

Evidence on Access to Markets

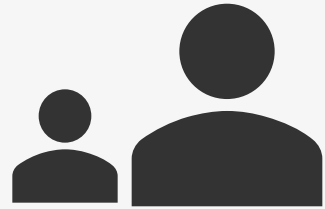
SMEs in Ghana: From Evidence to Action

Madeleen Husselman
Country Director, IPA Ghana
mhusselman@poverty-action.org

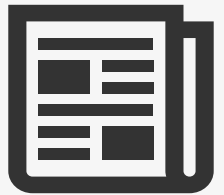


Challenges

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



Firm
networking



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



Results

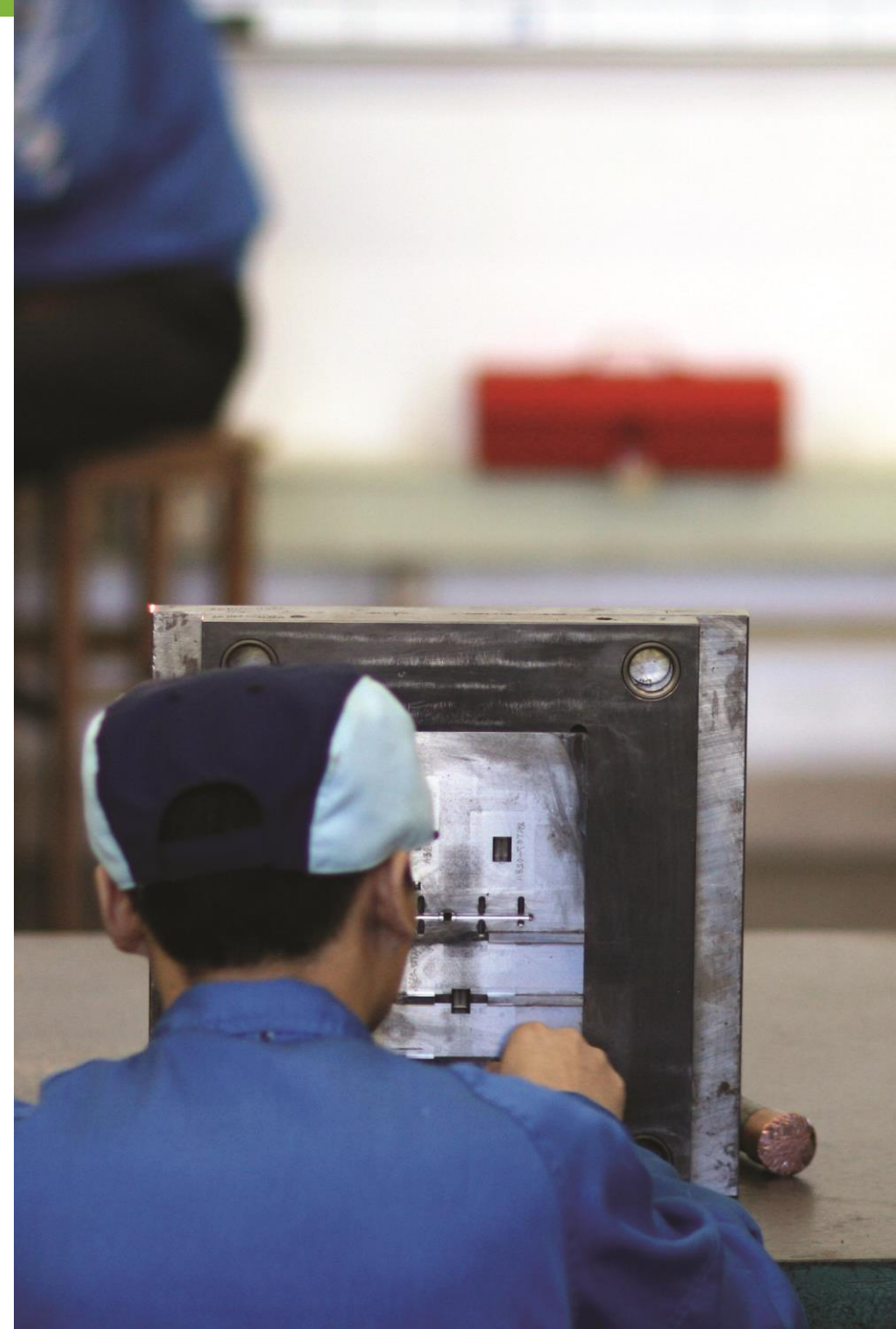
Facilitating monthly meetings among managers led to better firm performance, knowledge sharing and partnerships



7.8%
higher sales



More partnerships



The Impact of Exporting for Rug Producers in Egypt

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**

Government Procurement with Local SMEs in Brazil

SMEs lack the ability to reach new markets or customers

Public auctions



Results

Firms that won government contract bids experienced more growth and hired more workers



2.2

Percentage point increase
in the quarter of a
successful contract



93%

New hires from
unemployment or
informal



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

