Project Summary

The Contract was a component of a comprehensive Private Sector Development Programme of GTZ to improve the competitiveness of SMEs. It consisted of

- a labour market oriented vocational training component,
- the Value Chain activities under the Contract and a
- macro economic framework component.

Overall objectives:

- Stronger integration of SMEs into internationally competitive value chains
- Improvement of competitiveness and value addition in selected value chains.

Project objectives

- Provision of adequate services to SMEs in these value chains
- Creation of a conducive environment for the development of SMEs
- Trade related activities for SMEs.

Services provided

Value chain analysis

- Analysis of 7 value chains (spices, organic agriculture, eco-tourism, rubber, die & mould making, packaging and construction)
- Identification of strong and week points and required policy measures
- “Mapping” of the enterprises in the selected value chains: requirements & gaps, critical issues
- Determination of intervention strategy, milestones and action plans; Organization and coordination of Value Chains via “core groups”
- Formation of “core groups” (stakeholders and important players of the value chain) to function as change agents
- Formation of the eco-tourism “Association of SME in Tourism” (ASMET)
- Cooperation with the International Trade Centre in Geneva in applying the SHAPE model and handbook for implementation of the value chain approach on the micro level

Export promotion and sub-contracting

- Integration of SMEs into regional and export production in the above 7 sectors
- Promotion of subcontracting, especially to SMEs outside the greater Colombo area;
- Improvement of management and technical consultancy to these enterprises, offered via chambers and sector associations
- Consultancies related to capacity building in SME and export promoting institutions;
- Promotion of services to SMEs, e.g. certification and testing (ISO, HACCEP, EUREGAP, Green Globe)
- Business linkages and match-making, e-commerce;

Policy advice on framework conditions

- Contributions toward the design of a National Export Strategy 2004-2008;
- Recommendations on customs procedures and tariff structures;
- Support to the implementation of the Strategy

Sri Lanka

Value Chain Promotion

Client

Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)

Duration


Personnel

- 1 international LT economist (75 PM)
- 2 long-term local consultants (150 PM)
- 24 PM intern. STE
- 26 PM regional STE
- 60 PM local STE