partnerships with national and regional focal points and development banks and institutions.</p>	<p>Implementation of a project, Mechanisms for Strengthening Technology Incubation System for SMEs in Asia and the Pacific, is a recently started activity.</p>
3.2. Access to information and communication technologies (ICT) and use of electronic commerce		
<p>WORLD BANK</p> <p>Global Information and Communication Technology Department (ICT) (including infoDev)</p> <p>SMED</p>	<p>Emphasis is on application of ICT for competitiveness of small businesses:</p> <ul style="list-style-type: none"> - Philippines: e-Planters (pilot small business portal) - E-commerce for Artisans projects (e.g. PEOPLink, Virtual Souk) 	<p>Seed development of commercially viable models:</p> <ul style="list-style-type: none"> - Small business portals - FreePC - Telecentres.
<p>ILO</p> <p>Job Creation and Enterprise Development Department</p>	<p>Research on the impact of ICT on small enterprises</p>	
<p>UNDP</p> <p>Sustainable Development Networking Programme/IT for Development, BDP</p> <p>Enterprise Development Unit</p>	<p>Through increased focus on promoting ICT for development, UNDP will explore how it can best support SMEs and microenterprises to access ICT and adopt e-commerce.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
UN/ECE		ECE will develop and promote a set of guidelines on electronic business and Internet based enterprise development in CITs during 2000-2002
UN/ECA Development Management Division (DMD)	<p>A paper, “Enhancing Access to Information and Communication Technologies: African Experience”, was presented by ECA at the 1st International Symposium on Technology Management for SMEs, held in Cairo, Egypt, 7-10 February 2000.</p> <p>ECA/Development Information Services Division (DISD) is working with member states to implement the African Information Society Initiative (AISII) to improve enabling policy and regulatory environment for active private sector participation in delivery and access to information and communication services, through the development of national information and communication infrastructure (NICI) plans. The pilot countries are: Benin, Burkina Faso, Burundi, Cap Verde, Côte d’Ivoire, Gabon, Ghana, Ethiopia, Mali, Malawi, Mauritania, Morocco, Mozambique, Namibia, Nigeria, Rwanda, Senegal, South Africa, Sudan, Tanzania, Tunisia, Uganda. In this regard, ECA supports the development of equitable infrastructure in the form of multipurpose community information centres to enable underprivileged communities to use ICT to manage local development. The plans include development of ICT applications in key sectors such as electronic commerce with emphasis on SMEs and linking African chambers of commerce.</p>	<p>ECA/Development Information Services Division (DISD) projects to:</p> <ul style="list-style-type: none"> - Develop, facilitate and strengthen e-commerce networks to enable SMEs to sell and buy via the Internet. - Maintain a Web site, knowledge management portal, multiple archived mailing lists, Web-based collaborative tools to promote African private sector collaboration. - Develop mechanisms that enable private sector contributions to the NICI planning process, including focus on the legal and regulatory framework required for the information economy. - Encourage development of local content and material in different languages. - Sensitise SMEs and raise awareness to remove psychological barriers to using e-commerce in Africa; also sensitise SMEs to Diaspora opportunities.
UN/ESCAP	Promotion of information technology and e-commerce for SMEs.	
3.3. Financing for SME innovation		
WORLD BANK ICT Department SME Department	<p>Enabling private equity to reach early-stage companies:</p> <ul style="list-style-type: none"> - Softbank Emerging Markets (global incubation, venture capital fund) - Turkey (*PO) 	<p>Moving beyond finance to the overall support environment for start-ups:</p> <ul style="list-style-type: none"> - SME Innovation Contest - Venture capital funds - Internet incubators
3.4. Labour skills and management capabilities		
WORLD BANK ICT, WBG regional teams		<p>Internet Immersion Institute: focus on entrepreneurship skills and networking.</p> <p>Internet Academies: focus on core technology skills in partnership with private sector.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
ILO In-Focus Programme on Skills, Knowledge and Employability		Case study research on good training practices in SMEs.
3.5. Innovation networks (co-operation among SMEs or with larger firms or public research centres at national or international level)		
WORLD BANK WBI World Bank regional departments PSDBE	Dual focus: analytical and project work on national innovation systems; supplier development programmes: – Korea: Innovation System (FY00) – El Salvador: Learning society (FY99) – Mexico: Knowledge and Innovation Project (FY98) – Turkey: Industrial Technology Project (FY99)	Mexico Supplier Development Program (FY01)
UNIDO	<p>International Industrial Partnerships (IIPs) promote investment and technology partnerships between domestic and foreign SMEs. UNIDO provides a package of targeted services to build IIPs through joint ventures, licensing agreements, subcontracting and strategic alliances. The goal is to enhance SMEs' participation in the global marketplace through partnerships between domestic investors (mostly SMEs) and foreign investment partners and technology suppliers. The IIPs are strengthened by UNIDO's Industrial Partnership Promotion Network (IPPN) which benefits investment and technology promotion-related organisations, with special emphasis on investment promotion agencies (IPAs).</p> <p>UNIDO undertakes technical co-operation to establish and operate subcontracting and partnership exchanges (SPXs) in developing countries. SPXs act as technical information centres, matchmaking and clearinghouses for industrial subcontracting and partnership inquiries and opportunities. In the last 15 years, UNIDO has established 57 SPXs in 32 countries, of which 48 currently operate on a sustainable basis and cover 15 588 registered companies.</p> <p>Through its international technology centres and their networks (R&D institutes, technology centres, universities, agents of national innovation systems and industrial associations), UNIDO provides SMEs with the links to public research institutes and universities, as the main knowledge and technology sources, at national and international levels.</p>	
UN/ESCAP	<p>The Asian and Pacific Centre for Transfer of Technology (APCTT), is active in setting up partnerships with national and regional focal points and development banks and institutions throughout the region.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
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3.6. Patents and property rights

WORLD BANK	Focus on institution-building:	
PSDBE	– Mexico: Science and Technology Infrastructure Project (FY92).	
World Bank Regional teams	– Turkey: Industrial Technology Project (FY99).	

3.7. Other issues

UN/ESCAP	<p>A regional seminar, Implications of the Asian Crisis on Sustainable Industrial and Technological Development in the Asia-Pacific Region, was organised in 1999 in co-operation with UNIDO. Regional and country studies were presented and discussed, with specific attention to implications for SMEs.</p> <p>Activities of the International Trade and Industry Division on technology transfer and quality control, including ISO 9000 and 14 000 certifications, introduction of efficiencies at micro-enterprise level and strengthening their ability to undertake electronic commerce, have mostly targeted SMEs.</p> <p>Recognising the importance of agro-industry and environmentally sound technology and the role of SMEs in this area, various activities have been implemented:</p> <p><i>i)</i> In November 1997, a regional seminar, Enhancement of Partnership among Government, Non-governmental and Private-sector Entities in Strengthening Small and Medium Enterprises for Alleviating Rural Poverty.</p> <p><i>ii)</i> National seminars in 1997 and training workshops in 1998 on treatment of wastewater were organised for SMEs in selected LDCs and economies in transition.</p> <p><i>iii)</i> In September 1999, a regional seminar, SMEs in a Liberalised Economic Environment and their Impact on Poverty Alleviation.</p>	
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4. SMEs AND GLOBALISATION

4.1. SME globalisation strategies

WORLD BANK	The World Bank has supported a number of projects designed to help SMEs to compete internationally (<i>e.g.</i> Tunisia: Export Development Project). The IFC through financing and PDF support has also played an important role in this area.	The World Bank Group will continue its efforts to identify and support competitiveness projects targeted at SMEs, including by scaling up PDFs worldwide.
See issues 1, 2 and 3		
ILO	Support to export processing zone (EPZ) authorities to improve SME competitiveness in global commodity chains.	Support to EPZ authorities to improve SME competitiveness in global commodity chains.
In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)	Review paper on area-based responses to globalisation: local co-operative strategies for promoting competitiveness of small enterprises in global markets.	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>UNDP</p> <p>a) Lead unit: Special Unit for Technical Co-operation among Developing Countries</p> <p>Promote Africa Partnership under Enterprise Africa</p> <p>b) Enterprise programme Ghana Africa unit,</p>	<p>Supported by the Japanese and in co-operation with a number of organisations, UNDP has led preparations for and organisation of the Africa-Asia Business Forum. In the first AABF, held in Malaysia in 1999, over 200 SMEs from Asia and Africa participated in order to establish commercial linkages, including joint ventures, trade and other arrangements. The AABF was organised in close co-operation with the Enterprise Africa programme's Promote Africa Partnership component (joint UNDP-MIGA).</p> <p>UNDP's Enterprise Africa programme includes a strong emphasis on the promotion of exports among SMEs participating in the programme. This includes the Export Roundtable Initiative for SMEs as well as efforts to build capacity of national SME programmes in Africa to implement export development initiatives.</p>	<p>A second Africa-Asia Business Forum is planned for late 2000/early 2001, to take place in Africa.</p>
UN/ESCAP	<p>The Consultation Meeting on Regional Co-operation for Development of Export-oriented SMEs in the ESCAP Region, May 1997, discussed various country studies and a comprehensive regional study.</p> <p>The International Trade and Industry Division is implementing a multi-year project in Cambodia, Lao PDR and Vietnam, which involves direct support to export-oriented SMEs in marketing, finance and quality control, as well as capacity building of institutions providing support services to SMEs.</p>	
4.2. Financing issues		
WORLD BANK	See issue 1.3 (RPEP programme).	Continued development and piloting of innovative trade financing instruments will be undertaken in selected countries.
4.3. SMEs and electronic commerce		
WORLD BANK	See issue 3.	See issue 3.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
4.4. Other issues		
UNIDO	<p>SMEs in developing countries increasingly face certification requirements for standards and technical regulations for quality, environment and food safety. Given rapidly emerging trends in this field, efforts to spread information and awareness about these requirements and related procedures need to be intensified. UNIDO has conducted two extensive surveys to assess the implications of quality and environmental management systems in developing countries and is currently preparing a survey focusing on enterprise-level concerns.</p> <p>To become global producers and suppliers, SMEs have to strengthen their capabilities in terms of delivery time, quality and economic performance. They need to be supported by an effective quality infrastructure, harmonised with laws and regulations and supported by methodologies for continuous improvement and total quality management (TQM) as well as applications software for management information and decision-support systems. Such an infrastructure can provide the basis for improved business performance and competitiveness. UNIDO services therefore include:</p> <ul style="list-style-type: none"> – Enhancing national capacities to achieve implementation of international standards such as those established under ISO 9 000 and ISO 14 000 series as well as promotion of continuous improvement and TQM. – Increasing industrial growth and profitability arising from the capability continually to improve production performance and product quality in line with rising customer expectations. – Improving industrial efficiency and competitiveness through industrial restructuring and upgrading. – Enhancing management capability, particularly with the introduction of modern decision support tools. 	
UN/ESCAP	<p>Two meetings, a regional seminar and expert group meeting were organised in 1999 in Delhi and Beijing respectively on Promoting Industrial Complementarities in Asia and the Pacific, with due attention to SME-related matters.</p> <p>Various investment forums have been organised for SMEs from less developed countries in the more advanced or developed countries of the region, such as Japan and the Republic of Korea.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
5. NETWORKS, PARTNERSHIPS AND LOCAL CLUSTERS		
5.1. SME networking at national and international level		
<p>WORLD BANK</p> <p>The WB has programmes with FIAS and MIGA in support of FDI.</p>	<p>Microfinance Networking in Africa (Action Research on Sustainable Microfinance Institutions).</p> <p>Jamaica (FY94): Private Investment and Export Development (export support systems and financial sector components).</p>	<p>The WBG intends to expand its capacity-building efforts and strengthen its activities with IFIs through the Central Financial Markets and SME Departments, along with various working groups and to increase its networking activities to reach more of the developing world.</p>
<p>UNIDO</p>	<p>UNIDO assists in the design, implementation and evaluation of networking projects in 15 countries. The nature and structure of the projects depend on specific needs in the particular country and region. Thus, a preliminary phase assesses local strengths and weaknesses, shapes a concerted local development vision with the participation of all actors and establishes an action plan. Action plans generally include promotion of networks between complementary SMEs; training of cluster and network brokers; promotion of linkages between large and small firms with a view to upgrading suppliers; improvement of institutions that enhance the competitive advantage of clusters or offer specialised services to enterprise-to-enterprise networks; and creation of mechanisms to foster dialogue between the private and public sectors.</p>	
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p> <p>International Institute of Labour Studies</p>	<p>Strengthening associations of small enterprises to achieve greater political recognition and better services (action research and technical co-operation for organisation-building among micro and small entrepreneurs) (Africa, Latin America).</p> <p>Research on the role of local business associations in assisting industrial SME clusters in Brazil, Mexico, India and Pakistan.</p>	<p>Strengthening associations of small Enterprises to achieve greater political recognition and better services (guidelines, training and technical co-operation for organisation-building among micro and small entrepreneurs) (Africa, Latin America).</p> <p>Capacity-building of workers' and employers' organisations for more outreach to SMEs.</p>
<p>UNDP</p> <p>Enterprise Africa programme unit, Ghana</p> <p>Enterprise Development Unit, UNCDF supports</p>	<p>UNDP's Enterprise Africa programme is supporting the establishment of national business associations among enterprises using the services of national Enterprise Africa SME programmes. In addition, regional networking among SMEs participating in the various national Enterprise Africa SME programmes is encouraged and supported.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
UN/ECA Development Management Division (DMD)	<p>ECA/African Centre for Women (ACW) sponsored the establishment of the African Federation of Women Entrepreneurs in the mid-1990s.</p> <p>In February 2000, a feasibility study on business/enterprise centres was finalised. Potential partners are being identified.</p> <p>ACW helped organise a Trade Fair and Investment Forum for women entrepreneurs in 1996 and 1998.</p>	<p>ECA/ACW plans Mobilisation of Human and Technical Resources to Strengthen the ACW Networking System for 2000-01:</p> <ul style="list-style-type: none"> - To support communication and outreach, information and experience-sharing and networking. - To enhance sub-regional and regional networks of women entrepreneurs.

