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Article 06 – Seven MNE Requirements from SME Partners

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7 MNE REQUIREMENTS FROM SME PARTNERS

SMEs need to be aware that when partnering with MNEs, there are requirements relating to processes, standards and technologies that they will need to meet.

Across different industries, there are commonly shared expectations set by MNEs, including on issues relating to:

01 Workplace Practises

They expect fundamental labour rights to be upheld, including no 'forced labour' and 'under-age' hiring, as well as high level standards in workplace safety.

02 Financial management and proper record keeping

That the SME partner adheres to ethical business practices, and has transparent accounting systems and appropriate governance arrangements in place.

03 Marketing disciplines

Certain multinationals demand a responsible marketing policy, including for example not advertising to children. And that support of worthwhile causes (e.g. education of children) should not be used for promotion purposes.

04 Product quality and safety

That the SME has a quality assurance system in place, including protocols for safe handling and preparations (especially for food-related products). Processes and standards must pass auditing and align with expectations.

05 Environmental sustainability

Multinationals are demanding more and more that business partners take account of their production and logistics processes so as to reduce their impact on the planet, including by reducing harmful emissions.



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06 Technology and systems compatibility

So that supply chain processes are as efficient and responsive as possible, including in relation to real-time information sharing, multinationals require that SME partners have up-to-date digital systems that connect with theirs.

07 Cyber-security and privacy protection

That the SME partner guard against attacks or theft of physical and digitally-recorded intellectual assets, including information about individual stakeholders.

These requirements ensure that appropriate governance arrangements are followed, and that the MNE's brand is maintained.