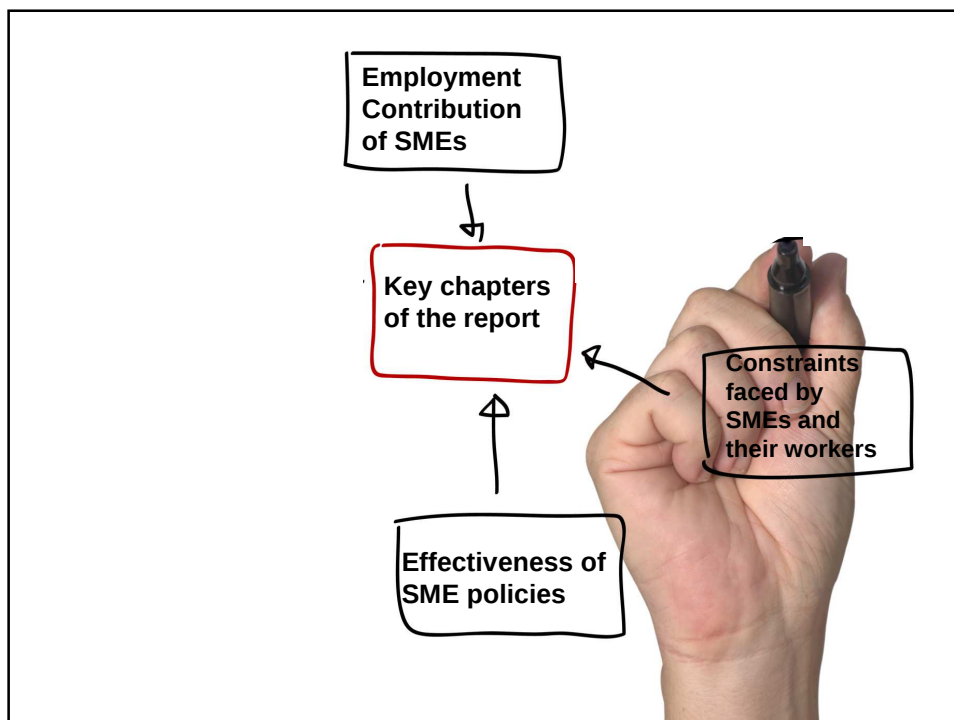
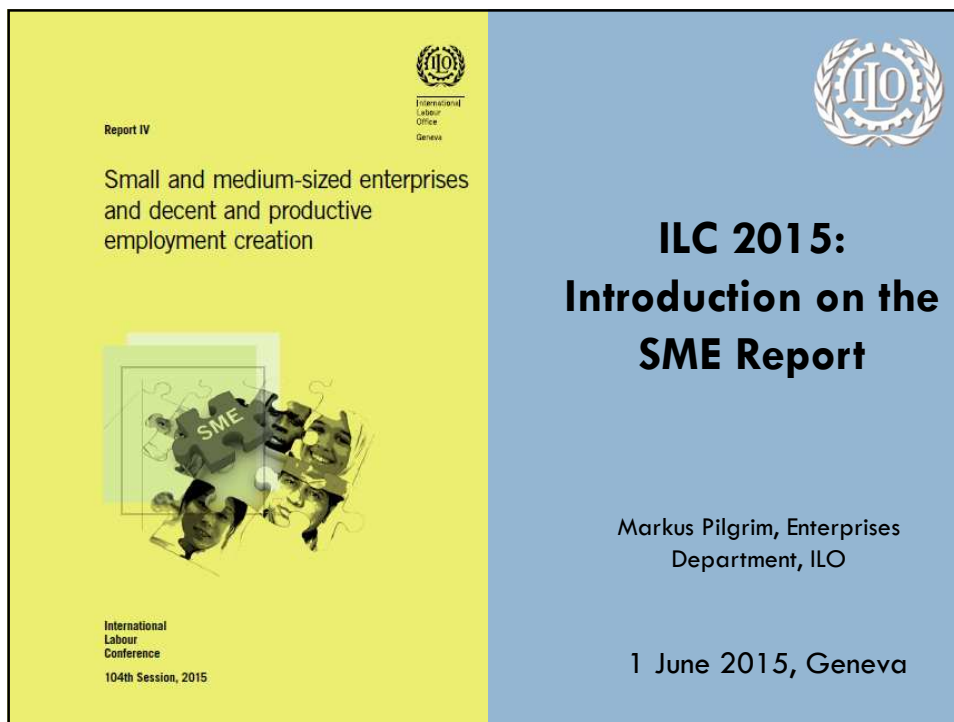
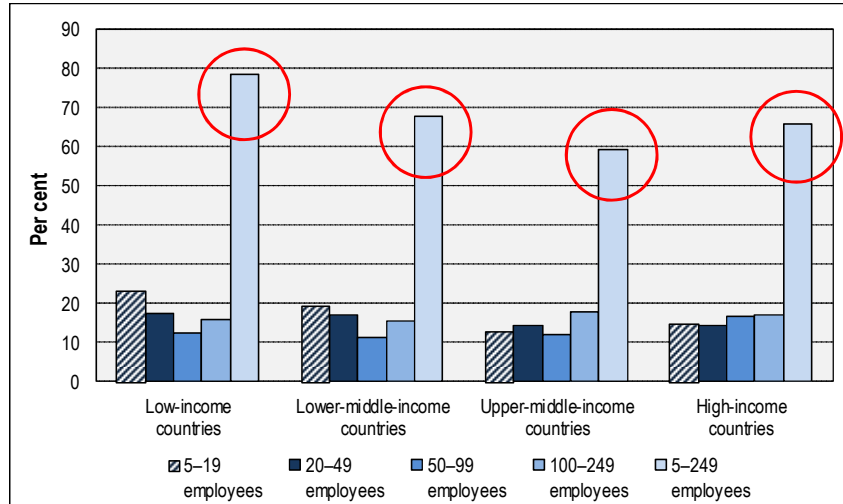