5.2. SME partnerships with large firms

WORLD BANK	<p>IFC has established partnerships with a number of firms and institutions, particularly those with extensive SME experience, to foster best practice and encourage the transfer of knowledge on a global basis. Where possible, the WBG forms strategic partnerships with IFIs and other FIs to increase the development of SMEs.</p>	<p>IFC will continue relations with various firms and institutions and further identify and develop relations with other entities, including regional development banks, to enhance its effectiveness for SME projects.</p> <p>The WB Business Partnerships Group has recently launched a pilot programme to create a north-south network of Chambers of Commerce to exchange lessons and best practices. It also aims to provide downstream technical and institutional support through partnership programmes.</p>
UNIDO	<p>The challenges of globalisation and the significant benefits from partnerships between the business community and the UN system prompted UNIDO to develop an innovative approach to building partnerships between major private sector actors (both industrial corporations and institutions), SMEs in developing countries, government institutions, civil society organisations, the international business community and industrial research institutions. The pilot is being implemented in India and seeks to improve the structure of the automotive components sector and to enhance the performance of domestic enterprises in the sector so that they may become globally competitive. As a result, foreign investment to the automotive sector would benefit from stronger backward linkages with a pool of indigenous local component suppliers, thus increasing the overall development impact. The programme partners are FIAT S.p.A., the Prince of Wales Business Leaders Forum, the European Institute for Management (INSEAD), the Automotive Component Manufacturers Association of India, the Automotive Research Institute of India and the Ministry of Industry. Activities are aimed at improving productivity, quality, delivery time and profitability of the sector's SMEs.</p>	<p>This innovative partnership programme is to be replicated soon in other countries and industrial sectors.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p> <p>Job Creation and Enterprise Development Department, Management Development Programme</p>		<p>Upgrading small enterprises to become attractive outsourcing partners (pilot project in India).</p> <p>Research and development of tools to improve productivity and competitiveness of SMEs across value chains.</p>
<p>UNDP</p> <p>UNDP Mexico</p> <p>Enterprise Africa programme unit, Ghana</p>	<p>In Mexico, UNDP works with local governments and the private sector to support integration of productive chains by facilitating the creation of commercial linkages between micro, small, medium and large enterprises. Through this project, UNDP Mexico seeks to encourage multinational corporations (MNC) in Mexico to use domestic suppliers instead of purchasing all supplies on foreign markets. It has established four centres, which broker relationships between MNCs and local suppliers, in collaboration with CONCAMIN, the Mexican industrial association and the government, which involve around 300 MNCs.</p> <p>UNDP's Enterprise Africa programme targets the creation of commercial linkages between SMEs supported by the programme, large domestic companies and MNCs. Large firms are also invited to support and advise on the creation of business support centres, provision of training and business development services, etc.</p>	
5.3. Local clusters		
<p>WORLD BANK</p>	<p>Examples:</p> <ul style="list-style-type: none"> - Morocco (FY96-97). - South Africa (FY98-99). 	<p>Examples:</p> <ul style="list-style-type: none"> - Guatemala (FY00): Competitiveness Enhancement. - Brazil (FY01): Cluster Development.
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p>		<p>SME development in sporting and cultural activities through local organisations in depressed and economically isolated areas.</p> <p>Study on market expansion through networking and associations.</p>
5.4. Internationalisation of industrial districts (networking for export promotion, FDI and subcontracting)		
<p>WORLD BANK</p>	<p>See issue 4.1.</p>	<p>See issue 4.1.</p>
<p>ILO</p> <p>Job Creation and Enterprise Development Department, Management Development Programme</p>		<p>Improving employment quality in subcontractor enterprises through improving the management systems in multinational enterprises (Asia, possibly Central America).</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
5.5. Other issues		
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)	Extending social protection through SME associations (project in Uganda).	Extending social protection (mutual health insurance) and improving working conditions through SME associations.
UN/ECE	<p>A virtual network of SME national focal points has been established in CITs and serves as a basis for statistics and policy formulation. The national focal point is the highest-ranking government officer responsible for national SME policy and programmes. An ECE document contains more than 400 addresses, including national SME policy focal points, government authorities, business advisory and information services and other SME support institutions. Following the preparation of a network of SME national focal points on BSEC and SECI, the network of the SME national focal points for CEI countries has been compiled and is being printing by EBRD.</p> <p>The ECE's Index of SME development (http://www.unece.org/indust/sme/ece-sme.htm) is a unique database on development of SMEs in CITs, which contains more than 50 documents and 15 links on SME-related issues.</p>	Updating and development of the Index.
6. BEST PRACTICE POLICIES FOR SMEs		
6.1. Financing		
WORLD BANK The SME Department is to co-ordinate development of SME best practice across other relevant WBG departments, including: <ul style="list-style-type: none"> – IFC and WB regional operations departments. – IFC Operations Evaluation Group (OEG), WB Operations Evaluation Department (OED). – PSD Advisory Services Department. – IFC Financial Markets Department. This task is to be carried out in conjunction with the work programme of the World Bank's SME Thematic Group.	The WBG has carried out a series of Best Practice, Lessons Learned activities through: <ul style="list-style-type: none"> – IFC Lessons of Experience Reviews. – Donor Committee work on BDS. – OED and OEG reviews of past WBG performance in SME operations. – RPEP research. 	A major responsibility of the new SME department will be knowledge management and development and mainstreaming of best practices across the department's main areas of activity, including capacity development, information and technology, access to capital and business environment. <p>This work will be done in collaboration with other parts of the WBG including OED/OEG, the SME Thematic Group, DEC and the donor community through the Donor Committee.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p> <p>Social Finance Unit (http://www.ilo.org/public/english/employment/finance/index.htm)</p>	<p>Monitoring guidelines for semi-formal institutions active in small enterprise finance.</p> <p>Sharing knowledge on best practice for savings and impact assessments with other institutions (Consultative Group to Assist the Poorest).</p> <p>Action research on tools for employment creation by the unemployed (Europe, North America).</p> <p>Guidelines on microfinance in post-conflict countries.</p>	<p>Guidelines for development of financial institutions in conflict-affected countries.</p> <p>Identification of good practices in financial services and delivery approaches for enterprises in the informal sector.</p> <p>Risk management by the poor, including micro-insurance.</p> <p>Guidelines on microfinance in post-conflict countries.</p>
UN/ECE	<p>At the request of its member states, ECE organised expert meetings on best practice for different SME-related issues on a regular basis:</p> <ul style="list-style-type: none"> - Expert Meeting on Best Practice in Financing SMEs, Geneva, 1998. Twelve country studies prepared by experts from CEI and SECI countries were discussed. Recommendations to governments, financial institutions and international organisations. - Expert Meeting in Business Incubation, Geneva 1999. 	<ul style="list-style-type: none"> - Expert Meeting on Best Practice in Business Advisory, Counselling and Information Services, to be held Nov. 2000.
<p>UN/ECA</p> <p>Development Management Division (DMD)</p>	<p>ECA/DMD organised a workshop on the promotion of capital markets in Africa, Phase 1: Assessment of Needs in Capital Market Development, Addis Ababa, Ethiopia, 1-3 November 1999.</p> <p><i>Case Study of Best Practices aimed at Popularising Microfinance</i>, ECA/DMD, November 1998.</p>	<p>ECA/DMD will prepare a publication on case studies on best practices in self-motivated graduation from informal to formal business operations in 2001.</p>
UN/ESCAP	<p>Regional advisers, consultants and ESCAP staff routinely render advisory services to selected Asian and Pacific economies on SME-related issues. Most recently, in September 1999, there was an advisory mission on promoting private capital flows to SMEs in Pacific island economies to Vanuatu and Fiji in the Pacific.</p>	
6.2. Innovation and technology		
ILO		<p>Committee of Donor Agencies for Small Enterprise Development: Active participation and Web site management: http://www.ilo.org/public/english/employment/ent/sed/bds/donor/index.htm.</p> <p>A conference, Emerging Good Practices in Business Development Services, to be held 4-8 September 2000 in Turin. http://www.ilo.org/public/english/employment/ent/sed/bds/index.htm.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
6.3. Labour skills and management training		
ILO		<p>Committee of Donor Agencies for Small Enterprise Development: active participation and Web site management: http://www.ilo.org/public/english/employment/ent/sed/bds/donor/index.htm.</p> <p>A conference, Emerging Good Practices in Business Development Services, to be held 4-8 September 2000 in Turin. http://www.ilo.org/public/english/employment/ent/sed/bds/index.htm.</p>
6.4. Business and regulatory environment		
UNIDO	<p>UNIDO supports the formulation of national SME policy in 20 countries. Strategies and policies are analysed and specific support policies for SME development are recommended based on “good practice” examples. Such technical co-operation focuses on developing coherent SME policy linked to broader economic and social goals, proper co-ordination and monitoring of policy measures and support programmes and public-private sector partnership in policy formulation.</p>	
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)		<p>Research and Policy Promotion Programme: research on policy environment conducive to development of small enterprise; country action plans to work with national stakeholders to assess and improve the policy environment for developing small enterprise.</p>
UNECE	<p>Preparation of country studies on policies and infrastructure for SME promotion on the Czech Republic, Hungary, Italy, Turkey and the Visegrad countries. A document on best practice for SME promotion in Israel is in preparation.</p> <p>ECE has elaborated an integrated approach for SME development based on experience of SMEs in CITs. The SME sector develops more effectively when activities and assistance are integrated and aimed at three levels:</p> <ul style="list-style-type: none"> – Strategic level (policy making). – Institutional level (support institutions). – Enterprise level (entrepreneurs and business entities). <p>This results in an SME development pyramid structure in which the strategic level has highest priority. A discussion paper on the role of government in the promotion of SMEs in CITs was prepared and discussed during many international events in the CITs.</p> <p>ECE analyses and promotes the legal framework for private enterprise development including development of SMEs (Working Party on International Contract Practices in Industry, WP5).</p>	<p>ECE is investigating the possibilities of creating a Dissemination Centre for Best Practices and Lessons Learned in Enterprises Development. The service would develop a mechanism to make experience available and distribute reports, guidelines and other forms of information created by different international, regional and national agencies and organisations.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
UN/ECA		ECA/DMD will prepare a publication on best practices of state-private sector partnership in improving business environment and support services in 2001
6.5. Access to domestic and international markets, including electronic commerce		
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)	Training materials for local government to improve SME involvement in public service delivery (Asia).	Training materials and technical co-operation for local governments to improve SME involvement in delivery of public service. Improving market access for new and existing SMEs in the cultural sector using ICT.
UN/ECA		ECA/DMD is preparing "A Strategic Framework for Designing and Providing Support Services to Enhance Small and Medium Enterprises' Regional and Global Competitiveness", for October 2000. It will be the working document for the Ad-hoc Expert Group Meeting to be held in November or early December 2000.
6.6. Other issues		
UNIDO	<p>The Committee of Donor Agencies for Small Enterprise Development, of which UNIDO is an active member, has over the past 20 years provided a forum for the exchange of information and co-ordination of activities regarding SME issues. It encourages consistency among donor programmes by distilling the lessons of experience into common principles for assistance. UNIDO participates in the Working Group on Business Development Services, formed by the Committee of Donor Agencies, to develop a consensus on best practices in delivering non-financial support services. "Business Development Services for SME: Preliminary Guidelines for Donor-funded Interventions" is an initial effort to highlight lessons learned by gathering empirical information through case studies that form the basis for guidelines on what works in certain types of BDS. The purpose is to stimulate dialogue on effective methods for support services aimed at developing SMEs among donors, practitioners and governments.</p> <p>UNIDO also co-operates with the OECD Centre for Co-operation with Non-member countries in the Transition Economies Forum on Entrepreneurship and Enterprise Development (TEFEED), which aims to facilitate the exchange of experience on best practices among policy makers and SME development practitioners in central and eastern Europe and the NIS and to develop good practice guidelines through continuous dialogue among themselves and with OECD countries.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
7. DATA AND STATISTICS ON SMEs		
7.1. Collection of data by size classes related to different variables (e.g. employment, output, exports, investments, etc., and by gender)		
WORLD BANK SME Department, DEC, IFC/WB regional departments, OED/OEG, PSD Advisory Services.	Current data bases: <ul style="list-style-type: none"> – Foreign Investment Advisory Agency (FIAS) Administrative Barriers surveys in several countries. – World Business/Environment Studies to be carried out in 100 countries (approx. 70 completed to date). – RPEP enterprise surveys covering a number of African countries. – Middle East and North Africa (MENA): Second Micro Survey. – Private sector databases for Vietnam, Laos, Cambodia by the Mekong Project Development Facility. 	In addition to the ongoing WBG exercises, the SME Department will develop further databases through the planned SME country mapping as required to support the metrics work of the Department.
UNIDO	Regarding collection of data by size classes, UNIDO maintains a database on five industrial statistics variables (establishments, employment, wages and salaries, output, value added) at the three-digit level of ISIC (Rev. 2) for selected years and covering approximately 45 countries. Data are from national statistical offices.	The next data request to NGOs is envisaged in 2001 or 2002.
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)		Database on employment, employment quality and output by enterprise size class (details pending).
UN/ECE	To assist CITs, ECE regularly updates and reviews the development of legislation and provides statistical data with a view to highlighting problems faced by the SME sector during the economic transition process. This unique database is used by other international organisations and financial institutions. A first document on SMEs in CITs deals with definition, legislation and statistics for individual member states and support institutions working as advisory, development and/or information service centres for SMEs. Two more documents covering the years 1995-97 show tremendous changes in the SME field. A fourth document will be ready for the Bologna Conference.	
7.2. Specific surveys on SME globalisation		
WORLD BANK	RPEP Cases studies.	
7.3. Specific surveys related to women entrepreneurship		
WORLD BANK	Further information forthcoming.	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)	Studies on factors affecting entrepreneurship among women in small and cottage industries in India, Nepal, Sri Lanka, the Philippines, Thailand, Bangladesh, Indonesia, Bulgaria and Lao PDR.	Study of impact of promoting women managers in co-operatives (Philippines).
UNDP UNIFEM		UNIFEM and ILD (Institute for Leadership Development) will carry out a survey of young women entrepreneurs in preparation for the World Summit of Young Entrepreneurs to be held in New York 28/8-1/9/2000.

8. WOMEN ENTREPRENEURS AND WOMEN-OWNED BUSINESSES

8.1. Financing

WORLD BANK

WB Gender and Development Group
WBI
SME Department

The WBG has financed a number of projects, including project development facilities, focusing on microfinance lending, many of which have targeted low-income women who have proven creditworthy. Low-income women generally use increased earnings to improve education, health, and nutrition of their families.

Thai Hoa Tea (Vietnam): Mrs. Thai Hoa is the second largest tea exporter in Vietnam. As a female entrepreneur in a transition economy, Hoa has faced many challenges including competing with the largest tea exporter, a state-owned corporation. Through the loan, Hoa has expanded and improved her facilities through hard work and innovation. The project will generate 45 additional permanent jobs, many of them for women.

