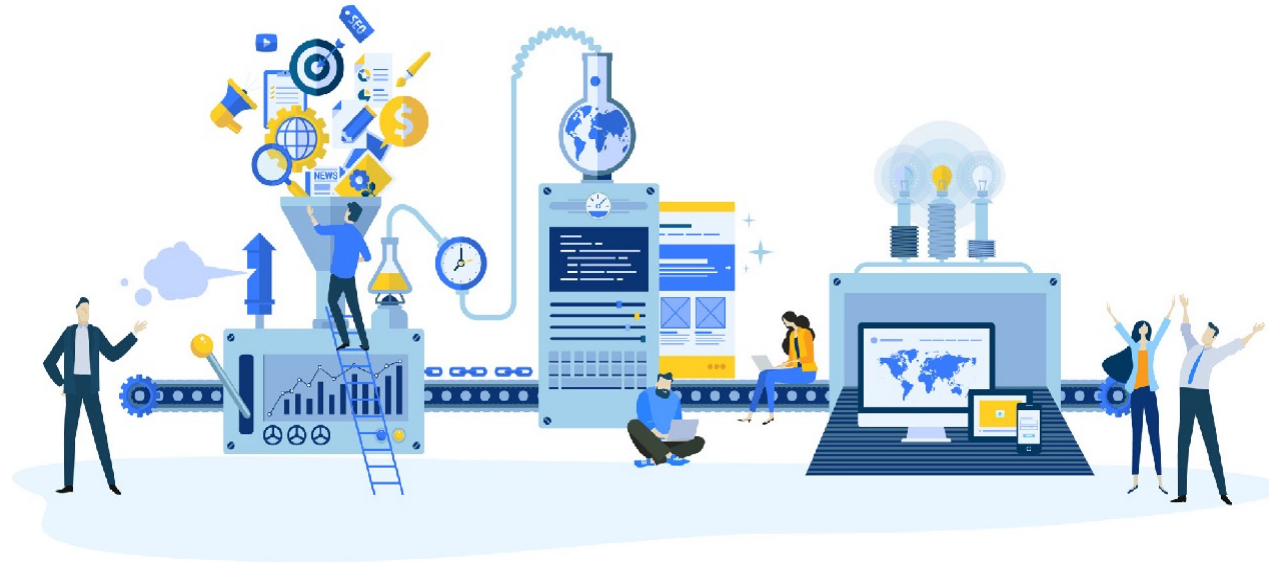


Increasing Internationalization of Small and Medium-Sized Enterprises (SMEs) in OIC Member Countries