Is small still beautiful (1)? – yes, 2/3 of all jobs



Median Share of Employment by Enterprise Size Class



Is small still beautiful (2)? – yes, up to 85% of all new jobs

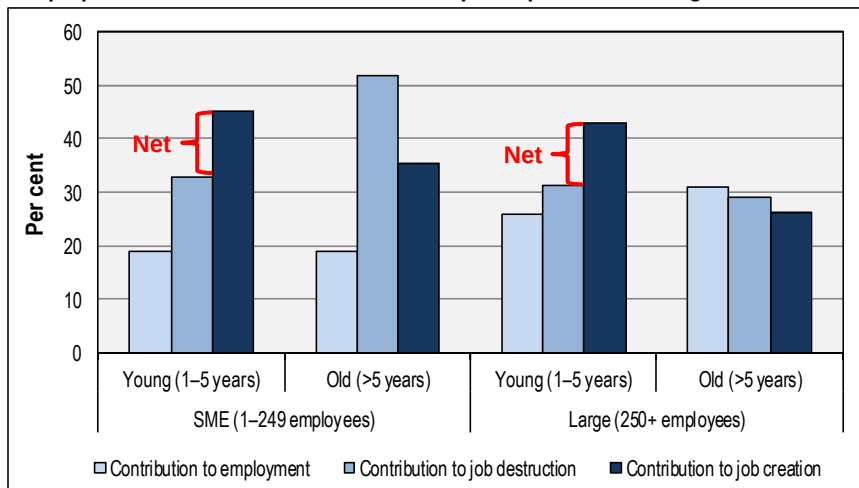


- Globally, 50% of net job creation in smallest size class (**5 to 99 workers**),
- In the EU, 85% of net employment creation is in SMEs (**1 to 250 workers**).