GrameenPhone (Bangladesh), a GSM cellular phone network throughout urban and rural areas in Bangladesh. Grameen Telecom, the sponsor, will identify mainly rural female entrepreneurs and help them establish village pay phones. The women will buy bulk time from GrameenPhone and sell retail telecom services to their communities.

Kiwa Industries Ltd. (Uganda) involves the modernisation and expansion of an existing facility to increase production of concrete roofing tiles. Women sponsors own 44% of company shares and occupy 50% of the senior management positions.

Kampala Flowers, Ltd. (Uganda). The economic benefits of this three-hectare farm in the Mukono district include the creation of 270 full-time jobs, with women a significant proportion of the workforce. At full production, the project will earn an estimated USD 1.9 million in net foreign exchange.

Profund Internacional SA, a Latin American regional fund investing in microfinance institutions, assists job creation particularly among low-income urban and rural women. In one of the microfinance institutions supported by Profund, 70% of the clients are women.

Bosnia and Herzegovina: Local Initiatives Project (microcredit through NGOs, some exclusively for women).

The WBG will focus on providing financing and technical assistance to SMEs. Women comprise a large majority of the SME sector worldwide and a larger number of women will be reached through SME projects in coming years. In addition, IFC has a number of project development facilities, one of which has a mandate primarily to promote women entrepreneurs (African Project Development Facility).

The Balkans Enterprise Facility also has a mandate to address gender issues.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p> <p>Social Finance Unit (http://www.ilo.org/public/english/employment/finance/index.htm)</p>	<p>Women's Entrepreneurship Development (integrated approach to designing and implementing BDS projects including entrepreneurship training, productivity development, access to technology, etc.) (Asia, Africa).</p> <p>Women, empowerment and microfinance (research and workshop in the context of Beijing +5).</p>	<p>Women's Entrepreneurship Development (integrated approach to designing and implementing BDS projects including entrepreneurship training, productivity development, access to technology, etc.) (Asia, Africa).</p> <p>Review of women-targeted microcredit schemes to identify sustainability and success factors.</p>
<p>UN/ECE</p>	<p>As a follow-up to the Fourth World Conference on Women (Beijing 1995), ECE participated in the UN-NGO Consultation for Russian Women in Moscow, April 1996. A Round-table discussion on technical and financial requirements for the development of entrepreneurship in the Russian Federation was envisaged jointly with the newspaper <i>Economic News from Russia</i> and CIS and the Club of Business Women.</p> <p>An ECE document, "A Way Ahead – Proposals for Support Measures by Government, Regional and Local Authorities and Financial Institutions to promote Women Entrepreneurship in the CEI Countries", highlights problems of women entrepreneurship and makes suggestions to promote its development.</p> <p>The conference, Women's Entrepreneurship (Brijuni, October 1999), organised jointly by the Government of the Republic of Croatia, the UN/ECE and the OECD LEED Programme, offered a good opportunity to discuss best practices in the promotion of women entrepreneurship in the CEI region. Conclusions and recommendations of the Conference were endorsed at the second CEI Summit Meeting of the Heads of Government during the second CEI Summit Forum in Prague, November 1999.</p> <p>The outcome of the Conference on Women's Entrepreneurship was an input for the Regional Preparatory Meeting (January 2000, Geneva) to prepare the 2000 review of the implementation of the Beijing Platform of Action.</p>	
<p>UN/ECA</p> <p>Development Management Division (DMD)</p>	<p>In 1995, the former ECA/Industry Division organised in Kampala, Uganda, then in Dakar, Senegal, workshops on the development of entrepreneurship and the growth of cottage and small-scale industries with particular emphasis on female entrepreneurs.</p> <p>ECA/African Centre for Women (ACW) organised a conference, African Women and Economic Development: Investing in our Future (28 April-1 May 1998, Addis Ababa, Ethiopia), in which SME and women's issues were discussed as a major theme.</p> <p>In 1999, ACW organised a follow-up meeting to the 1998 Study Tour of Women Entrepreneurs to India and Sri Lanka, during which the establishment of a guarantee fund and business centres for women entrepreneurs was discussed.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
8.2. Management training		
WORLD BANK	A number of WBG projects have included management training components, including some targeted towards women.	The WBG will focus on project development facilities and other new initiatives to target SMEs on a global basis and will reach out to those groups most in need, including women.
UNDP UNIFEM	Through its management training programme, UNIFEM has facilitated development of gender-sensitive business skills in Gaza, Syria, Lebanon and Jordan. UNIFEM has also supported the training of women entrepreneurs and business owners in various entrepreneurial and vocational skills.	
ILO In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)	<p>The Manual on Entrepreneurship Development for Women, published by ILO-SAAT in 1997 was the basis for Women's Entrepreneurship (WED) training of trainers' programmes in India, Sri Lanka, Nepal, Pakistan (adopted and translated into Urdu), the Philippines and Thailand.</p> <p>A combined WED and GTZ/CEFE approach was adopted in producing a training manual for use in Sri Lanka (original in English, translated into Tamil and Sinhala).</p> <p>WED training to groups of women entrepreneurs in Indonesia and the Philippines, based on manuals produced for each of those countries.</p> <p>As a contribution into the ILO's IPEC programme (on child labour) in India, a manual was produced on supplementing mothers' income, and four groups of NGOs were trained in its use.</p>	The Entrepreneurship Development for Women manual will be published commercially during 2000 in an updated version.
UN/ECA	<p>ECA/DMD in collaboration with GTZ, has a project on the promotion of the informal sector for development in Africa with 66% women. In the first phase, which ended in 1993, pilot projects were developed in Ghana and Côte d'Ivoire. In phase II, which ended in 1999, pilot projects were implemented in Ethiopia and Zambia. During these two phases, in order to upgrade informal sector operators to small scale enterprises, clusters were organised to register, assist in obtaining raw materials, production and market space, management and skills training to upgrade product quality. They were also linked to larger enterprises to improve marketing through subcontracting.</p> <p>In 1996, ACW organised management training for business women and in 1998, leadership training. Also in 1998, ACW organised a study tour for African women entrepreneurs to India and Sri Lanka to learn about food processing technologies, "business incubators" and other ways in which SMEs were being assisted in Asia.</p>	For phase III, from October 1999 to December 2001, the results of phases I and II will be disseminated in all African countries and training will be organised for selected ECA and SRDC staff members.
8.3. Access to technology		
WORLD BANK	The WBG has sought to provide transfer of knowledge and technology to women through a number of projects.	The WBG will continue to identify means for providing women with access to the technology required for building core business competencies.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>UNDP UNIFEM</p>	<p>UNIFEM has supported significant technological developments in the programmes mentioned above and others. In Burkina Faso for example, UNIFEM has supported technological enhancements to allow shea butter producers to test the quality of their shea butter for supplying international markets. UNIFEM is currently supporting a project that trains women involved in small enterprises in Albania, Nepal, the Philippines, Ecuador and Romania to use information technology to enhance their enterprises and market their products through e-commerce.</p> <p>UNIFEM currently focuses on strategic ways to connect women business owners and entrepreneurs to information technology and works on opportunities for women to increase their benefits from trade liberalisation and globalisation.</p>	
UN/ECA	<p>At the 40th anniversary conference, use of ICT by women in their work and ICT policy were discussed and specific recommendations were made.</p> <p>Within the Enterprise/Business Centres proposed by ACW, IT training is planned.</p>	
8.4. Other issues		
WORLD BANK	<p>The WBG's environment and social review units pay close attention to vulnerable groups, including women. These units actively consider workplace practices, including gender, in relation to issues such as hiring, wages, hours and privatisation. They identify gender differentiated impacts, <i>i.e.</i>, access to resources, living standards and social bonds. The WBG recognises that women are often left out and are vulnerable actors in the development process.</p>	<p>The WBG will continue its environment and social review process, and has in fact increased the number of social specialists working in this area as the need to develop tools for better social assessment/management continues to increase.</p>
UNIDO	<p>UNIDO follows two approaches in addressing the gender issue. The first is mainstreaming, whereby the roles and needs of both men and women entrepreneurs are analysed and solutions are offered via a programme. The second is adoption of women-specific activities which address particular needs and constraints of women in business in order to close the gender gap. Generally, programmes specifically designed for women entrepreneurs are intended to promote the sociological, psychological, technical and economic integration of women in the development process by means of appropriate interventions and activities at policy, institution and sector levels. Such technical co-operation is carried out in many developing countries and 12 transition economies.</p> <p>A typical UNIDO programme for women entrepreneurs would include: gender awareness building to develop decision makers' ability to assess the needs and constraints of women during policy formulation and implementation; gender-specific data and information collection and research on the participation of women entrepreneurs in industry; policy advice; and capacity building, including skill upgrading, combining business management and production techniques with confidence building and negotiation skills. Experience has demonstrated that such programmes enable women entrepreneurs to respond effectively to economic challenges in the global economy.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>ILO</p> <p>In-Focus Programme on Boosting Employment through Small Enterprise Development (SEED)</p>	<p>Video on women entrepreneur role models, Sri Lanka.</p> <p>The Employers' Federation of Pakistan and the ILO produced a series of 26 business opportunity profiles to assist women entrepreneurs in identifying viable business opportunities.</p> <p>The ILO and the Federation of Nepalese Chambers of Commerce and Industry (FNCCI) held a workshop on improving advocacy for women entrepreneurs.</p> <p>The ILO (Turin Centre) provided support for WED activities in Vietnam, including associations of women entrepreneurs in Ho Chi Minh City; provincial policy review of factors affecting women entrepreneurs (Da Nang province); and development of a basic training manual (with Vietnam Women's Union).</p>	<p>Support to enable the Chinese Employers' Confederation to establish a Women Entrepreneurs' Resource Centre.</p> <p>Pilot project to assist women entrepreneurs in four countries of Asia to improve their bargaining and negotiation skills in the value chain.</p>
<p>UNDP</p> <p>UNIFEM</p>	<p>A major strategy of UNIFEM is its work in assisting institutions to use empowerment and rights-based approaches for enterprise development, with a focus on women. It works with home-based workers and street vendors, assists women's networks and works towards asserting their rights and improving their bargaining position. Positioning women to access markets is also supported as a critical strategy in the economic empowerment of women. UNIFEM has also facilitated and funded trade fairs and has invited international buyers.</p>	<p>UNIFEM will expand its work on empowerment and rights-based approaches, on meso and macro policy work, on building the networks and coalitions of women entrepreneurs and business-owners, and in facilitating innovative training on gender and business development. UNIFEM is also expanding its support of young women entrepreneurs (aged 15-29) and is introducing several awards, to be presented at the Young Entrepreneurs Summit in September.</p>
<p>UN/ECE</p>		<p>ECE will create a special Web site on women entrepreneurship including selected papers and statements on women's entrepreneurship.</p> <p>ECE will help organise a Roundtable Discussion on Family-Based Women Entrepreneurship in the framework of the 3rd CEI Summit Economic Forum to be held 23-25 November 2000 in Budapest.</p> <p>ECE will create a network of women entrepreneurs to analyse the situation of women as entrepreneurs and to develop gender-based policies.</p>
<p>UN/ECA</p>	<p>In 1994, the former ECA/Industry Division organised a workshop, Participation of Women in Manufacturing: Patterns, Determinants and Future Trends, for the 5th Regional Conference for Women in collaboration with UNIDO.</p> <p>ECA/ACW organised the 6th African Regional Conference for Women in Addis Ababa, 22-26 November 1999.</p>	

PART III: OTHER INTERNATIONAL ORGANISATIONS

PRESENTATION OF RESPONDING ORGANISATIONS

European Commission (EC)

The role and responsibilities of the European Commission place it firmly at the centre of the policy-making process of the European Union (EU). In some respects, it acts as the heart of Europe from which the other EU institutions derive much of their energy and purpose. With a staff of 16 000, it is the largest of the Union's institutions. The Commission is divided into directorates-general. Each is headed by a director-general, reporting to a Commissioner, who has the political and operational responsibility for its work.

The Commission is not all-powerful. Its proposals, actions and decisions are in various ways scrutinised, checked and judged by the other EU institutions. It does not take the main decisions on Union policies and priorities; in many cases, this is the prerogative of the Council of Ministers together with the European Parliament.

The classic description of the Commission's role identifies three distinct functions: to initiate proposals for legislation, to be the guardian of the treaties and to execute EU policies and actions.

World Trade Organization (WTO)

The World Trade Organization was established in 1995. One of the youngest international organisations, it is the successor to the General Agreement on Tariffs and Trade (GATT) established in the wake of the Second World War. While the WTO is young, the multilateral trading system set up under GATT is already 50 years old.

The past half-century has seen an exceptional growth in world trade. Merchandise exports grew on average by 6% annually. In 1997, total trade was 14 times its level in 1950. GATT and the WTO have helped to create a strong and prosperous trading system which has contributed to unprecedented growth. The system was developed through a series of trade negotiations, or rounds, held under GATT. The first rounds mainly dealt with tariff reductions but later negotiations included areas such as anti-dumping and non-tariff measures. The latest round, the 1986-94 Uruguay Round, led to the creation of the WTO.

The negotiations did not end there. Some continued after the end of the Uruguay Round. In February 1997, agreement was reached on telecommunications services, with 69 governments agreeing to wide-ranging liberalisation measures that went beyond those agreed in the Uruguay Round. Also in 1997, 40 governments successfully concluded negotiations for tariff-free trade in information technology products, and 70 members concluded a financial services deal covering more than 95% of trade in banking, insurance, securities and financial information. At the May 1998 ministerial meeting in Geneva, WTO members agreed to study trade issues arising from global electronic commerce.

The WTO's overriding objective is to help trade flow smoothly, freely, fairly and predictably.

It does this by:

- Administering trade agreements.
- Acting as a forum for trade negotiations.
- Settling trade disputes.
- Reviewing national trade policies.
- Assisting developing countries in trade policy issues, through technical assistance and training programmes.
- Co-operating with other international organisations.

The WTO has more than 130 member countries, which account for over 90% of world trade. Over 30 others are negotiating membership.

Inter-American Development Bank (IDB)

The Inter-American Development Bank, the oldest and largest regional multilateral development institution, was established in December 1959 to help accelerate economic and social development in Latin America and the Caribbean. It was created in response to a longstanding desire on the part of the Latin American nations for a development institution that would focus on the pressing problems of the region. Its original membership included 19 Latin American and Caribbean countries and the United States. Subsequently, eight other western hemisphere nations, including Canada, joined.

