

### SMEs and market proximity

#### Key facts

- Generally, compared to large firms, small firms are more likely to export to markets relatively close to their home country – evidence of the fixed costs related to breaking into new markets that tend to be relatively higher for smaller firms. On the other hand, barriers to importing appear less onerous than those for exporting.
- Although the share of SMEs in the number of firms that export to (or import from) China and India is lower than their share at the global level in all economies, the contribution of SMEs to the value of overall exports to China and India is higher in many, including the Czech Republic and Lithuania.

#### Definitions

The *share of SMEs among exporters (importers)* is the number of exporting (importing) SMEs divided by the total number of exporting (importing) enterprises. The *share of SMEs among exporters (importers) to country x* is calculated as the number of SMEs exporting (importing) to country x divided by the total number of enterprises exporting (importing) to that country.

*SME share of exports (imports) to country x* is calculated as the value of SME exports (imports) to country x divided by the total exports (imports) to that country.

*The shares of exports (imports) by partner country* are calculated as the ratio of the value of exports (imports) to partner country x by each size class over the total value of exports (imports) to country x.

Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>.

- Barriers to SMEs for importing appear less onerous than those for exporting. In many countries SMEs account for over half of all imports from China and India, and over 40% of imports from the United States and Japan, significantly higher than corresponding figures on exports.

#### Relevance

Data on trade participation by partner country and size class can highlight important barriers to participation in international trade, particularly for smaller firms, and in turn stress the importance of examining indirect channels of integration into global value chains.

#### Comparability

Data cover all sectors of the economy. Data for the Slovak Republic and Turkey in Fig. 6.17 and 6.18 refer to 2012.

Not all firms are able to be matched in trade and business registers. Typically, and the small average trade values for these unallocated firms bears this out, these relate to smaller enterprises. As such, Figures 6.17, 6.18 and 6.19 include all unallocated firms and values in the SME population.

#### Source

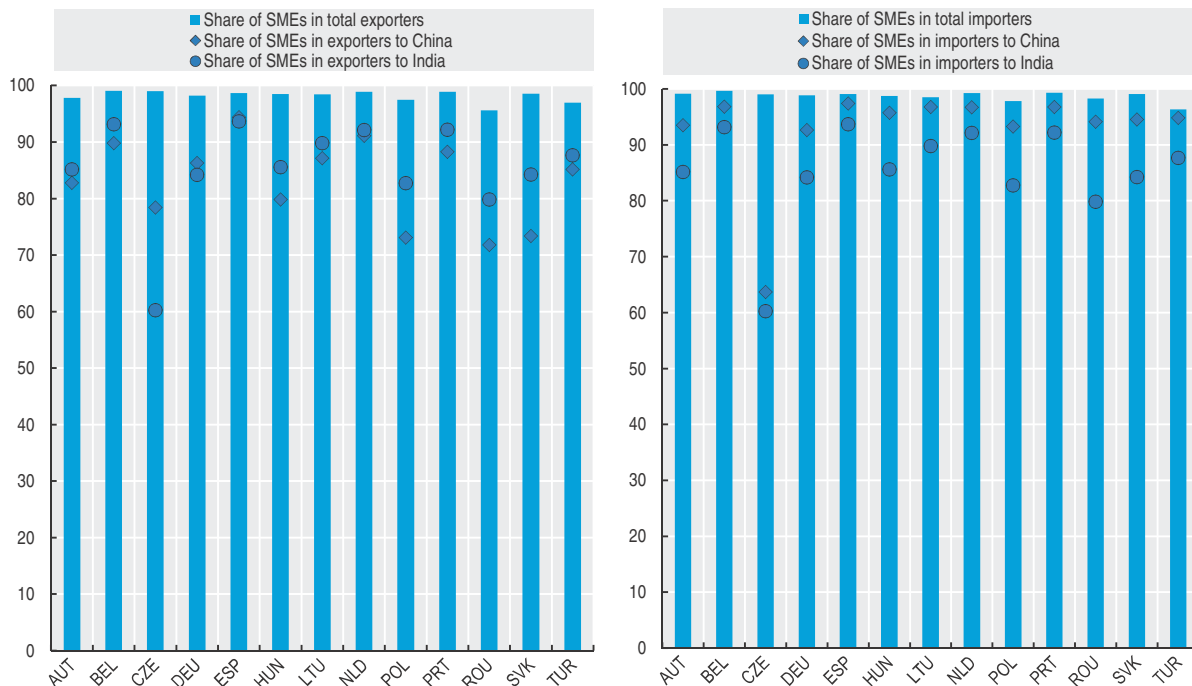
OECD Structural and Demographic Business Statistics (SDBS) (database), <http://dx.doi.org/10.1787/sdbs-data-en>.

