

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION



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SPX Chongqing - China's first*Chongqing, China, 15 April 2004*

at the inauguration: l. to r. Andre de Crombrugge and Chongqing Vice Mayor, Jianong Wu

UNIDO's first [subcontracting and partnership exchange](#) in China (SPX Chongqing), was officially inaugurated on the 15 April 2004 by Vice-Mayor of [Chongqing](#), Jianong Wu. The SPX inauguration shared the stage with the opening of the Chongqing Auto Exhibition 2004 (16 - 18 April, 2004) and benefited from the presence of a number of officials from the Chongqing Economic Commission, the [Chongqing Hi-Tech Industry Development Zone](#), the [Chongqing Foreign Trade & Economic Relations Commission](#), the [Chongqing Exhibition Centre](#) (the SPX host institution), the Chongqing General Chamber of Commerce, and the China and the Chongqing Associations of Automotive and of Motorcycle Manufacturers. A large number of chief executives of local industry and representatives of multinational corporations were also present.

The process that led up to the birth of the Chongqing SPX began just six months ago. Most of the preparatory work was done by email. "It was the most efficient use of email I have ever seen" said father of UNIDO's SPX programme, Andre de Crombrugge. "The gentleman who will manage the SPX, Jim Wu, first contacted me after visiting <http://www.unido.org/spx>, the UNIDO SPX site." Jim Wu works for the [Chongqing Exhibition Centre](#) (the venue of the Auto Exhibition). "Our email exchanges confirmed his impression that the Chongqing Exhibition Centre would make an ideal SPX host institution. He convinced his boss and continued the process up to the Mayor of Chongqing. He got the support of all the individuals and institutions in Chongqing relevant to the success of the venture: from high-tech technology parks to the SME Association to the Chamber of Commerce, to the Foreign Trade and Economic Relations Commission." All of these institutions come within the ambit of the Mayor of Chongqing, as Chongqing is one of the four highest-level cities in China with the special status of a

Municipality.

Located on the upper reaches of the Yangtze River and straddling the region which connects the middle and western parts of China, Chongqing is one of the old industrial bases in China. The three main industries of the region are: machine-building, principally automobile and motorcycle manufacture; chemicals, mainly natural gas and pharmaceuticals; and metallurgy, represented by quality steels and aluminum materials. Four additional sectors with significance are: information technology; foodstuffs; building materials; and daily-use chemical products. With a population of some 32 million, Chongqing is the world's largest municipality. It comes first in China as a base for the motorcycle industry and about third or fourth for the auto industry.

The addition of Chongqing to UNIDO's family of SPX's was "just in time" for Mr. de Crombrughe, who retires this month (May 2004). "It has long been my ambition to start an SPX network in China" he said. "and I couldn't have hoped for a better scenario than Chongqing. With the initiative and involvement of a dynamic and entrepreneurial personality such as Mr. Jim Wu, the prospects for success are at their highest."

Mr. Jim Wu was confirmed as SPX Manager at the first session of the SPX Steering Committee, held in the afternoon after the inauguration. The composition and functions of the Steering Committee were approved, as well as the 2003/4 report of activities and the work plan of the SPX. UNIDO SPX Chongqing begins operations with six staff: the manager; his deputy; one engineer; two technicians; and one secretary. It has an impressive and well equipped office in the Exhibition Center with internet connection. The SPX has already completed 50 questionnaires and visited some 25 enterprises. The target is 100 members by the end of 2004, with at least 50 by August when UNIDO expert will be going to Chongqing to install the SPX software.

After the inauguration ceremony, an SPX Awareness Seminar was conducted on the UNIDO Programme in the context of global competition, the challenges facing the world automotive components industry and the modus operandi of an SPX. Questions from seminar participants, which included some 140 entrepreneurs, covering such issues as the continuous raising of quality requirements and the passing of responsibility of first tier suppliers for "just in time" delivery and new design and research capability down the supply chain to second tier suppliers, clearly indicated an eagerness to join the SPX.

The Chongqing SPX could easily be the first in a China SPX network. A second UNIDO project for an SPX in Beijing is presently taking off and Government Officials have said that if it can be shown that SPXs would help to bridge the East and West Provinces of China, a National Network of SPXs could be considered as a component of the UNIDO's next five-year Country Service Framework.

While in China for the Chongqing event, Mr. De-Crombrugge and Director of UNIDO's China Office, Sergio Miranda da Cruz, met with the Beijing Productivity Centre (BPC) – the Director and three staff to be part of the Beijing SPX - the *All China Investment Service Center* (ACI), to clarify issues related to prerequisites, national and international goals, the modus operandi, the sectors to be covered by the Beijing SPX and the proposed work plan. A meeting was also held with Vice-Chairman of the Beijing Science and Technology Commission, Yang Weiguang, during which plans were initiated to screen the 1000 members of the BPC and to include the ten industrial parks of the Beijing Municipality, the managers of which could be members of the proposed Steering Committee.