From the beginning, the Bank developed links with industrialised countries on other continents, and in 1974 the Declaration of Madrid was signed to formalise their entry into the Bank. Between 1976 and 1993, 18 non-regional countries joined the Bank. Today Bank membership totals 46 nations.

In addition to the Bank, the IDB Group consists of the Inter-American Investment Corporation (IIC) and the Multilateral Investment Fund (MIF). The IIC, an autonomous affiliate of the Bank, was established to promote the region's economic development by financing small and medium-scale enterprises. The MIF was created in 1992 to promote investment reforms and to stimulate private sector development.

In 1995, the IDB established its Enterprise Development Strategy, which pays particular attention to SMEs and aims to encourage their competitiveness by establishing favourable conditions so that they may contribute to long-term growth and employment. The strategy identifies two main areas of Bank involvement:

- Creation of a level playing field: elimination of market distortions and other constraints that hinder SME operations, *i.e.* removal of institutional and regulatory barriers which are biased against SMEs.
- Compensation for unfavourable position: improvement of unfavourable positions faced by SMEs by facilitating better access to inputs (factor markets), services and information, and thus lowering the cost of doing business.

Asian Development Bank (ADB)

The Asian Development Bank, a multilateral development finance institution, was founded in 1966 by 31 member governments to promote social and economic progress in the Asia-Pacific region. Over the past 31 years, its membership has grown to 57, of which 41 are from within the region and 16 from outside the

region. The Bank gives special attention to the needs of smaller or less developed countries and priority to regional, sub-regional, and national projects and programmes.

The Bank's principal functions are: *i*) to extend loans and equity investments for the economic and social development of its developing member countries (DMCs); *ii*) to provide technical assistance for preparing and executing development projects and programmes and for advisory services; *iii*) to promote and facilitate investment of public and private capital for development purposes; and *iv*) to respond to requests for assistance in co-ordinating development policies and plans of its DMCs.

The ADB's development projects for SMEs have traditionally focused on the lending facilities through which SMEs have access to cost-effective funding. The lending scheme has two parts: ADB's loans to development financial institutions (DFI) and the DFI's credits to SMEs. The ADB's loans to DFIs are guaranteed by the government.

DFI loans have benefited SMEs in the ADB's DMCs by channelling low cost funding to final borrowers. ADB has also provided DFIs with technical assistance, as necessary, to strengthen their risk management capacity to manage the funds under the scheme. Apart from the public sector DFI lending, private sector loans without government guarantee and private sector equity investments have supported the SME development in the past.

European Investment Bank (EIB)

The European Investment Bank (EIB), the financing institution of the European Union, was created by the Treaty of Rome. Its members are the Member States of the European Union, all of which have subscribed to the Bank's capital. The EIB's mission is to further the objectives of the European Union by providing long-term finance for specific capital projects in keeping with strict banking practice. It thereby contributes towards building a more closely knit Europe, particularly in terms of economic integration and greater economic and social cohesion.

Within the EU, projects considered for EIB financing must contribute towards one or more of the following objectives:

- Fostering the economic development of less favoured regions.
- Improving European transport and telecommunications infrastructure.
- Protecting the environment and the quality of life, promoting urban development and safeguarding.
- The Community's architectural and natural heritage.
- Achieving Community energy policy objectives.
- Enhancing the international competitiveness of industry.
- Supporting the activities of SMEs.
- Extending and modernising infrastructure in the health and education sectors.
- Urban renewal, under the Amsterdam Special Action Programme in support of growth and employment.

Outside the Union, the EIB supports the Union's co-operation and development aid policies in over 120 countries in Africa, the Caribbean and the Pacific, the Mediterranean area, Central and Eastern Europe, Asia and Latin America.

European Investment Fund (EIF)

The European Investment Fund, created in 1994, is a financial institution of the European Union which supports the integration of Europe's economy by promoting medium- and long-term investment in two areas that are essential to the development of the European economy – TENs (Trans-European Networks) and SMEs. It supports investment in the area of energy, telecommunications and transport by providing loan guarantees, and it supports financing of SMEs by guaranteeing debt finance or by acquiring, holding and managing equity participation in venture capital funds. It also manages resources entrusted to it by third parties to meet the above objectives.

For SMEs, the EIF's fundamental objective is to act as a catalyst to:

- Make it easier for SMEs to access investment finance at reasonable cost.
- Promote investment in innovative SMEs via specialised venture capital funds.

For TEN project finance, the EIF can be approached directly by promoters; for SMEs projects, the EIF normally works through specialised intermediaries.

Comision Sectorial para el Mercado Comun del Sur (Mercosur)

Comprising Argentina, Brazil, Paraguay and Uruguay, the Southern Common Market – Mercosur – represents a total population of 190 million living in an area larger than the European continent, covering more than 12 million square kilometres.

A short while after the creation of the European Economic Community (1957), Latin America began to take its first steps towards regional integration. The treaty that created the Latin American Free Trade Association (ALALC), signed in 1960, provided for the creation of a free-trade zone. The Latin American Integration Association (ALADI), created in 1980 to replace ALALC, replaced the free trade zone by an economic preference zone that created conditions favourable to bilateral initiatives. The establishment of a common market, however, was still the long-term objective.

Under ALADI, Brazil and Argentina signed 12 commercial protocols in 1986. In 1998, to supplement and improve their earlier agreements, Brazil and Argentina signed a Treaty for Integration, Co-operation and Development that set the stage for a common market between the two countries. After the adhesion of Paraguay and Uruguay a new treaty was signed by the four countries on 26 March 1991, in Asuncion, Paraguay, which provided for the creation of a common market to be known as the Southern Common Market (Mercosur). The objectives of Mercosur are:

- Free transit of production goods, services and factors between the member states, including elimination of customs rights and lifting of non-tariff restrictions.
- Fixing of a common external tariff (TEC) and adoption of a common trade policy with regard to non member states or groups of states, and co-ordination of positions in regional and international commercial and economic meetings.
- Co-ordination of macroeconomic and sectoral policies of member states to ensure free competition between member states; and commitment by the member states to make the necessary adjustment to their laws in pertinent areas to allow for strengthening the integration process.

The Asuncion Treaty is based on the doctrine of reciprocal rights and obligations of member states. Mercosur initially targeted free trade zones, then customs unification and, finally, a common market, where, in addition to customs unification, the free movement of labour and capital across member nations' frontiers is possible and depends on equal rights and duties being granted to all signatory countries.

Association of Southeast Asian Nations (ASEAN)

The Association of Southeast Asian Nations (ASEAN) was established on 8 August 1967 in Bangkok by the five original member countries, Indonesia, Malaysia, Philippines, Singapore and Thailand. Brunei Darussalam joined on 8 January 1984, Vietnam on 28 July 1995, Laos and Myanmar on 23 July 1997 and Cambodia on 30 April 1999.

The aims and purposes of the Association are: *i)* to accelerate economic growth, social progress and cultural development in the region and *ii)* to promote regional peace and stability.

When ASEAN was established, trade among the member countries was insignificant. Some of ASEAN's earliest economic co-operation schemes addressed this situation. One of these was the Preferential Trading Arrangement of 1977, which accorded tariff preferences for trade among ASEAN economies.

The Framework Agreement on Enhancing Economic Co-operation was adopted at the Fourth ASEAN Summit (Singapore, 1992), and included the launching of a scheme to set up an ASEAN Free Trade Area or AFTA. AFTA's strategic objective is to increase the ASEAN region's competitive advantage as a single production unit. The elimination of tariff and non-tariff barriers among member countries is expected to promote greater economic efficiency, productivity and competitiveness. The Fifth ASEAN Summit (Bangkok, 1995) adopted the Agenda for Greater Economic Integration, which included accelerating the timetable for the realisation of AFTA from the original 15 years to ten.

In 1997, the ASEAN leaders adopted ASEAN Vision 2020, which called for an ASEAN Partnership in Dynamic Development to forge closer economic integration within the region. The vision statement also resolved to create a stable, prosperous and highly competitive ASEAN economic region, with a free flow of goods, services, investments and capital and equitable economic development and reduced poverty and socio-economic disparities. The Hanoi Plan of Action, adopted in 1998, serves as the first in a series of action plans leading to the realisation of the ASEAN Vision 2020.

Asia-Pacific Economic Co-operation (APEC)

Since its inception in November 1989, the Asia-Pacific Economic Cooperation (APEC) forum has grown from an informal dialogue of 12 Pacific Rim economies to a major regional institution that co-ordinates and facilitates the interdependence of the Asia-Pacific region and works to sustain economic growth.

Today, Australia, Brunei Darussalam, Canada, Chile, China, Hong Kong (China), Indonesia, Japan, the Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, Chinese Taipei, Thailand, the United States and Vietnam are all members of APEC.

Trade liberalisation and long-term, sustainable growth in the region are the main goals of the APEC forum. To achieve these goals, co-operation among countries includes increasing transparency in government procurement, extending the standstill on electronic commerce duties and accelerating tariff liberalisation. Furthermore APEC member economies are establishing policies and practices to attract foreign investment, develop safe and efficient capital markets and eliminate regulatory barriers.

Trans-Atlantic Business Dialogue (TADB)

TADB is an annual EU Commissioner/US Cabinet level meeting attended by CEOs from various companies which identifies and prioritises actions to reduce barriers to trans-Atlantic trade. At US insistence, it includes SME representation. Therefore, one of the five working groups deals with SME issues. The other four, funded by large corporate entities, have substantial staff input. The SME group, run in their spare time by SME companies themselves, do not. This does not matter greatly, because most actions proposed by the Fortune 100 size companies, such as MRAs (Mutual Recognition Agreements, are also sensible initiatives for SMEs.¹ However, the lack of staff back-up does mean that the SME working group has not conducted any studies itself and relies mainly on external input or on group members' experience. Meiko is a good example of such a group member's experience.

Meiko, a UK-owned company specialised in high performance computers, sells far more and far larger systems in the United States than in Europe and constitutes a good example of the role of regulations and measures to support SMEs in two different environments. Meiko's success in the United States has two main reasons. First, the US government regarded supercomputers as strategically significant, and governments are major customers for these systems. Furthermore, the United States applies the Buy American Act to purchases of supercomputers – a blatant but legal barrier to trade. Second, US agencies financed by taxes have to report to Congress annually on contracts placed with small businesses (and other minority entities). The EU's situation is the opposite of that of the United States. US regulations and measures to encourage customers to support them have been in place for over 20 years. They have undoubtedly contributed to a far more positive attitude towards SMEs in the United States than in the EU. Culturally, the United States encourages innovation more than the EU, which is more risk-averse. Since rapid innovation can be a major competitive strength of an SME, this cultural attitude reinforces the positive impact of regulations on the development of SMEs.

1 . Through MRAs governments accept the certification/testing procedures of each other's regulatory agencies. For instance, a pharmaceutical drug approved in the United States by the Food and Drug Administration (FDA) would be acceptable for distribution in the EU without a separate testing phase and *vice versa*. This eliminates costly dual testing/certification. MRAs, while agreed at the 1996 CEO Conference, and signed by the United States and EU in 1998, have still not been implemented.

SUMMARY OF ACTIVITIES AND INITIATIVES

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
1. FINANCING		
1.1. SMEs' access to bank lending and credit		
EC European Commission, Enterprise DG, unit B.5 (Access to Finance and Community Programmes)	3 rd roundtable of bankers and SMEs.	4 th roundtable of bankers and SMEs focused on accession countries.
WTO/ITC Division of Trade Support Services (DTSS)	Handbooks and manuals to provide access to pre-shipment credit for SMEs.	Training for bankers to facilitate credit access to SMEs.
IDB Regional Operation Departments	Multisector Global Credit and the Global Credit for Micro and Small Enterprises are the two main instruments. The Inter-American Investment Corporation (IIC) provides loans to local financial intermediaries for SME financing.	Promote the entry of commercial banks to SME financing through provision of credit resources and technical assistance.
ADB	Current SME-related projects in East Region include: <ul style="list-style-type: none"> – INO: Industrial Competitiveness and SME Development Project Loan. The programme's objective is to achieve Indonesia's economic recovery by encouraging a more diversified and efficient industrial structure through deregulation and adoption of policies that promote competition and outward orientation and a level playing field for SMEs. – PHI: Strengthening Export Competitiveness. Technical assistance to the project is designed to help examine and integrate measures to promote contestable markets including promotion of SME development in the Philippines. 	SME-related projects in West Region include: <ul style="list-style-type: none"> – THA: Restructuring of Public Sector Financial Institutions. Technical assistance will focus on development of financing and strategy for SMEs in Thailand. – SOE Reform and Corporate Governance Programme Loan: Support creation of a conducive environment for foreign direct investment in Vietnam, facilitate access of private enterprise to the credit market and improve labour markets and social protection system by improving social security systems.
EIB Directorates for lending operations in EU Member States and CEE countries (accession countries) in co-operation with the Bank's Project Directorates.	SMEs investing in industry, services, environmental and urban infrastructure as well as in the education and health sectors are financed indirectly by EIB global loans. Global loans are made available to national or regional financial institutions, which onlend funds to SMEs on the basis of the Bank's criteria. SME projects worth up to EUR 25 million benefit from global loans with up to 50% of the investment costs. The average term is 5-12 years.	It is envisaged to tailor the present standard global loan system more closely to the objectives of the Bank and to national market trends. The Bank will develop its co-operation with regional banks.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
EIF (information from the 1998 Annual Report)	<p>EIF guarantees for SME operations fall into three categories:</p> <ul style="list-style-type: none"> – Credit insurance (in the contingent liability in the EIF's own resources) which can be in the form of loan portfolio guarantee or counter-guarantee (amount signed in 1998 – ECU 51.5 million). – Under the Growth and Environment Pilot Project, an initiative of the European Parliament, the EIF provides a free guarantee to financial intermediaries for loans extended to SMEs to finance environmentally friendly investments. The ultimate risk for the guarantee rests with the EIF balance sheet and the guarantee fee is paid out of EU budget funds managed by the EIF. Seven new guarantee operations, amounting to ECU 123 million, were signed with new intermediaries in 1998, adding to the 19 contracts renegotiated and signed with intermediaries for a total value of ECU 479.4 million. The network of growth and environment intermediaries covered 27 institutions in all EU countries, and the total volume of agreements signed is ECU 652.8 million. – The SME Guarantee Facility is part of the EU's Growth and Employment Initiative. 	
	<p>The Growth and Employment Initiative is a programme of financial assistance to SMEs set up by the European Union following an initiative of the European Parliament and the Luxembourg Special Employment Council of November 1997. It includes the SME Guarantee Facility and the ETF Start-up Facility (see 1.2). Both programmes are managed by the EIF under a co-operation agreement with the European Commission signed in July 1998.</p>	
	<p>Under the SME Guarantee Facility, the EIF provides counter-guarantees and/or co-guarantees to guarantee schemes operating in Member States, whether private or public; exceptionally, it provides direct guarantees in cases of risk-sharing instruments provided by national financial intermediaries. The first operation was signed in December 1998. Overall, the demand for the facility is extremely strong.</p>	
	<p>In the total of EIF's signed agreements (amounting to ECU 2.6 billion by the end of 1998) SME operations accounted for ECU 861 million, <i>i.e.</i> 33% of all signed guarantee operations.</p>	
MERCOSUR/ COMISEC	<p>COMISEC produced a major report on bank lending to SMEs 1994-98</p>	<p>Commission of the European-Union COMISEC/Project MONITOREO MERCOSUR – Phase II 2000-02</p>
<p>Information System Mercosur</p>		
<p>Mercosur – Rules and Regulations</p>		
<p>Special Consultation Unit</p>		