COMCEC 19th Meeting Trade Working Group, October 4th 2022

AYÇA TEKİN-KORU

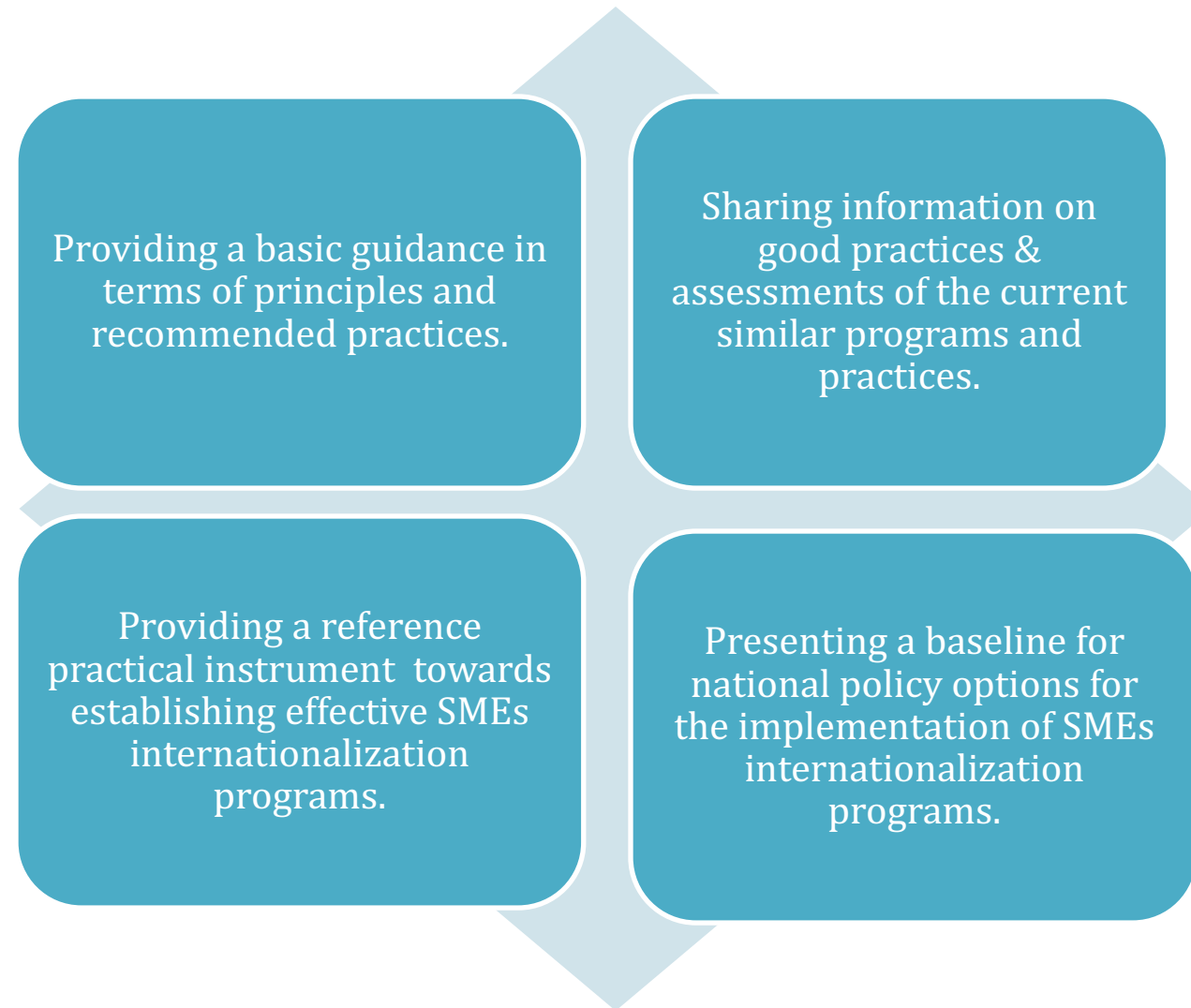
TED UNIVERSITY TRADE RESEARCH CENTER

Presentation Structure

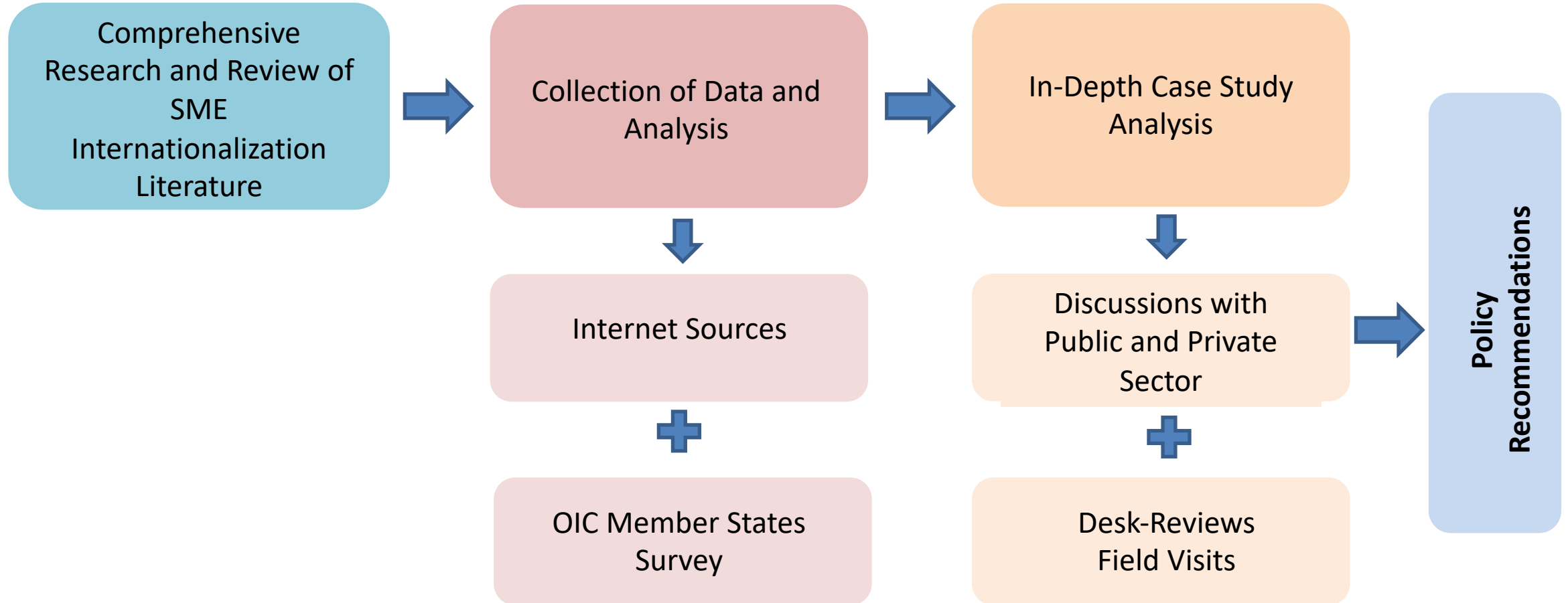
A. General Overview

B. Policy Recommendations

Study Objectives



Study Methodology



A. General Overview



Importance of SME Internationalization

- ◀ SMEs account for about 90% of all firms
- ◀ SMEs account for about 50% of all jobs
- ◀ 365-445 million MSMEs in developing countries (WB)
- ◀ 600 million jobs will be needed by 2030 to absorb the growing workforce
- ◀ In emerging economies, most formal jobs are created by SMEs, which create 7 out of 10 jobs
- ◀ SMEs are one of the key players in achieving the 17 SDGs (UN)

