

The Bologna Process

The First OECD Ministerial Conference on SMEs

It is now recognized world-wide that the contribution of SMEs and entrepreneurship to employment, innovation and overall economic dynamism is essential to growth performance both in OECD and non-OECD economies. In June 2000, the OECD organized the first Ministerial-level international conference on SMEs in Bologna, Italy, at the invitation of and in co-operation with the Italian Government on "Enhancing the Competitiveness of SMEs in the Global Economy: Strategies and Policies", thus launching the Bologna Process. It was certainly one of the most successful international events of the year 2000. This conference was a major opportunity to identify public and private sector actions to help SMEs develop their local strengths while capturing the benefits of globalization and trade liberalization. Its major outcome and final declaration, the Bologna Charter on SME Policies, was adopted on 15 June 2000, by almost fifty participating OECD member and non-member economies, and welcomed by over 200 international and national organizations and NGOs.

The Bologna Conference was not a "one-off event" but a groundbreaking meeting which gave the OECD an incontestable role in the international arena in the area of SMEs. Bologna was meant to mark the beginning of a long-term process: it is now known as "**The (OECD) Bologna Process**". The OECD is firmly committed to developing the **Bologna Process**, which is an important horizontal activity, and to contributing to the implementation of the Charter through its substantive work on SME issues and policies and through strengthening the policy dialogue on SMEs with non-member economies and international organizations.

The Bologna Process is a mechanism to foster the entrepreneurial agenda and SME competitiveness at the global level. It brings together at present over 70 countries (including all APEC countries) and its backdrop is globalization. One of the main objectives of the Bologna Process is to help governments facilitate entrepreneurs and SMEs worldwide in meeting the challenges and reaping the benefits of globalization.

2nd OECD Conference of Ministers Responsible for Small and Medium-Sized Enterprises

At the first OECD Conference of Ministers responsible for SMEs, hosted by the Italian government in Bologna, Italy, in June 2000, Ministers from nearly 50 member and non-member economies adopted the "Bologna Charter for SME Policies". They envisaged the Bologna Conference as the start of a policy dialogue among OECD member countries and non-member economies that would be followed up by continuous monitoring of the progress made with regard to the implementation of the Bologna Charter. This has become known as the "OECD Bologna Process". The second OECD Conference of Ministers responsible for SMEs, hosted by the Turkish Ministry for Industry and Trade (Istanbul, 3-5 June 2004), provided an occasion to assess the impact on SMEs of new developments relating to globalization. At the close of the Istanbul Conference, Ministers adopted the Istanbul Ministerial Declaration on Fostering the Growth of Innovative and Internationally Competitive SMEs.

Enhancing the role of SMEs in Global Value Chains (GVCs)

How does the globalization of value chains affect the role of SMEs?

The question lies at the heart of an OECD study, *Enhancing the Role of SMEs in Global Value Chains (GVCs)*, which addresses the issues of how globalization of value chains and of large enterprises affects the role of SMEs as traditional partners, suppliers or distributors for larger firms and explores the benefits of SME participation in global value chains.

The **OECD Global Conference on Enhancing the Role of SMEs in Global Value Chains**, held in Tokyo on 31 May-1 June 2007 brought together experts from governments, international organisations, academia, business and civil society to examine the conclusions of the study, review best practice policies and programmes and draft the [Tokyo Action Statement](#) – including policy recommendations -- for further work in this area.

Organized in cooperation with the Japanese Ministry of Economy, Trade and Industry, the conference presented case studies from two manufacturing industries and two service industries, as well as one case study from the film production and distribution industry. The conference sessions covered a broad range of themes, including scientific and precision instruments; innovation, R&D, standards and technology; intellectual assets and IPR management; cooperation mechanisms and conducive global business environment.

The speakers included policy makers and representatives from SMEs, MNEs business associations, international organizations and thematic experts.