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>ASEAN</p> <p>SME Working Group</p> <p>Bureau of Small and Medium Business Development, DTI, Philippines</p> <p>ASEAN Secretariat and ASEAN member countries</p>		<p>Encourage member states to establish national export financing/credit guarantee schemes for SMEs.</p> <p>Explore the possibility of establishing regional export financing/credit guarantee scheme.</p> <p>Explore the possibility of establishing an ASEAN Investment Fund.</p> <p>Organise annual meetings of all national credit guarantee corporations in ASEAN.</p> <p>Roundtable discussion on finance for SMEs.</p> <p>Interactive workshops on preparing business plans.</p>
<p>APEC</p>	<p>APEC Seminar on Improving Capital – Markets for International SMEs.</p> <p>Survey to Identify Issues and Develop Solutions in SME Trade Finance.</p> <p>Workshop for APEC SMEs: Financing and Business Management.</p>	
1.2. SMEs' access to venture capital and equity market		
<p>EC</p> <p>European Commission, Enterprise DG, Unit B.5 (access to finance and Community programmes)</p>	<p>Seed Capital Pilot Action I (1989-99).</p> <p>CREA (Second Seed Capital Action: 1999-2009).</p>	
<p>IDB</p> <p>IIC, MIF, Sustainable Development Department</p>	<p>IIC participates in private equity funds that provide equity/quasi-equity financing to SMEs.</p> <p>The Multilateral Investment Fund (MIF) of the IDB supports the creation and development of investment funds targeted to SMEs through equity/quasi-equity investments.</p>	<p>Support for the development of capital markets accessible to SMEs through technical assistance.</p>
<p>EIB</p> <p>Directorates for lending operations in EU Member States.</p>	<p>Under the Amsterdam Special Action Programme (ASAP) introduced in 1997, an SME Window was created to provide equity and quasi-equity financing for technology-oriented SMEs and those with strong growth potential. Specific national market conditions are taken into account.</p> <p>These operations are conducted in co-operation with banks, financial institutions and investment funds in all Member States and in close co-operation with the European Investment Fund (EIF).</p> <p>The EIF was entrusted by EIB to act as a fund of funds, with the setting up of the European Technology Facility.</p>	<p>EIB and EIF intend to foster venture capital activities and widen the geographical coverage of investment operations. Furthermore, they will promote the development of venture capital markets, notably in the cohesion countries.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>EIF</p> <p>A new scheme, the ETF Start-up Facility was signed in 1998. It is part of the Growth and Employment Initiative, a programme of financial assistance to SMEs set up by the European Union (see 1.1). A substantial amount of pre-marketing work was carried out to identify suitable investment opportunities and build a pipeline. Operations were prepared in France, Germany, Sweden and the UK and one conditional commitment (7.7 million) had been signed by December 1998 with further investments ready for signature in the early months of 1999. Other investments were being assessed in Finland, Denmark and the Netherlands.</p>	<p>EIF signed commitments to invest in venture capital funds from two sources:</p> <ul style="list-style-type: none"> – From its own resources up to a limit of 20% of own funds, or approximately ECU 80 million as laid down by the General Meeting. – From ECU 125 million made available to it for management by the European Investment Bank under the European Technology Facility (ETF) as part of the Amsterdam Special Action Programme (ASAP). <p>By the end of 1998 the EIF had signed 22 equity investment commitments from its own resources totalling ECU 58.5 million (of which ECU 33.2 million signed in 1998). It had also signed 16 investments under the ETF for a total of ECU 61.7 million (of which ECU 55.8 million in 1998). It is highly probable that the amounts available from EIF's own funds and those provided by the EIB under the ETF facility will be fully committed in 1999. Consideration is being given to increasing these resources to take advantage of the next stage in the venture capital industry's investment cycle.</p>	
<p>ASEAN</p> <p>SME Agencies Working Group</p>		<p>Promote awareness among SMEs of benefits and availability of other sources of finance such as venture capital and equity.</p> <p>Encourage national venture-capital companies to go regional.</p>
<p>APEC</p>	<p>Seminar on Securing Initial Equity Funding for Start-up Companies – the Birth and Growth of Start-ups and SMEs in a Knowledge-based Economy.</p> <p>A survey of start-up companies and venture capital.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
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1.3. Other issues

EC

<p>European Commission, Enterprise DG, Unit B.5 (access to finance and Community programmes)</p> <p>TACIS gives technical assistance for economic reform and recovery in the NIS and Mongolia.</p> <p>PHARE provides funds for a variety of measures to support SME development in candidate countries of central and eastern Europe</p> <p>MEDA: principal financial instrument of the EU for the implementation of the Euro-Mediterranean Partnership.</p>	<p>Support for the creation of a business angels network in Europe.</p> <p>Support for several mutual guarantee societies.</p> <p>JEV : support for the creation of transnational joint ventures in Europe by SMEs.</p> <p>Main objectives of the TACIS Programme from 1991 to 1999: development of market economy and promotion of democracy, including more specifically funding of private sector development and restructuring of state enterprises (note that each partner country chooses priority sectors according to its needs). It has launched more than 3 000 projects worth over ECU 3.3 billion since 1991.</p> <p>PHARE supports multi-country programmes with an impact on SMEs, such as :</p> <p>The SME Financing Facility, funded jointly with the EBRD, to improve the availability of capital for SMEs in the region.</p> <p>All ten PHARE countries have economic and social cohesion programmes that support regional development initiatives, with strong SME components. Measures vary according to national requirements.</p> <p>Priorities for MEDA resources at the bilateral level are:</p> <p>Support to economic transition: to prepare for free trade by increasing competitiveness in order to achieve sustainable economic growth, in particular through development of the private sector.</p> <p>Strengthening the socio-economic balance: to alleviate the short-term costs of economic transition through appropriate measures in the field of social policy. SMEs and business co-operation play a central role in the Euro-Mediterranean policy.</p>	<p>The draft proposal for a new multi-annual programme for enterprise and entrepreneurship (2001-05) contains several actions on access to finance (seed capital and early stage finance, guarantees, business angels and others).</p> <p>The new regulation was approved in 1999 to cover the years 2000-07. The promotion of SMEs is an objective of EU assistance within the area of co-operation “support to the private sector and economic development”.</p> <p>The Business Support Programme to strengthen intermediary organisations that support SMEs</p>
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2. EMPLOYMENT AND HUMAN RESOURCES

2.1. Job creation

<p>IDB</p> <p>Regional Operations Departments, Sustainable Development Department, MIF</p>	<p>IDB is planning to support for the creation of enterprises.</p>
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ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
<p>EIB</p> <p>See 1.1 and 1.2</p>	<p>Global loans: Between 1995 and 1999, 55 000 SMEs benefited from this kind of financing. The number of jobs created or safeguarded through co-financed investment might amount to some 40 000 a year.</p> <p>Venture capital: It is too early to draw conclusions about the job-creating impact of this financing. However, SMEs with high growth potential are particularly likely to create new jobs.</p>	<p>Support for growth-enhancing and job-creating investment will remain one of the EIB's priorities.</p>
<p>2.2. Labour skills</p>		
<p>IDB</p> <p>Regional Operations Department, MIF</p>	<p>Loans for education and training programmes. MIF technical assistance for training programmes</p>	
<p>ASEAN</p> <p>Department of Industrial Promotion, Thailand</p>		<p>Training in basic industrial production techniques for CLMV countries.</p> <p>Entrepreneurship training for CLMV countries.</p>
<p>2.3. Issues related to management training</p>		
<p>EC</p> <p>European Commission, Enterprise DG, Unit B.3 (Crafts and small businesses)</p> <p>European Commission, Enterprise DG, Unit B.2 (business co-operation, networks and partnerships)</p> <p>TACIS</p>	<p>Pilot actions:</p> <p>Promotion of innovative management techniques and methods of work organisation in micro and craft enterprises.</p> <p>Vocational training for craftsmen and founders of small enterprises.</p> <p>Access of independents (one-person enterprises) to training.</p> <p>Awareness, training and counselling for start-ups by young people.</p> <p>Promotion of elaboration and/or diffusion of recognised training courses for working spouses.</p> <p>Grants for SME participation in business training courses in Japan through the H RTP programme. The objective is to help EU enterprises acquire an understanding of Japanese industry, culture, language and society.</p> <p>The TACIS SME development agencies provide advice, counselling and training to new and existing entrepreneurs in the NIS.</p> <p>The TACIS European Senior Service Network enables SME entrepreneurs to access know-how of retired EU managers and professionals.</p>	
<p>WTO/ITC</p> <p>Division of Trade Support Services (DTSS)</p>	<p>Training in international business.</p>	<p>Training in international business.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
IDB Sustainable Development Department, MIF	MIF technical assistance for a regional management training programme which aims to create and promote market-driven solutions to management training for SMEs.	Evaluation of the regional management training programme
ASEAN SME Agencies Working Group		Develop a training programme on entrepreneurship development and innovation in member states. Specialised training programme and technical assistance on SME development for new members of ASEAN.
APEC	Training and Certification Programme for Small Business Counsellors. International Conference of Entrepreneurship Development Institutions in Asia Pacific. Human Resources Management Symposium on SMEs. Seminar on Management Capacity Building.	
2.4. Other issues		
EC European Commission, Enterprise DG, Unit B.3 (crafts and small businesses) TACIS	Pilot actions: Promotion of the spirit of enterprise in secondary schools by virtue of partnerships between education authorities and professional organisations representing the crafts and small business sector.	TACIS will finance transfer of expertise and know-how
MERCOSUR–COMISEC Information System Mercosur Mercosur – Rules and Regulations Special Consultation Unit	Project EU-COMISEC 1992-96, Technical Assistance from ERVET-Bologna, QUASCO-Bologna, Univ. of Bologna, COPCA of Barcelona, ENEA-Roma. Employment and human resources issues were developed during the four-year co-operation programme with European Commission and the above-mentioned institutions.	Future work on employment and human resources will take place in MONITOREO MERCOSUR Phase II 2000-02.
ASEAN		Organise regular joint training programmes, seminars and workshops for SMEs.
APEC	Consumer Education and Protection Initiative. Cross cultural training for SMEs on interactive CD-ROM.	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
3. INNOVATION AND TECHNOLOGY		
3.1. SMEs and innovation		
<p>EC</p> <p>The SME Specific Measures are co-ordinated by the SME and Innovation Unit, Research Directorate General, European Commission</p>	<p>The EU RTD Framework Programme allows SMEs to participate in collaborative research projects where they can innovate and internationalise their network of business and research partners. More than 14 500 SMEs participated in the 4th Framework Programme (1994-98) with total EU funding above EUR 1.1 billion. Impact studies show that benefits to SMEs are more frequent: 43% of participating SMEs increased their turnover, 53% accessed new markets and 42% created new jobs.</p>	<p>The 5th RTD Framework Programme (1999-2002) foresees SME Specific Measures fostering and facilitating participation of SMEs: special project types for SMEs with little or no research capacity, exploratory awards allowing SMEs to receive assistance for submitting a proposal and a one-stop shop for delivering proposals or receiving information and assistance. Each thematic programme has an indicative objective of devoting 10% of its funding to SMEs.</p>
<p>MERCOSUR-COMISEC</p> <p>Information System Mercosur</p> <p>Mercosur – Rules and Regulations</p> <p>Special Consultation Unit</p>	<p>Project EU-COMISEC 1992-96, Technical Assistance from ERVET-Bologna, QUASCO-Bologna, Univ. of Bologna, COPCA of Barcelona, ENEA- Roma. The various issues related to innovation and technology were developed during the four-year co-operation programme with European Commission and the above-mentioned institutions.</p>	
<p>ASEAN</p> <p>SME Agencies Working Group</p>		<p>Develop programme on entrepreneurship development and innovation in all member states.</p>
<p>APEC</p>	<p>Workshop on access and diffusion of scientific and technological research to SMEs.</p>	
3.2. Access to information and communication technologies (ICT) and use of electronic commerce		
<p>EC</p> <p>European Commission, Enterprise DG, Unit B.3 (crafts and small businesses)</p>	<p>Pilot action on computerisation of access to information and services to enable professional and intermediary organisations to improve their assistance to small and craft enterprises to allow them to take advantage of the wide range of possibilities offered by the new information technologies.</p>	
<p>WTO/ITC</p> <p>Division of Product and Market Development (DPMD)</p>	<p>Trade-related market and product information.</p>	<p>Trade-related market and product information.</p>
<p>IDB</p> <p>Regional Operations Department, Sustainable Development Department</p>		<p>Supports the use of information and telecommunications technology in SMEs.</p>

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
APEC	<p>SME Electronic Commerce Survey.</p> <p>SME Techno Forum.</p> <p>Electronic Commerce Impact Study for SMEs.</p> <p>Workshop: Electronic Commerce: Towards Building a Favourable Environment for Accelerated Adoption of E-commerce by APEC's SMEs.</p>	

3.3. Financing for SME innovation

WTO/ITC	Best practices in trade financing.	Best practices in trade financing.
Division of Trade Support Services (DTSS)		
IDB	Loans for science and technology programmes, some of which finance research and innovation in the private sector.	
Regional Operations Departments, MIF	MIF supports the creation of investment funds for technology innovation in SMEs.	
EIB	See in particular 1.2, Venture capital	

3.5. Innovation networks (co-operation among SMEs or with larger firms or public research centres at national or international level)

