











Economic and Technical Cooperation

International Conference on "Developing Public Policies for Upgrading Productivity in Traditional Small Enterprises" Puerto Vallarta, México 3 and 4 November 2016 SP/CGAPET/C-16

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CONCLUSION:

Productivity is a key factor for the survival of traditional enterprises. They are the main generators of employment around the world. The Conference put the issue of productivity at the centre of the debate. Experts from 25 countries and 6 international organizations discussed the factors limiting the productivity of traditional enterprises, which include labour, tax, financial, market access and knowledge network regulations.

They highlighted and discussed the results of the study prepared by the OECD, entitled "Upgrading productivity in small traditional enterprises: The role of management skills and practices," and presented programmes to support traditional enterprises from countries such as Germany, Canada, the Philippines, India, Malaysia, Mexico, Peru and Uruguay.

The issue of management skills and practices and the use of technologies were identified as central aspects that contribute to the improvement of productivity of enterprises in an environment of limited growth.

The goal of showing to international organizations and developed economies that the traditional companies cannot be abandoned was achieved, and the issue of productivity of traditional enterprises became the central point for analysis by international organizations, such as the Organization for Economic Cooperation and Development (OECD) and the Latin American and Caribbean Economic System (SELA).

Comments on the conclusion

We find common challenges

There is a gap between the productivity of traditional small and larger enterprises, and this gap may even be growing.

In tackling the problems in depth, particularly of traditional enterprises, we find issues such as inequality, education, culture, access to opportunities, domestic socio-economic environment and even external market pressures.

Support must be comprehensive

We have learned that training of companies is of great importance in all countries, but it will only be successful when combined with the interest of the company and other support components (devices, certifications).

There is often a limit on how much the productivity of a traditional sector can be improved. In this case, it is necessary to consider strategies that generate new skills to facilitate the change of activities.

The problems of traditional enterprises tend to be very varied and in multiple dimensions, and therefore it is worthwhile to be very clear on what the priorities are.

It is necessary to work with other levels of government to find solutions to issues of regulation, legislation, etc.

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impact of support on companies

It is necessary to know the It is very important to measure the impact of support and assess the different programmes that are implemented.

> It is also important to try to monitor support, since its effectiveness depends on the fact that beneficiaries have a direction on how to obtain benefits.

Many of the policies that we have learned focus on the topic of innovation and the use of new technologies

This means that, in principle, strategies for companies in the base of the pyramid are not deeply ingrained in many of our countries. The principle "Think small first" should be promoted.

Culture, traditions and education have much to do with the capacity for innovation. In order to change the paradigm of traditional sectors, it is necessary to change these aspects.

Quality is a very important topic that can be addressed with small traditional enterprises, relevant in areas such as tourism, crafts, among others. Thus, it is possible to count on highly innovative traditional sectors.

New technologies represent a revolution in the way companies do business, as well as in the way they are served. Thus, it is very important to incorporate new technologies into traditional enterprises.

It is necessary to boost and promote entrepreneurship as a way of moving towards higher value-added sectors and activities, so that from their inception, companies generate greater economic benefits.

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