

# The Challenges & Opportunities of Sustainable SMEs in China

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# What Is An SME In China?

The Official Definition(s) Of An SME In China  
Is Rather Vague

- By Size Of Revenue
- By Number Of Employees
- By Ownership

The Most Critical Feature Of A Chinese  
SME Is OWNERSHIP



# General Picture of SMEs in China

- Almost 100% Private Ownership
- Most Active Part Of The Economy
- Fastest Growing Economic Force
- More In Coastal Areas
- Much Shorter Life Than Its Counter Parts
- Social Discrimination
- Sympathies > Supports



# A Sustainable Firm

- What Is A Sustainable Firm?

- Broad Sense

Consciously internalizing the external costs

- Narrow Sense

Efficiently using and/or producing (renewable) materials, energies & services with clean production/service processes

- Why Do Sustainable SMEs Matter In China?

- World Manufacturing Center

- Lower in Key Efficiencies (energy, water, materials...)

- Coal, Water, & Depleting Resources

- Adaptation to Climate Change

- Has to Change the Development Pattern



# Challenges

- Challenges Facing Chinese SMEs

Human Resources

Weak Governance

Poor In Social Capital ... Credibility

Discriminative/Biased Banking System

- Challenges Facing Chinese Sustainable SMEs

Not As Main Stream Business

Ethical Choice vs. Economic Choice

Policy Support vs. Market Economy

Less Public Awareness

Infant &/or Incomplete Supply Chains/Material Flows

Weak Business Models

High Opportunity Cost



# Opportunities to Sustainable SMEs

- Legal & Policies Supports
- Goals Of Governments Leadership
- Integration To Global Economy
- Successful Cases
- Building Up Momentum
- People's Sincerity
- Urgency, Environmental Crisis



# What Do We Do in China?

## Supporting Sustainable SMEs' Development

- Capacity Building
- Customized Business Consultation
- Bridging Gap Between SMEs and Investors

## Promoting Sustainable SME Business

- Case Research
- Information Dissemination Through Media
- Policy & Industry Spec. Dialogs

## Helping China Grow Future Business Stars

- Leading Investment Trend
- Tomorrow's Business Leaders



# Why Does New Ventures Program Matter to Sustainable SMEs?



- Over Several Hundreds SMEs Involved in New Ventures Program
- SMEs All Love New Ventures Program
- A Few Promising SMEs Leading Business Trends Come From New Ventures Program
- Over 100 Million USD Invested To New Ventures' SMEs
- WRI New Ventures China Is The Only Program With The Mission Of Such Nature In China
- On The Road Of Sustainable Business, China Has Long Way To Go





# Support Sustainable Business

- Change Of Course To Sustainable Development Requires Tremendous Efforts
- “BAU” Is Not An Option For Growing Sustainable Business, We Are Running Against Time...
- Leading Enterprises Must Be Sustainable Business
- *Fundamental Change (Risk & Return) In Financial Industry Leaning To Sustainable Business Is The Prerequisite*
- Please Join The Effort Together With New Ventures Program
- Take Action Now