EC	All projects funded under the EU RTD Framework Programme allow SMEs to network with other research actors to undertake common projects. CRAFT projects are aimed at SMEs with research needs but insufficient capabilities to "hire" public or private research performers to fulfil their needs. Under the 4 th EU RTD Framework Programme (1994-98) some 4 300 SMEs took advantage of this mechanism. For 85% of them, it was the first time they collaborated together. The projects were funded up to 50% by the European Union with a total funding of EUR 273 million. Impact studies show that 65% had a commercial return on their research investment, with an average return of EUR 3.5 for each euro invested in the project.	Each thematic programme will implement CRAFT projects in the 5 th EU RTD Framework Programme. The recent Communication on the European Research Area proposes that research policies of the European Union and of individual Member States are better geared towards increased networking between SMEs and other research actors.
Information on and evaluation of CRAFT projects is co-ordinated by the SME and Innovation Unit, Research Directorate General, European Commission. Individual projects are managed by the four thematic programmes foreseen under the Framework Programme.		
TACIS	TACIS Business Communication Centres provide information to SMEs. They are generally located within chambers of commerce as a source in local business information.	
IDB	Loans for science and technology programmes, some of which have components to support networks between SMEs and public research centres, including universities.	
Regional Operations Department		

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
APEC	PEC Centre for Technology Exchange for SMEs (ACTETSME).	
3.6. Patents and property rights		
WTO/ITC Division of Trade Support Services (DTSS)		Some joint work with WIPO.
IDB Regional Operations Departments	Assistance to strengthen legal and regulatory framework for patents and property rights through sector reform loans.	
3.7. Other issues		
EC Economic and technological intelligence actions are managed by the SME and Innovation Unit, Research Directorate General, European Commission	Under the 4 th EU RTD Framework Programme (1994-98), stimulation actions were undertaken to allow SMEs from a given geographic area, industrial sector or related to a given technology to receive, in a structured way, information and assistance for participating in the framework programme. Together, these actions represented some EUR 10 million of EU funding, which was almost always matched by funds from participants, for a total of some EUR 18 million. Over the 4 th Framework Programme, some 150 000 SMEs were informed, 7 000 were audited, mainly newcomers to the EU RTD programmes, and some 30-40% of all proposals submitted under SME-specific measures during 4 th Framework Programme were addressed. Overall, more than 25 workshops and brokerage events were organised and were instrumental in allowing SMEs to form partnerships.	Under the 5 th EU RTD Framework Programme, economic and technological intelligence actions will identify trends in some geographic areas, industrial sector or related to a given technology. SMEs will provide input through professional associations or regional development agencies and will be informed about the trends and encouraged to take advantage of some opportunities identified through projects under the Framework Programme. To date some 24 actions have been launched, for a combined EU funding of EUR 7 million. A total of EUR 30 million is foreseen for the period 1999-2002. The projects launched related to leather, biomass, electronic commerce, aerospace and nanotechnologies. Other actions specifically aim at stimulating participation of SMEs from less developed European regions or training and accrediting members of support networks in eastern European countries.
IDB Sustainable Development Department, MIF		MIF support the dissemination of quality standards in SMEs.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
4. SMEs AND GLOBALISATION		
4.1. SME globalisation strategies		
WTO/ITC DTSS/DPMD	Development of technical tools for enhancing global competitiveness.	Development of technical tools for enhancing global competitiveness.
IDB Sustainable Development Department		IDB's central strategy for supporting development of SMEs is to improve their competitiveness in world markets.
MERCOSUR-COMISEC Information System Mercosur Mercosur – Rules and Regulations Special Consultation Unit	Project EU-COMISEC 1992-96, Technical Assistance from ERVET-Bologna, QUASCO-Bologna, Univ. of Bologna, COPCA of Barcelona, ENEA-Roma. The issues related to globalisation strategies and financing were developed during the four year co-operation programme with European Commission and the above-mentioned institutions.	
ASEAN UP Institute for Small-scale Industries SME Agencies Working Group	Workshop on Preparing ASEAN SMEs for AFTA, 7-16 July 1997, Quezon City, Philippines.	Organise annual ASEAN match - making workshops to promote SME joint ventures and linkages between SMEs and LSEs.
APEC	Market Development Seminar. Eco-efficiency in SMEs. Strategy for internationalisation of SMEs in the Asia-Pacific Region: Lesson from Korea and other APEC economies.	
4.3 SMEs and electronic commerce		
WTO/ITC Division of Product and Market Development (DPMD)	Handbook on e-commerce.	Dissemination of information on e-commerce.
IDB Sustainable Development Department		Support the use of ICT by SMEs. Support the creation and development of a legal and regulatory framework for e-commerce
MERCOSUR-COMISEC		To be developed in EU/COMISEC MONITOREO MERCOSUR Phase II 2000-02

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
ASEAN Singapore Productivity and Standards Board		Promotion of the Internet for SME networking and business opportunities.
4.4. Other issues		
WTO/ITC Division of Trade Support Services (DTSS)	Promotion of trade support services for SMEs.	Development of technical tools to promote best practices.
MERCOSUR-COMISEC	Special Assistance to Trade Union in Uruguay, Mercosur and impact on workers. Co-operation with Spain and Italian Trade Unions.	
APEC	Forum on public policies for SMEs in APEC and opportunities for APEC's SMEs in South America.	
5. NETWORKS, PARTNERSHIPS AND LOCAL CLUSTERS		
5.1. SME networking at national and international level		
EC European Commission, Enterprise DG, Unit B.2 (business co-operation, networks and partnerships)	<ul style="list-style-type: none"> - Management of network of Euro Info Centres together with national /regional/local host organisations. Euro Info Centres give SMEs information, advice and assistance on business-related Community matters. They also provide feedback to the European Commission on SMEs' concerns and interests. - Europartenariat Programme 1988-2000 The purpose of EP is to stimulate the development of less-favoured regions by encouraging SMEs throughout the Community and third countries to establish business relationships via pre-arranged face-to-face meetings with their counterparts in these regions. These events are organised twice a year in different Member States. More information: http://europa.eu.int/comm/dg23. - Interprise programme 1989-2000. The purpose of the INTERPRISE programme is to support local, regional and national initiatives aimed at promoting co-operation among European SMEs. Between 25 and 30 events take place every year in Member States. In 1998 the programme was opened to the candidate countries. - IBEX programme. An IBEX event organises pre-arranged meetings between larger and smaller enterprises on the basis of precise and often confidential requirements of major firms and the specific ability of SMEs to meet those needs. Since 1996 four Ibex events have been organised a year. - TASBI – The Transatlantic Small Business Initiative 1996-2000 is a joint policy commitment of the United States and the European Union to co-operate in promoting the formation of business linkages, not limited to trade, between American and European SMEs. Two partnering events have taken place and four smaller ones have been planned for the coming year. 	<ul style="list-style-type: none"> - Continuation of activities past activities. - The Europartenariat programme is part of the new Multiannual Programme for Enterprise and Entrepreneurship (2001-05). - The Commission has decided to cancel the Interprise programme. - The Commission has decided to cancel the Ibex programme. - No more events will take place within the framework of TASBI.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
MEDA	<p>To strengthen the private sector in the southern Mediterranean area, EU instruments and programmes to encourage links among SMEs have been extended to the Mediterranean partners since 1992. The initiatives mainly cover: organisation of business-to-business meetings, the Euro-Info-Correspondence Centres and, since 1995, the setting up of business centres. Since 1998, these actions have been grouped under Euro-Mediterranean Co-operation between SMEs.</p> <p>Med-Partenariat encourages co-operation between EU SMEs and Mediterranean partners and between partners' companies themselves. Five meetings have taken place (Turkey, April 1994; Morocco, May 1995; Israel, October 1995; Jordan, July 1997; and Tunisia, September 1997). They have enabled companies from the host country to establish business connections with EU and Mediterranean companies. Since 1996, central and eastern European delegations participate.</p> <p>Med-Interprise is more sector- and country-oriented. One or more Mediterranean partners link up on a regional or national basis with regions of at least two EU Member States to facilitate SME co-operation in certain sectors. Meetings have taken place in Tunisia, Turkey, Morocco, Lebanon, Cyprus, Syria, Egypt, Malta and the Palestinian Territories and have brought together some 1 400 Mediterranean SMEs and 900 EU companies.</p>	<p>In 2000, a Med-Partenariat will be organised in Egypt. The next Med-Interprise events will be selected through a call for proposals for 2001 and 2002. Since the end of 1992, more than 6 500 Mediterranean partner companies have met EU counterparts. In 2000, some 1 000 partner companies are expected to take part in these events.</p>
WTO/ITC	Promotion of the networking of SME support institutions.	Promotion of the networking of SME support institutions.
DTSS/DPMD		
IDB	Programa Bolivar?	
MERCOSUR-COMISEC	<p>Project EU-COMISEC 1992-96, Technical assistance from ERVET-Bologna, QUASCO-Bologna, Univ. of Bologna, COPCA of Barcelona, ENEA-Roma. Issues related to networks, partnership and clusters were addressed during the four-year co-operation programme with the European Commission and the above-mentioned institutions.</p>	<p>Future work on these issues is to be developed in EU/COMISEC MONITOREO MERCOSUR Phase II 2000-02.</p>
<p>Information System Mercosur</p> <p>Mercosur – Rules and Regulations</p> <p>Special Consultation Unit</p>		
ASEAN	ASEAN-EU Partenariat, November 1997, Singapore.	<p>Organise annual ASEAN match-making workshops to promote SME joint ventures and linkages between SMEs and LSEs.</p>
SME Agencies Working Group	ASEAN East Asian SME Showcase and Business Forum, August 1997, Kuala Lumpur.	
APEC	<p>Facilitation of strategic alliances among enterprises in the APEC region.</p> <p>Cross-border inter-firm linkages.</p> <p>Business Matching and Advice Programme.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
5.2. SME partnership with large firms		
EC European Commission, Enterprise DG, Unit B.2 (business co-operation, networks and partnerships)	<ul style="list-style-type: none"> - Subcontracting Working Programme 1992-99 aimed at improving the transparency of subcontracting markets, strengthening inter-industry partnerships and promoting internationalisation of European subcontractors. More information at: http://europa.eu.int/comm/dg23/innov_subcont/subcontracting.html. - A 1999 call for proposals for subcontracting/supply chain management projects resulted in ten projects, which are currently being implemented in the following areas: subcontracting poles, benchmarking, clustering, training, internationalisation of European subcontractors and dissemination of good practice (2000-01). - Study aimed at establishing an EU-wide statistical definition of subcontracting in the construction sector. 	<ul style="list-style-type: none"> - Upcoming policy document on inter-enterprise relations, supply chain management and subcontracting (due end 2000). - Possible study on subcontracting in the CEECs.
WTO/ITC DTSS	Promotion of Export Development Company.	Training manual on SME partnerships with large firms in export development.
IDB Regional Operations Departments, Sustainable Development Department, MIF		Supports the creation and development of sub-contracting system through technical assistance and loan programmes.
ASEAN SME Agencies Working Group	ASEAN annual match-making workshop to promote SME joint ventures and linkages between SMEs and LSEs, 19 October 1999, Kuala Lumpur.	Organise annual ASEAN match-making workshops to promote SME joint ventures and linkages between SMEs and LSEs.
5.3. Local clusters		
WTO/ITC DPMD	Local clusters on specific export products.	Local clusters on specific export products.
IDB Regional Operations Department, Sustainable Development Department, MIF		Support to local productive sector development through technical assistance and loans programmes
5.4. Internationalisation of industrial districts (networking for export promotion, FDI and subcontracting)		
EC European Commission, Enterprise DG, Unit B.3 (crafts and small businesses)	<p>Joint participation by small and craft enterprises in fairs and shows in the countries of the EEA.</p> <p>To enable crafts and small enterprises of the countries concerned to organise joint stands at fairs and shows with the aim of establishing systems of mutual co-operation and developing transnational trading activities.</p>	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
WTO/ITC DTSS/DPMD	Networking of SME associations to promote exports.	Networking of SME associations to promote exports.
ASEAN SME Agencies Working Group		Organise annual joint trade promotion activities/trade expositions.
APEC	SME Business Forum and Exposition. International Trade Fair.	
5.5. Other issues		
EC TACIS PHARE	PHARE supports cross-border co-operation among candidate countries and between candidates and Member States. Some programmes support SMEs in the border regions.	SME promotion is one objective of EU assistance to co-operation. The main financing will be for industrial co-operation and partnerships and investment and investment-related activities, including investment financing, notably in the areas of cross-border co-operation, promotion of SMEs, environmental infrastructure and networks.
APEC	Centre for Entrepreneurship Development for SMEs (Phases I, II and III)	
6. BEST PRACTICE POLICIES FOR SMEs		
6.1. Financing		
EC	Organisation of roundtables of bankers and SMEs aiming to identify best practices in SME financing and dissemination activities.	Elaboration of studies on business angels (past work), factoring, credit insurance, innovation and equities.
WTO/ITC FASS	Export finance and export credit guarantees and insurance.	Export finance and export credit guarantees and insurance.
IDB Sustainable Development Department	Publications on capital market development and loan guarantee.	Financing instruments for business creation.
MERCOSUR-COMISEC	Project EU-COMISEC 1992-96, technical assistance from ERVET-Bologna, QUASCO-Bologna, Univ. of Bologna, COPCA of Barcelona, ENEA-Roma. Issues related to best practice policies in various fields were addressed during the four-year co-operation programme with the European Commission and the above-mentioned institutions.	Future work on these issues to be developed in EU/COMISEC MONITOREO MERCOSUR Phase II 2000-02.
ASEAN SME Agencies Working Group		Compile member states' SME policies and best practices in selected sectors to enhance mutual understanding and possible adoption. Not limited to financing.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
6.2. Innovation and technology		
WTO/ITC	Environment-related technology.	Environment-related technology.
DPMD		
IDB	Publication on dissemination and use of technology by companies.	
Sustainable Development Department		
APEC	Study of best practices in the management of technological extension programmes oriented to SMEs.	
6.3. Labour skills and management training		
EC	Creation of a Business Education Network in Europe (BENE). Vocational training for craftsmen and founders of small enterprises. Enable exchange of best experience and planning and implementation of specific training programmes for small and craft enterprises.	Organisation of a forum on training for entrepreneurship (Nice-Sophia-Antipolis, October 2000).
European Commission, Enterprise DG/B-1 Concerted actions on entrepreneurship and SMEs European Commission, Enterprise DG/B-3 (crafts and small enterprises)		
WTO/ITC	Export and import business training.	Export and import business training.
DTSS		
IDB		Evaluation of Regional Management Training Programme.
Sustainable Development Department		
6.4. Business and regulatory environment		
EC	Creation of a Business Environment Simplification Task Force (BEST) to make recommendations for improvements in the business environment and business support services, such as access to finance, management and training, innovation and technology transfer and all aspects of public administration. Concerted actions help Member States to identify best practice in areas that are crucial for the success of enterprises and for the competitiveness of the European economy. Organisation of related forums and more restricted seminars with special focus on starts-ups, transfer of business, training and support services. Studies on a wide range of support measures, such as business networks, visibility, take-up and quality, clustering and industrial and local networking.	Study on the promotion of entrepreneurship in Europe. Benchmarking of incubators and start-up procedures. Analysis of transfer of business.
European Commission, Enterprise DG/B-1 (Concerted actions on entrepreneurship and SMEs)		