Five Dynamics Driving the Challenges and the Opportunities

Globalization

Multinationalization

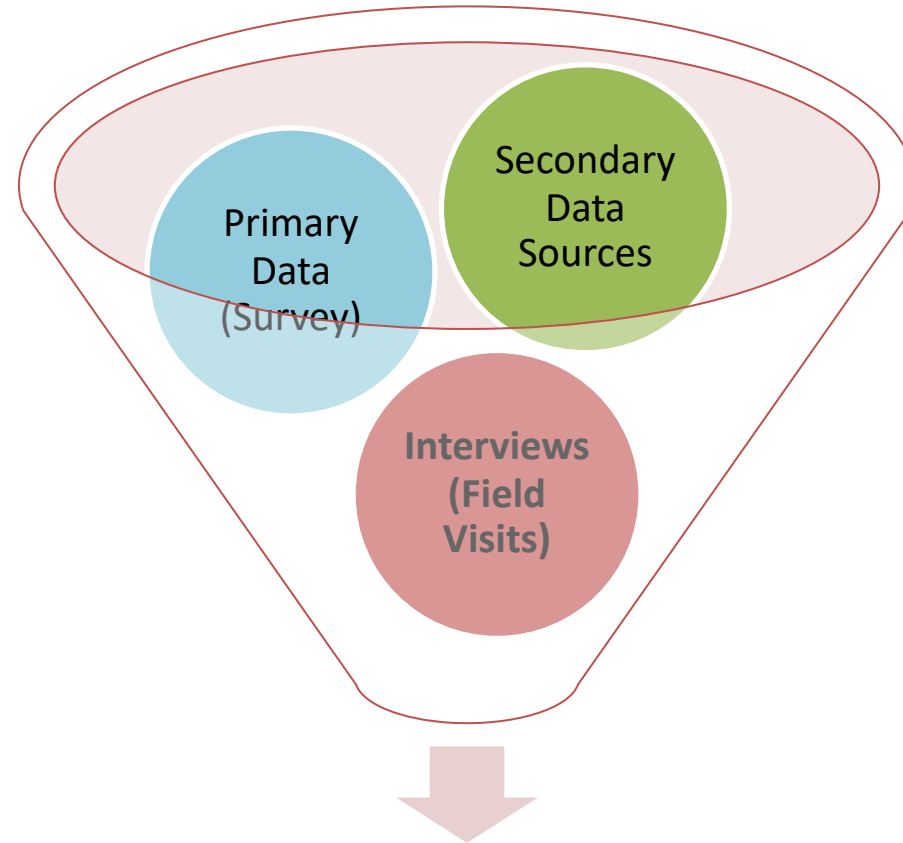
***Rise of the Global
Middle Class***

Digitization

***The Certainty of
Uncertainty***



Data Collection and Analysis



Descriptive Analysis of Data

Case Studies – Desk Reviews



Case Studies – Field Visits



Malaysia



Morocco



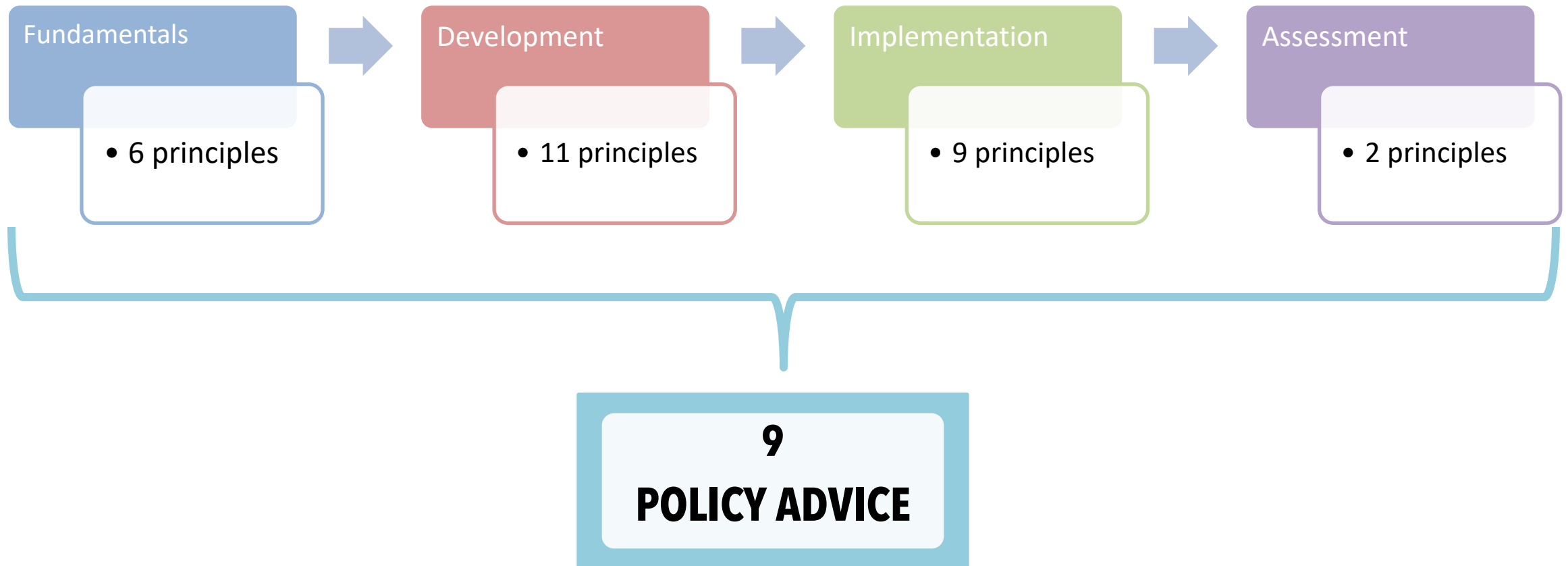
Spain



B. Policy Recommendations



A Rich Policy Design for Successful SME Internationalization



Policy Advice 1: ***Formalization***

Provide benefits for formalization and penalize informality.

Policy Advice 2: ***Legal Basis***

Establish the legal basis of SME internationalization.

Policy Advice 3: ***Strategic Action***

Make SME internationalization a part of binding government plans and documents.

Policy Advice 4: ***Institutional Framework***

Support the institutional framework.

Policy Advice 5: *Sorting*

Sort SMEs in terms of their capacity and potential for internationalization.
Share the results of the rating system with other stakeholders.

Policy Advice 6 : *Training*

Provide necessary support in order to bring managerial and human resources of the SMEs in line with the requirements of successful internationalization.

Policy Advice 7: ***Standards and Certificates***

Guide SMEs to improve their products according to the market- and product-specific required standards and certifications.

Policy Advice 8: ***Branding***

Support SME branding by creating and promoting a national brand and offering branding support to SMEs.

Policy Advice 9: *Impact Analysis*

Conduct regular impact assessments for each funding program.
Regularly publish the results of the impact assessment for each program.

Thank You...

