Evidence on Access to Markets
SMEs in Ghana: From Evidence to Action

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Challenges

Entering local and international markets a formidable challenge for SMEs.

- Bargaining power
- Information
- Infrastructure
- Access to credit and skills
- Regulations
Lessons Learned

Appropriate interventions are context-specific: cooperation can lead to positive effects

Demand-side interventions can have positive and persistent effects on business performance

Export matching

Public Auctions
Inter-Firm Relationships and Business Performance in China

Firms may not form relationships due to lack of information or trust

1,500 Managers

10 Managers Monthly
Facilitating monthly meetings among managers led to better firm performance, knowledge sharing and partnerships.

**Results**

- 7.8% higher sales
- More partnerships
Small producers in developing countries can’t reach international buyers

Carpet producers with <5 employees

Connected to buyers in high-income markets

Subsequent orders depended on performance
Results

When SMEs began exporting their products, they became more efficient, skilled, and earned more money.

16-26% higher profits

Learning by exporting
SMEs lack the ability to reach new markets or customers.
Firms that won government contract bids experienced more growth and hired more workers.

**Results**

- Percentage point increase in the quarter of a successful contract: 2.2
- New hires from unemployment or informal: 93%
- Enter more auctions
Lessons Learned

1) **Demand-side interventions can have positive and persistent effects on business performance.**
   
   a) Government procurement can increase SME growth and employment, even beyond the contract period.
   
   b) Facilitating access to international markets can lead to lasting gains in product quality and profits.

2) **Appropriate interventions are context-specific.**
   
   a) While increased competition can improve business performance, facilitating cooperation can also lead to positive effects, depending on the context.
Thank you