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
IDB Sustainable Development Department		Development of enabling conditions and policies assessment tools.
6.5. Access to domestic and international markets, including electronic commerce		
WTO/ITC DPMD	Export products and market development.	E-commerce.
7. DATA AND STATISTICS		
7.1. Collection of data by size classes related to different variables (e.g. employment, output, exports, investments, etc., and by gender)		
IDB Sustainable Development Department	Pre-feasibility study on the creation of a Latin American SME Observatory. Publication of SME-related statistics for 18 countries in Latin America and the Caribbean.	Implementation of the Latin American SME Observatory.
EIB See 1.1 and 1.2. A special unit deals with the Annual Report.	Global loans and venture capital volumes and breakdowns are monitored on a regular basis and reported in the Bank's Annual Report.	As the volume of venture capital investments increases, these operations will be monitored in more detail, with the help of software to be installed in the near future.
7.2. Specific surveys on globalisation of SMEs		
IDB Sustainable Development Department		Comparative study of entrepreneurship in Latin America and East Asia.
7.3. Specific surveys on women entrepreneurship		
WTO/ITC Division of Trade Support Services/Division of Technical Co-operation and Co-ordination	Surveys on women engaged in export-specific projects.	Training for women entrepreneurs.
MERCOSUR-COMISEC		Work related to activities in the field of women entrepreneurs.

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
7.4. Other issues		
APEC	<p>Guide for Small and Medium Enterprises in the APEC Region.</p> <p>SME Indicators.</p> <p>APEC Benchmarking database for SMEs.</p>	
8. WOMEN ENTREPRENEURS AND WOMEN-OWNED BUSINESSES		
8.1 Financing		
<p>MERCOSUR-COMISEC</p> <p>Responsible: Mr Guzman Haretche</p>		<p>Future work on issues related to women entrepreneurs are to be developed in EU/COMISEC MONITOREO MERCOSUR Phase II 2000-02</p>
8.2 Management training		
<p>EC</p> <p>European Commission, Enterprise DG, Unit B.3 (crafts and small businesses)</p>	<p>Vocational training for craftsmen and founders of small firms. Exchange of best practice and planning and implementation of specific training programmes for small and craft enterprises.</p> <p>Training and related support services for SMEs. Access of independents (one-person enterprises) to training.</p>	<p>Enterprise policy aiming to increase the start-up rate among women.</p>
<p>WTO/ITC</p> <p>Division of Trade Support Services/Division of Technical Co-operation and Co-ordination</p>	<p>Training on exporting for women entrepreneurs.</p>	<p>Training on exporting for women entrepreneurs.</p>
8.4 Other issues		
APEC	<p>Study of women entrepreneurs in SMES in the APEC region.</p>	

PART IV: NON-GOVERNMENTAL INTERNATIONAL ORGANISATIONS

PRESENTATION OF RESPONDING ORGANISATIONS

BUSINESS AND INDUSTRY ADVISORY COMMITTEE TO THE OECD (BIAC)

BIAC's activity related to SMEs is decentralised. A significant amount of it takes place within BIAC's constituent national member organisations. A complete inventory would require a comparative study of all these bodies, a significant and somewhat time-consuming investment. As a step in that direction, BIAC conducted an initial survey to map out the extent of SME participation and representation in BIAC member organisations and specific work undertaken to address special issues affecting their SME members. The results of this survey are presented in Annex number 2.

GRUPO BOLIVAR/PROGRAMA BOLIVAR

Progama Bolivar is a private international non-profit organisation whose main function is to assist SMEs to develop new markets abroad with a special focus on Latin America and the Caribbean.

SUMMARY OF ACTIVITIES AND INITIATIVES

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
1. FINANCING		
1.1. SMEs' access to bank lending and credit		
Grupo BOLIVAR	<p>Organisation of a regional association of reciprocal warranty funds.</p> <p>Programa Bolivar bank network.</p>	Promotion of investment funds at regional level.
1.2. SMEs' access to venture capital and equity markets		
Grupo BOLIVAR	SME-oriented qualification programmes related to capital market access with the participation of entities regulating the financial market.	
2. EMPLOYMENT AND HUMAN RESOURCES		
2.3. Issues related to management training		
Grupo BOLIVAR	Implementation of qualification programmes in Europe and Latin America and institutes	Qualification courses.
3. INNOVATION AND TECHNOLOGY		
3.1. SMEs and innovation		
Grupo BOLIVAR	Agreements between technological clusters, governments, universities and the private sector.	Maintaining co-operation and exchange of human resources and experience.
3.2. Access to information and communication technologies (ICT) and use of electronic commerce		
Grupo BOLIVAR	Demonstration centres for the use of new technologies and scientific development (with the participation of the private sector).	
3.4. Labour skills and management capabilities		
Grupo BOLIVAR	Qualification programmes	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
3.5. Innovation networks (co-operation among SMEs or with larger firms or public research centres at national or international level)		
Grupo BOLIVAR	Creation of a network of specialised headquarters focused on partner search and strategic alliances.	
4. SMES AND GLOBALISATION		
4.1. SME globalisation strategies		
Grupo BOLIVAR	FORO BOLIVAR of the Latin American Enterprise.	
5. NETWORKS, PARTNERSHIPS AND LOCAL CLUSTERS		
5.1. SME networking at national and international level		
Grupo BOLIVAR	Network specialised in strategic alliances	
5.2. SME partnership with large firm		
Grupo BOLIVAR	Network specialised in strategic alliances.	
6. BEST PRACTICE POLICIES FOR SMES		
6.1. Financing		
Grupo BOLIVAR	Promotion of public policies. Facilitation of market access.	
7. DATA AND STATISTICS ON SMES		
7.2. Specific surveys on SME globalisation		
Grupo BOLIVAR	Specific surveys on Latin American SMEs.	
8. WOMEN ENTREPRENEURS AND WOMEN-OWNED BUSINESSES		
8.1. Financing		
Grupo BOLIVAR	Creation of the Business Women's Network.	
8.2. Management training		
Grupo BOLIVAR	Creation of the Business Women's Network.	

ORGANISATION	PAST AND PRESENT WORK	FUTURE WORK
8.3. Access to technology		
Grupo BOLIVAR	Creation of the Business Women's Network.	

ANNEX 1:

THE OECD INDUSTRY COMMITTEE WORKING PARTY ON SMEs: EXTRACTS FROM THE MANDATE

- a) The Working Party is entrusted with examining the nature and scale of issues and policies pertaining to SMEs and entrepreneurship. This task will be accomplished through discussions within the Working Party and through research projects. The Working Party shall make available to Member governments and other Committees of the Organisation information and advice on these issues and on measures and policies for dealing with them.
- b) The Working Party shall produce every second year a comprehensive report that will provide an integrated assessment of trends in SME policies in Member countries, including selected thematic and quantitative analyses, as well as policy recommendations.
- c) The Working Party on SMEs shall act as a clearing house through which Member (and whenever relevant non-member) countries can exchange information and experience on SME issues, policies and programmes, especially in regard to agreed areas of interest, topical developments and areas identified by the Industry Committee or the OECD Council as being of particular relevance to the OECD.
- d) The Working Party on SMEs shall undertake a critical and comparative assessment of best practice policies for SMEs adopted by Member countries and make these available to the Industry Committee and to Member governments.
- e) The Working Party shall give special consideration to:
 - The scope for enhancing the contribution of SMEs (in particular high-growth SMEs) to economic development, including framework conditions for a competitive business environment.
 - The role of SMEs, including start-ups, in employment and in job creation.
 - The implications for SMEs of the globalisation of economic activities including the increasing participation of SMEs in the global market place (through electronic commerce, the global information network, etc.).
 - The scope for enhancing entrepreneurship, including issues and policies relating to women entrepreneurs.
 - The role of SMEs in economic growth of emerging and developing economies.
 - The improvement and development of SME statistics, in co-operation with the appropriate international bodies (*e.g.* EUROSTAT).

- f) The Working Party shall seek to involve, where appropriate, business and labour, aiming at a more effective dialogue in the development of SME policy.
- g) In order to benefit from international co-operation and exchange of information on SMEs with non-OECD countries and international organisations, while avoiding duplication of activities, the Working Party shall, where appropriate and as approved by the Industry Committee, liaise with non-member countries (e.g. CEECs, NIS) and with relevant international and regional institutions and forums (e.g. G7/8, APEC, PECC, the World Bank, ILO, UNIDO, UNDP, IDB, etc.), and NGOs (e.g. World Association for Small and Medium Enterprises – WASME).

For further reading:

<http://www.oecd.org/dsti/sti/industry/smes/index.htm>

OECD (1996), *Best Practice Policies for Small and Medium-Sized Enterprises*

OECD (1998), *Fostering Entrepreneurship*

OECD (1997), *Globalisation and Small and Medium Enterprises (SMEs)*

OECD (2000), *OECD SME Outlook 2000*

OECD (1999), *Regulatory Reform for Smaller Firms*

OECD (1999), *Strategic Business Services*

OECD (1998), *Women Entrepreneurs in Small and Medium-Sized Enterprises*

ANNEX 2:
BIAC'S RESPONSE

SMALL AND MEDIUM-SIZED ENTERPRISES IN BIAC: A COMPENDIUM

May 2000

Data refer to the period 1997-99

Country and name of the BIAC member organisation (Web links to all available via the BIAC Web site: http://www.biac.org/biacdir/member.htm	Membership (Direct or through member associations)					Relative weight		Illustrative examples of specific activities for SMEs	Contact Information
	Number of companies member	Employment by all members	Number of member SMEs	Per cent of members which are SMEs	Definition of SME (Employment)	Per cent of all SMEs in the country as member or affiliate	Definition of SME (employment)		
AUSTRALIA: Australian Chamber of Commerce and Industry (ACCI)			350 000	Great majority				Help to SMEs on e-commerce uptake, awareness, implementation of E-Transactions Bill 99, etc.	Danny Bhandari, Adviser, Small Business and Regulation, Email:bhandarid@acci.asn.au
AUSTRIA: Federation of Austrian Industry (VÖI)	2 000	400 000		86 73	E < 500 E < 250			Working Group on SMEs; majority of SME members are in manufacturing, but the share of services increasing	Mr. Erhard Fürst, VÖI, Email:e.fuerst@iv-net.at
BELGIUM: Federation des Entreprises de Belgique (FEB/VBO)	30 000	1 million	25,000	83	E < 50			SME Co-ordination Committee, consisting of CEOs of SMEs (manufacturing, and increasingly, services) and sectoral federations representing them.	Mr. Jeroen Langerock, Co-ordinateur PME de la FEB, Email:jl@vbo-feb.be
CANADA: Canadian Council for International Business (CCIB)								CCIB is closely affiliated with the Canadian Chamber of Commerce which has a wide SME basis	Mr. Bob Keyes, President, CCIB, Email:hecnar@ccib.org
CZECH REPUBLIC: Confederation of the Industry of the Czech Republic	1 639	1 million	1 100	71	E < 250				Ms. Vladimira Drbalova, Email:vdrbalova@spcr.cz
DENMARK: Confederation of Danish Industries (DI) and Danish Employers' Confederation (DA)	DI: 5 800 DA: 30 000	DI: 320 000 DA: 580 000		DI: 95 87 DA: 95	DI: E < 250 E < 100 DA: E < 100			Technical support on marketing, exporting, industrial and labour laws, regulations, consumer disputes, EU information, etc.	DI: Ms. Gitte Bengtsson, Head of SME Department, Email:gib@di.dk DA: Jens Holmboe Bang
FINLAND: Confederation of Finnish Industries and Employers (TT)		[75% of industrial value added]		97	E < 500				
FRANCE: Mouvement des Entreprises de France (MEDEF)									
GERMANY: Federation of German Industries (BDI) and Confederation of German Employers' Associations (BDA)	1.9 million (affiliates of BDA & BDI member associations)	20 million	1.6 million	84 (98 % in industry)	E < 500	50	E < 500	Active SME committee providing advice on industrial and labour law, EU process, social security, etc.; bi-monthly SME newsletter	Mr. Josef Düren, BDI Büro des Beauftragen für Mittelstandsfragen, Email:J.Dueren@BDI-ONLINE.DE