OECD Trade by Enterprise Characteristics Database (TEC), [http://stats.oecd.org/Index.aspx?DataSetCode=TEC1\\_REV4](http://stats.oecd.org/Index.aspx?DataSetCode=TEC1_REV4).

#### Further reading

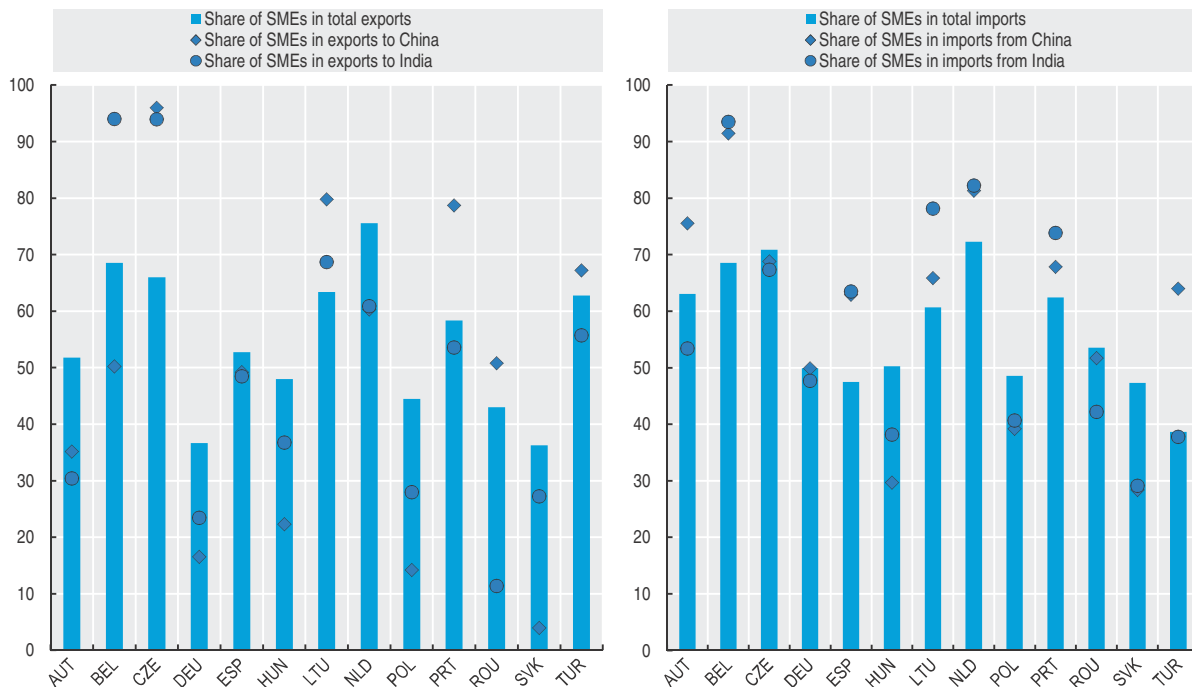
OECD (2016), “Who’s Who in International Trade: A Spotlight on OECD Trade by Enterprise Characteristics data”, OECD Insights Blog, <http://oecdinsights.org/2016/04/25/statistical-insights-whos-who-in-international-trade-a-spotlight-on-oecd-trade-by-enterprise-characteristics-data/>.

