

11:00-12:30

W10 SME sustainable leadership across continents

According to the United Nations Industrial Development Organisation (UNIDO), SMEs make up over 90 per cent of enterprises in the world and account for 50 to 60 per cent of employment. SMEs contribute to a more efficient allocation of resources. They tend to adopt labour intensive method and support the development and diffusion of entrepreneurial spirit and skills and help in reducing economic disparity between rural and urban areas. The SME sector in any nation is the main driving force behind job creation, export earnings, improved living standards, poverty reduction, wealth creation, income redistribution. Thus, development of a strong, diverse and dynamic SME sector has significant positive social and economic impact not only through reduction in income inequality but through reducing the overall economic inequality, gender inequality, and many other forms of inequality. The workshop will discuss the role SMEs play as a factor against inequality and the necessary ethical platform of values for this role to be fulfilled. In this respect it will also explore how SMEs influence in practical terms the sustainable development and the long-term survival of the nation, the challenges, the good practices, and the actions that need to be implemented.

To each Speaker

- What are the key aspects and dimensions of inequality concerning SMEs?
- What are the key stakeholders and what roles they play regarding addressing inequality?
- What are the challenges in the outside environment and within the SMEs that prevent change?
- What is the contribution of the SME sector for addressing inequalities in their different forms?
- Best practices in addressing the inequalities the SMEs are facing and for making SMEs more effective in addressing various forms of inequality, and recommended actions?

- What are the key aspects and dimensions of inequality concerning SMEs in China? What are the key stakeholders and what roles they play regarding addressing these inequalities? What are the challenges in the outside environment and within the SMEs that prevent change?
中国中小企业不平等主要体现在哪些方面？主要的受益者及其所起的作用？中小企业外部和内部环境中阻止这种变化所面临的挑战是什么？
- What is the contribution of the SME sector for building a more equitable society in China?
中小企业在建立更加平等的社会中的贡献是什么？
- Best practices in addressing the inequalities the SMEs are facing and for making SMEs more effective in addressing various forms of inequality?
中小企业面临的不平等的最佳实践，以及在各种不平等中的高效性体现。
- What is your advice to the leaders and owners of Chinese SMEs regarding their action against inequality?
对中国中小企业的领导者和拥有者的建议以及如何克服这种不平等？

SMEs make up over 50 per cent of economic gross in China, and account for 50 to 60 per cent of employment. Unfortunately, SMEs are facing a lot of unequal treatment at the present as the following,

- The possession of resources is not equal
- Inequality of capital element using
- Asymmetric competition as well as the upstream and downstream enterprises income polarization
- Two thresholds of market access and administrative examination and approval
- Private enterprises to assume more than the tax burden, resulting in the inequality between state-owned enterprises and private enterprises
- The establishment and the introduction of many new state local government produced crowding out effect on private enterprises during the international financial crisis
- The legal protection of property rights is far from the "equal protection" requirements to different ownership subject

The contribution of SMEs to the national economy is rapidly increasing, especially in expanding employment, meeting the people's demand for diversification and individuation, the realization of social professional collaboration, fostering entrepreneurs, technology innovation etc.

According to statistics, the registration of small and medium-sized enterprises have more than 1000, accounting for 90% of the total number of registered enterprises; total industrial output value and profits and taxes accounted for 60% and 40%. In recent years, the small and medium enterprises accounted for about 60% of the total export 150 billion \$ a year. At present, the national industrial sector employment is about 150 million, the employment in small enterprises have 110 million, accounted for 73%.

Our government has issued a series of policies to support the small and medium-sized enterprises, to create a favourable external environment, to set up the SME Technology Innovation Fund, dedicated to support technological innovation of high-tech small and medium enterprises. The people's Bank of Chinese has made an arrangement for the commercial banks to establish specialized institutions for small and medium-sized enterprise loan.

Small and medium-sized enterprises have the advantages of quickly business decisions, relatively low cost and risk, the sharp market reaction, flexible behaviour, and rapid response. Most SMEs are in the private family business, internal command unified, strong implementation capacity, can coordinate all the resources within the enterprise, to maximize the efficiency, benefit.

Modern technology has two implications in industrial technology and product development direction, on the one hand, is toward large, centralized direction; on the other hand, is toward small, decentralized development. Miniaturization, decentralization of production has provided favourable conditions for the development of small and medium enterprises.

In order to promote the healthy development of small and medium enterprises, the author suggests that can proceed from the following aspects involved:

- Making a relatively relaxed lending conditions, shorten the loan application approval time oriented, the expansion of micro loan amount, using the advantage of financing banks, support small and medium enterprises especially the healthy development of a better situation of the development of SMEs.
- A sound social security system for employees of enterprises, reducing the burden of the development of small and medium-sized enterprises.
- Increasing the technological innovation of small and medium-sized private enterprises, one is to enjoy

the technology innovation funds to support science and technology project; the second is to develop suitable for SME support policies, encourage small and medium-sized enterprises to the transformation of science and technology enterprises.

- In the area of investment, using the local existing industrial advantages, guided by market means, to support the development of strong leading role of enterprises, cultivating industry leading enterprises; Secondly, to show the good investment environment through the development of the old enterprises ; Thirdly, to establish the development cooperation platform of SME, realizing the economic union with a specialization in production as the main form, improving the comprehensive ability of regional supporting production and processing.