SMALL AND MEDIUM-SIZED ENTERPRISES IN BIAC: A COMPENDIUM

May 2000

Data refer to the period 1997-99

Country and name of the BIAC member organisation (Web links to all available via the BIAC Web site: http://www.biac.org/biacdir/member.htm)	Membership (Direct or through member associations)				Definition of SME (Employment)	Relative weight		Illustrative examples of specific activities for SMEs	Contact Information
	Number of companies member	Employment by all members	Number of member SMEs	Per cent of members which are SMEs		Per cent of all SMEs in the country as member or affiliate	Definition of SME (employment)		
GREECE: Federation of Greek Industries (F.G.I.)	600 direct + members of 60 regional & sectoral associations	140 000 by direct members	520 direct	87	E < 250			Information, seminars and workshop directed to SME needs	Ms. Fotini Legaki, President of SME Committee, President of HELLAFARM SA, Email:helafarm@acci.gr Mr. Ioannis Patsavios, F.G.I. Members Coordinator, Email:patsavios@fgi.gr
HUNGARY: Confederation of Hungarian Employers' Organisations for International Co-operation (CEHIC)	5 900 direct + affiliates in 100 associations			80					Dr. Peter Szirmai, Co-President, VOSZ, Email:center@vosz.hu
ICELAND: Confederation of Icelandic Employers									
IRELAND: Irish Business and Employers Confederation	7 500	500 000	6 750	90					
ITALY: Confederazione Generale dell'Industria Italiana	107 000		105 000	98				PMInternet project to facilitate SME use of ICT (www.e-commerce-pmi.it); Collaboration with Italian Banking Assoc. to facilitate innovation, internationalisation of SMEs.	Francesco Berlotti, President, SME Committee, Confindustria, E-mail: Carla_Paoletti@confindustria.it
JAPAN: Japan Federation of Economic Organisations (Keidanren)	1 258		150	15		0.02	Legal def. based on financial data		Mr. Yuki Shirato, Keidanren, Email:shirato@keidanren.or.jp
KOREA: Federation of Korean Industries	438			Negligible				FKI has a support programme aimed at venture companies.	Mr. OcJoo Lee, FKI, Email:OcJooLee@fki.or.kr
LUXEMBOURG: Federation des Entreprises du Luxembourg (FEDIL)	400	60,000	370	93					
MEXICO: Mexican Confederation of Chambers of Industry (CONCAMIN) Employers Confederation of the Mexican Republic (COPARMEX)	36 000	2.5 million	34 200	95	E < 100	1.5		Advocate SME-friendly fiscal, regulatory and training policies; promote SME-large firm partnerships; support to SME-led regional development; half of COPARMEX Executive Board members and 80% of Council from SMEs	Mr. Sergio Soto-Priante, COPARMEX, Email:ssoto@coparmex.org.mx
NETHERLANDS: Confederation of Netherlands Industry and Employers (VNO-NCW)	80,000	3 million	76 300	95	10 < E < 100	65 95	10 < E < 100 100 < E < 500		Ms. Rita ter Steeg, E-mail: Htersteeg@vno-ncw.nl

SMALL AND MEDIUM-SIZED ENTERPRISES IN BIAC: A COMPENDIUM

May 2000

Data refer to the period 1997-99

Country and name of the BIAC member organisation (Web links to all available via the BIAC Web site: http://www.biac.org/biacdir/member.htm)	Membership (Direct or through member associations)					Relative weight		Illustrative examples of specific activities for SMEs	Contact Information
	Number of companies member	Employment by all members	Number of member SMEs	Per cent of members which are SMEs	Definition of SME (Employment)	Per cent of all SMEs in the country as member or affiliate	Definition of SME (employment)		
NEW ZEALAND: New Zealand Employers' Federation, Inc.	76 000	1.1 million	60 500	80	E < 10 (ten)				Ms. Anne Knowles, Chief Executive, Email:nzef@nzef.org.nz
NORWAY: Confederation of Norwegian Business and Industry	15 700	450 000		95 76	E < 100 E < 20				Mrs. Inger Aarvig, Director, Department of SMEs, NHO, Email:inger.aarvig@nho.no
POLAND: Confederation of Polish Employers									
PORTUGAL: Portugese Industrial Association									
SPAIN: Spanish Confederation of Employers' Organisations	2 million (through 200 member organisations of employers)		1.97 million	98.5	E < 250			Negotiation of collective agreements; international advisory services; advice on taxation, enterprise creation and management of family enterprises	Mr. Lopez-Quesada Email:ceoe@ceoe.es Mr. Lacasa: Email:internacional@ceoe.es
SWEDEN: Federation of Swedish Industries (FSI) and Swedish Employers' Confederation (SAF)	FSI: 7000 SAF: 43 000	1.5 million (SAF)		(SAF) 85 (SAF) 65	(SAF) E < 25 (SAF) E < 10			FSI: Several members of the Board from SMEs, incl. a Vice Chair who is CEO of a company employing 25. SAF: Small Business Committee led by 27 executives representing small businesses.	Prof. Thomas Falk, Director, Industrial Policy, FSI, Email:thomas.falk@industriforbundet.se Ms. Marianne Kronberg, SAF, Email:marianne.kronberg@saf.se
SWITZERLAND: Union Suisse du Commerce et de l'Industrie (Vorort), Union Patronale Suisse								"Information Society" Platform for SMEs for a permanent dialogue with government officials and SME representatives	Mr. Christoph Juen, Email:Ju@VORORT.CH
TURKEY: Union of Chambers of Commerce, Industry, Maritime Commerce and Commodity Exchanges of Turkey (TOBB); Turkish Confederation of Employer Associations (TISK); Turkish Industrialists' and Businessmen's Association (TÜSIAD)	1 million (all sectors, including state-owned enterprises)	Salaried employment by SME affiliates in manufact'g: 944 000	203 500 (in manufact'g only)	99.5 (in manufacturin g only)	E < 150			TOBB is the union of all regional and occupation-specific chambers of commerce and industry in the country, which in turn have compulsory membership of all enterprises in their respective sectors, except for "craftsmen" who have a separate association.	Prof. Dr. Halil Sariaslan, TOBB, Email:halils@info.tobb.org.tr

SMALL AND MEDIUM-SIZED ENTERPRISES IN BIAC: A COMPENDIUM

May 2000

Data refer to the period 1997-99

Country and name of the BIAC member organisation (Web links to all available via the BIAC Web site: http://www.biac.org/biacdir/member.htm)	Membership (Direct or through member associations)					Relative weight		Illustrative examples of specific activities for SMEs	Contact Information
	Number of companies member	Employment by all members	Number of member SMEs	Per cent of members which are SMEs	Definition of SME (Employment)	Per cent of all SMEs in the country as member or affiliate	Definition of SME (employment)		
UNITED KINGDOM: Confederation of British Industry (CBI)	225 000	7.5 million		Great majority	E < 250			Through the CBI SME Council and the CBI Enterprise Group, support work on SME perspectives for government budget, barriers to growth of hitech SMEs, regulation & SMEs, etc. CBI publishes a monthly <i>SME Brief</i>	Ms. Alison Bye, Email: alison.bye@cbi.org.uk
UNITED STATES: United States Council for International Business (USCIB)	Most of USCIB's 300 direct member companies are large enterprises. However two of USCIB's member associations have significant SME representation. The US Chamber of Commerce represents 3 million companies, mostly SMEs. The National Association of Manufacturers (NAM) has 10,000 SME members.							Mr. Dean Garritson, Vice President, Small and Medium Manufacturers Action Committee, NAM, Email: dgarritson@nam.org Dr. Ronnie Goldberg, Senior Vice President, USCIB, Email: rgoldberg@uscib.org	
BIAC International Secretariat www.biac.org	36 Member Federations. In 1997-98, in 19 countries where there are data (representing 84% of OECD GDP (measured as PPPs), the number of companies affiliated with BIAC member organisations is estimated to be 8.9 million.							Mr. Deniz Eröcal, Manager, Economic and Industrial Policy, Email: erocal@biac.org	

NOTES:

The absence of information does not represent absence of SME membership or SME-related work, but failure to respond to an internal BIAC Questionnaire

HUNGARY: Data refer to one of CEHIC's member federations - the National Association of Entrepreneurs and Employers (VOSZ) only.

JAPAN: While Keidanren is primarily constituted by larger enterprises, its sister organisation Japan Chamber of Commerce and Industry is mainly composed of SMEs and can be approached by BIAC where necessary for relevant input.

MEXICO: Data refer to COPARMEX only.

TURKEY: Data refer to TOBB only. TISK and TÜSIAD represent primarily larger enterprises.

ANNEX 3:

ALPHABETICAL LIST OF ABBREVIATIONS

AABF – Africa Asia Business Forum
ACCI - Australian Chamber of Commerce and Industry
ADB - Asian Development Bank
AFC – African Centre for Women
AFTA - Free Trade Area
AISI – African Information Society Initiative
ALADI - Latin American Integration Association
ALALC - Latin American Free Trade Association
APCTT – Asian and Pacific Centre for Transfer of Technology
APEC - Asia-Pacific Economic Co-operation
ASAP - Amsterdam Special Action Programme
ASEAN - Association of Southeast Asian Nations
BDA - Confederation of German Employers' Associations
BDI - Federation of German Industries
BDP – Bureau for Development Policy
BDS – Business Development Services
BENE - Business Education Network in Europe
BEST - Business Environment Simplification Task Force
BIAC - Business and Industry Advisory Committee to the OECD
BSEC – Black Sea Economic Cooperation
CBI - Confederation of British Industry
CCIB - Canadian Council for International Business
CEECs - Central and Eastern European Countries
CEFE – Competency Based Economies through Formation of Enterprise
CEHIC - Confederation of Hungarian Employers' Organisations for International Co-operation
CEI – Central European Initiative
CEII – Centro Europeo di Impresa e Innovazione
CIS – Commonwealth of Independent States
CITs – Countries in Transition
CLMV - Cambodia, Laos, Myanmar and Vietnam
COMESA – Community of Eastern and Southern Africa
CONCAMIN – Confederación de Cámaras Industriales
COPARMEX - Employers Confederation of the Mexican Republic
CRAFT – Co-operative research
DA - Danish Employers' Confederation
DAC – Development Assistance Committee (OECD)
DAFFE – Directorate for Financial, Fiscal and Enterprise Affairs (OECD)
DATAR – Délégation à l'Aménagement du Territoire et à l'Action Régionale

DCD – Development Co-operation Directorate (OECD)
DFI - Development financial institutions
DI - Confederation of Danish Industries
DISD – Development Information Services Division
DMCs - Developing member countries
DMD – Development Management Division
DPMD - Division of Product and Market Development
DSTI – Directorate for Science, Technology and Industry (OECD)
DTSS - Division of Trade Support Services
EBRD – European Bank for Reconstruction and Development
EC - European Commission
ECOWAS – Economic Community of West African States
EEA - European Economic Area
EIB - European Investment Bank
EIF - European Investment Fund
EPZ – Export Processing Zone
ESAMI – Eastern and Southern African Management Institute
ETF - European Technology Facility
EU - European Union
FAO – Food and Agriculture Organisation
FDI – Foreign Direct Investment
FEB/VBO - Fédération des Entreprises de Belgique
FEDIL - Fédération des Entreprises du Luxembourg
FEED – Forum for Entrepreneurship and Enterprise Development
FGI - Federation of Greek Industries
FIAS – Foreign Investment Advisory Service
FIs – Financial Institutions
FKI - Federation of Korean Industries
FNCCI – Federation of Nepalese Chambers of Commerce and Industry
FSI - Federation of Swedish Industries
FY – Fiscal Year
GATT - General Agreement on Tariffs and Trade
GEF – Global Environment Facility
GSM – Global System for Mobile Communications
GTZ – Deutsche Gesellschaft für Technische Zusammenarbeit
H RTP - Human Resources Training Programme
IBEX - International Buyers' Exhibitions
ICT - Information and Communication Technologies
IDB - Inter-American Development Bank
IDDA-II – second Industrial Development Decade for Africa
IDEP – African Institute for Economic Development and Planning
IFC – International Finance Corporation
IFIs – International Financial Institutions
IIC - Inter-American Investment Corporation
IIP – International Industrial Partnerships
ILD – Institute for Leadership Development
ILO - International Labour Organisation
ILO-SAAT – ILO-South Asia Multidisciplinary Team

IND – Industry Division (OECD)
IPAs – Investment Promotion Agencies
IPEC – International Programme on the Elimination of Child Labour
IPPN – Industrial Partnership Promotion Network
ISIC – International Standard Industrial Classification
ISO – International Organization for Standardization
ITC – International Trade Commission
JEV - Joint European Venture programme
LDCs – Least Developed Countries
LEED – Local Economic and Employment Development Programme (OECD)
MEDEF - Mouvement des Entreprises de France
MEI – Main Economic Indicators Division (OECD/STD)
MENA – Middle East and North Africa
MERCOSUR - Comision Sectorial para el Mercado Comun del Sur
MFI – Microfinance Institution
MIF - Multilateral Investment Fund
MIGA – Multilateral Investment Guarantee Agency
MNC – Multinational Corporation
MRAs - Mutual Recognition Agreements
MSEs – Micro and Small Enterprises
NAD – National Accounts Division (OECD/STD)
NGOs - Non governmental Organisations
NICIs – National information and Communication Infrastructure
NIS – Newly Independent States
OECD - Organisation for Economic and Co-operation Development
OED – Operations Evaluation Department
OEG – Operations Evaluation Group
PDFs – Project Development Facilities
PECC - Pacific Economic Co-operation Council
POM – Project Opportunity Methodology
PSD – Private Sector Development
PSDBE – Business Environment Group, Private Sector Development Advisory Services
PSDU/CCNM – Private Sector Development Unit/Centre for Co-operation with Non-Members (OECD)
PTA – Preferential Trade Area for Eastern and Southern Africa
PUMA – Public Management (OECD)
RASP – Regional Advisory Services Programme
RFEP – Regional Program for Enterprise Development
RTD - Research and Technological Development Activities
SAF - Swedish Employers' Confederation
SECI – Southeast European Co-operative Initiative
SEE – South East Europe
SEED – Small Enterprise Development
SIYB – Start and Improve Your Business Programme
SPXs – Subcontracting and Partnership Exchanges
SRDC – Sub-regional Development Centre
STD – Statistics Directorate (OECD)
STP – Science and Technology Policy Division (OECD/DSTI)
SWIC – Statistical Working Party of the Industry Committee

TADB – Trans-Atlantic Business Dialogue
TASBI – The Transatlantic Small Business Initiative
TDS – Territorial Development Service (OECD)
TEC - Common external tariff
TEFEED – Transition Economies Forum on Entrepreneurship and Enterprise Development
TENS - Trans-European Networks
TISK - Turkish Confederation of Employer Associations
TOBB - Union of Chambers of Commerce, Industry, Maritime Commerce and Commodity Exchanges of Turkey
TQM – Total Quality Management
TT - Confederation of Finnish Industries and Employers
TÜSIAD - Turkish Industrialists' and Businessmen's Association
UNCDF – United Nations Capital Development Fund
UNCTAD – United Nations Conference on Trade and Development
UNDP - United Nations Development Programme
UNECA – United Nations Economic Commission for Africa
UNECE – United Nations Economic Commission for Europe
UNESCAP – United Nations Economic and Social Commission for Asia and the Pacific
UNIDO – United Nations Industrial Development Organisation
UNIFEM – United Nations Development Fund for Women
USCIB - United States Council for International Business
VC Fund – Venture Capital Fund
VNO/NCW - Confederation of Netherlands Industry and Employers
VÖI - Federation of Austrian Industry
WASME - World Association for Small and Medium Enterprises
WB – World Bank
WBG – World Bank Group
WBI – World Bank Institute
WED – Women's Entrepreneurship Development
WIPO - World Intellectual Property Organisation
WTO - World Trade Organisation