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21 examples of large corporation partnerships with small enterprises in developing countries



[view or download](#)

[Partnerships for Small Enterprise Development](#)

Partnerships for Small Enterprise Development, ([view or download report](#)) prepared by Deloitte Touche Tohmatsu Emerging Markets Group, was commissioned by UNIDO and UNDP (United Nations Development Programme) under the auspices of the [Global Compact](#), as a resource document for the workshop *Partnerships for Small Enterprise Development*, held on January 15 and 16, 2004 in New York City. In addition to the 21 cases presented in this report, the workshop, cosponsored by UNDP, UNIDO, Unilever, and the Global Compact, looked at numerous examples of partnerships in support of small-enterprise development presented by Unilever, Shell, Hewlett-Packard, Anglo American, and Bolsa Amazonia / DaimlerChrysler.

The 21 case studies in *Partnerships for Small Enterprise Development* highlight the need to increasingly support local private sector and small enterprise development in developing countries as a basis for achieving development mandates, including in particular the Millennium Development Goals. The study also notes the rising interest of large corporations in forging partnerships and linkages with small - and medium-sized businesses around the world. The 21 cases of corporate partnerships are divided into three distinct categories: those

with SMEs in the supply chain, those engaging with SMEs in distribution, and partnerships supporting SME development more generally, with no direct links to their core business. These three categories are discussed to provide insight into why and how multinational corporations work with SMEs and the modalities of these partnerships, as a starting point for further debate.

Along with this increasing recognition of the value of partnerships, there is a growing supply of capable development partners available to complement and leverage corporations' investment in developing partnership initiatives with SMEs. These partners include multilateral organizations such as the United Nations, bilateral foreign assistance donors such as the British Government's Department for International Development (DFID) and the United States Agency for International Development (USAID), and multilateral development banks such as the World Bank and the Asian Development Bank. In addition, there is a host of nongovernmental organizations, including private consulting firms, SME membership organizations and government departments, with the resources to facilitate partnerships between multinational corporations and SMEs.

The Global Compact is an initiative of UN Secretary-General Kofi Annan that brings businesses together with UN agencies, governments, labour and civil society to support nine principles in the areas of human rights, labour and environment, for a more sustainable and inclusive global economy. Through the power of collective action, the Global Compact seeks to advance responsible corporate citizenship so that business can be part of the solution to the challenges of globalisation. Over 1,000 companies from more than 50 countries are now engaged in the Global Compact. Of these, almost 25 percent are classified as SMEs. As of June, 2003 UNIDO is the fifth UN core agency of the Global Compact. The invitation to UNIDO to join the Global Compact as a core agency arose from the need to pay more attention to the specific needs and support requirements of SMEs - an area in which UNIDO's expertise is globally acknowledged. UNIDO now has special responsibility for small and medium-sized enterprises engaged in the initiative.

Another publication *Building Partnerships - Cooperation between the United Nations System and the Private Sector* (available for sale at <http://www.un.org/Pubs/textbook/e02088.htm> includes more than 150 examples and a review of the many ways in which the private sector can work with UN Agencies in support of SME development.

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COMING SOON



Technology Fair of the Future at UNCTAD XI, São Paulo, Brazil, 14 - 18 June 2004. The Technology Fair of the Future is one of a number of events being held at UNCTAD XI which together are expected to attract some 3,000 participants from over 190 countries. Other events are the [EMPRETEC](#) /SEBRAE Business Fair, [WAIPA](#) Investment Forum and Fair Brazil Invest, [ITC](#) Competitiveness Tools Fair and NGOs Solidarity Market Fair. The Technology Fair of the Future will take place at the Anhembi (São Paulo city) Conventions and Exhibition Centre, simultaneously with the FISPAL 20th International Food Fair, the most important fair for food products in Latin America.

Up to 100 participants in the Technology Fair of the Future will be provided with an exhibition area, auditorium, multi-media area and room for business meetings (including video conferencing) free of charge. These participants will be selected from those enterprises, technology parks, research and development institutes, or institutions for innovation in an industrialized or emerging economy that have responded to UNIDO's request to submit "promising new technology".

The Technology Fair highlights selected technology sectors: energy; biotechnology; nano-technology and materials; information and communication; aerospace. Special feature: technologies for low-income and least developed countries (LDCs) - renewable energy, agro-food processing, medicines and building materials.

See the [Fair homepage](#) for more details and the online application form <http://www.unidoform.org>

[more coming events](#)



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