

ENHANCING THE ROLE OF SMEs IN GLOBAL VALUE CHAINS

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Global value chains

- International supply chains
- Fragmentation of production activities across sites and borders
- Activities have different value added
- Different roles of large firms and SMEs

Overview of the presentation

- Methodology of the study
- Key findings
- Policy recommendations

Methodology

Case study approach

- 5 industries:
automotive, scientific and precision instruments, software, tourism, cinema
- 17 country/industry case studies in OECD countries and non-OECD economies
- 7 country/enterprise case studies
(carried out by UNCTAD)

Case studies

MANUFACTURING		SERVICES		CREATIVE INDUSTRIES	
<i>AUTOMOTIVE</i>	Australia Chinese Taipei Japan Spain Turkey Mexico - VolksWagen India - Tata Motor South Africa - Toyota	<i>TOURISM</i>	Australia Austria Germany/Jordan Korea Poland Spain (Andalusia) Spain (Balearic Islands) Switzerland	<i>FILM PRODUCTION AND DISTRIBUTION</i>	Korea United States Colombia- RNC and Caracol Nigeria - Nu Metro
<i>PRECISION AND SCIENTIFIC INSTRUMENTS</i>	Australia	<i>SOFTWARE</i>	Turkey Egypt - Microsoft		

SMEs were questioned about:

- Awareness and understanding
- Relationships along the global value chain
- Technological issues
- Expected benefits
- Role of the government

In GVCs, SMEs suffer from:

- Poor understanding
- Lack of managerial skills
- Inadequate financial resources
- Little or no technical support from contractors
- Inability to manage their intellectual assets and protect their IP when appropriate

In GVCs, SMEs benefit from:

- Internationalisation and growth
- New entrepreneurial possibilities
- Co-operation and learning opportunities
- Technological and functional upgrading

Policy recommendations

- Raise SME awareness and increasing SME participation in GVCs
- Improve supplier financing
- Protect SME intellectual property rights
- Encourage clusters and networks
- Simplify compliance procedures to product and process standards
- Promote technological and human skills upgrading