Figure 6.17. **SMES engaged in trade with China and India, total economy**  
Percentage, 2013, or latest available year



StatLink <http://dx.doi.org/10.1787/888933404431>

Figure 6.18. **SME share of trade with China and India, total economy**  
Percentage, 2013, or latest available year



StatLink <http://dx.doi.org/10.1787/888933404443>

## 6. SMES AND INTERNATIONAL TRADE

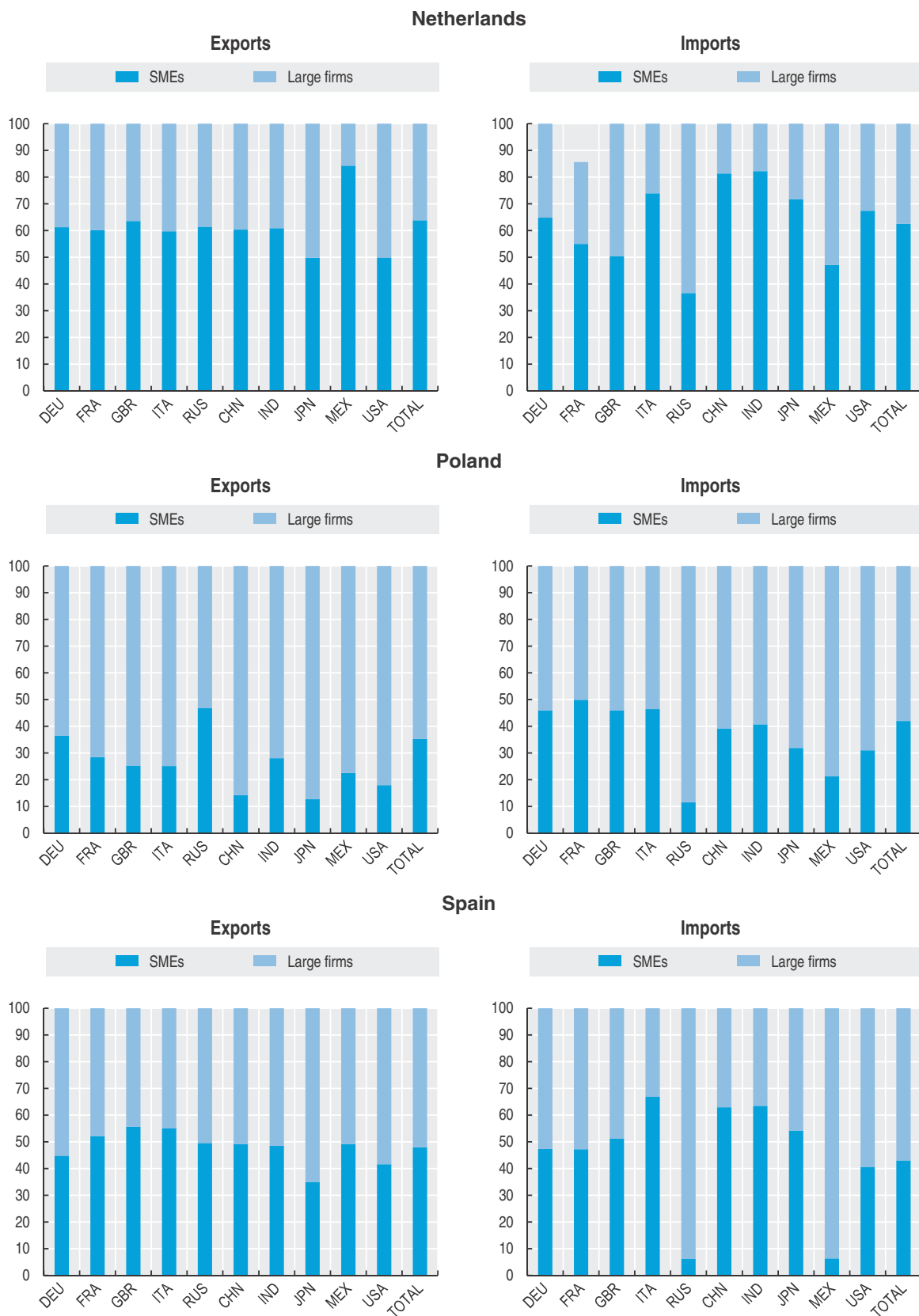
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Figure 6.19. **Exports and imports by partner country, selected countries**  
Percentage of total value of exports/imports to partner country, 2013

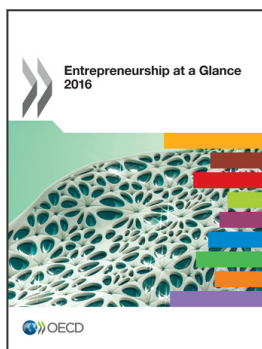


Figure 6.19. Exports and imports by partner country, selected countries (cont.)

Percentage, 2013



StatLink <http://dx.doi.org/10.1787/888933404453>



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