Is small still beautiful (3)? – probably the wrong question; young is beautiful



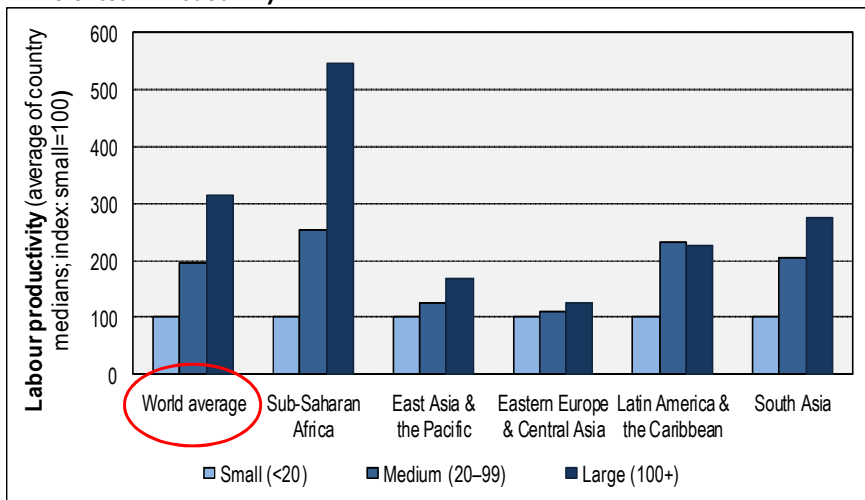
Employment, Job Creation and Destruction by Enterprise Size and Age



Is small still beautiful (4)? – not so much if we look at productivity and wages



Differences in Productivity



Constraints faced by SMEs



top three
constraints

- access to finance
- access to electricity
- informality

*differs by level of economic
development and region*

Constraints faced by SME workers



Indicators of employment quality: Comparisons between
SMEs and LSEs in the EU

Area	Size class with highest score
Remuneration	Large Scale Enterprises (LSE)
Job flexibility	LSE
Job security	SME
Employee participation	LSE
Skills development	LSE

*However, the economic sector has a stronger influence on the
quality of employment than enterprise size*

Effectiveness of SME Policies: What works?



- Summarizing the global evidence on the impact of the following SME policies:
 - Access to finance & Entrepreneurship training
 - Enabling environment
 - Formalization of informal SMEs
 - SME Productivity & working conditions
 - Value chain development
- What do we know about the impact of ILO interventions?

What works?- Entrepreneurship Training and Finance



Key Findings:

- Strong basis of evidence: It can work,
- Combining training & finance works better,
- Youth benefit more than others; women entrepreneurs benefit less,
- Evidence on the quality of jobs is scarce, except for income.



What works?- Enabling Environment



Key Findings:

- Solid evidence that a good EE supports SME growth and employment,
- The smaller the enterprises, the bigger the effects observed.

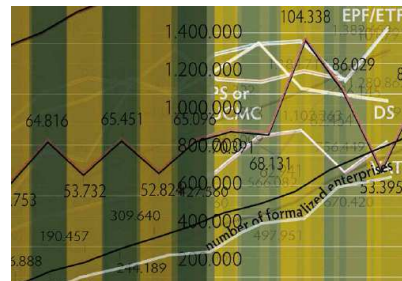


What works?- Formalization of SMEs



Key Findings:

- Evidence is scarce but growing,
- Business entry reforms only don't work,
- Combining several reforms works better,
- It is easier to formalize new firms being set up.



What works?- Working Conditions and SME Productivity



Key Findings:

- Solid evidence that modern management practices lead to increased productivity
- It is unclear whether stand alone improvements of working conditions lead to higher productivity



What works?-Value Chain Development



Key Findings:

- Evidence is scarce
- Difficulties in attributing changes to interventions targeting at an entire sector



New trends in SME promotion



- Rigorous Results Measurement
- Partnerships with Business
- Greening SMEs
- High growth start-ups