**GE doubles the value of ITS PROCEREMENT in CEE**

*Developing innovative, future safe and digitally enabled SMEs is the key to CEE’s competitiveness*

Budapest, October 5. 2017. – **General Electric (GE) aims to double the volume of the products and services bought from Central-Eastern European (CEE) SMEs, including Hungarian enterprises. The company has approximately 6.000 suppliers in the region and its procurement value exceeds 1,7 billion USD which can reach 3,4 billion USD by the end of the decade. GE intends to achieve this by extending its SME supplier base, helping the development of regional suppliers and by transferring its know-how on digital disruptive technologies to its suppliers – the company informed on a regional supply chain conference in Warsaw and Elbag .**

Representatives of Hungarian, Polish, Croatian, Czech, Romanian, Serbian and Slovenian government organisation, investment agencies and export banks participated on the CEE Supply Chain Dialogue conference, initiated by GE and co-hosted by the American Chamber of Commerce. Objective of the event was to explore opportunities to better connect SMEs in CEE to the global economy via GE’s supply chain, hence to further increase the competitiveness of the CEE region.

*“Central and Eastern Europe has experienced unprecedented growth in the past 20 years. The source of that growth has been low labour costs, robust internal consumption and foreign direct investments. However, a preoccupation with pure technology absorption is not going to maintain economic growth in the long run and the increase in productivity is getting closer to the boundaries of technology”* – said Peter Stracar, President and CEO, GE CEE. “*Further growth needs different drivers and the real challenge will be how we support the transition of CEE into an innovation based region*” – he added.

GE buys directly from over 30,000 suppliers from multiple locations around the world and the value of such transactions amounts to 70 billion USD globally, which is close to 50% of Hungary’s 124,3 billion USD GDP. For Europe, this value is approximately 9 billion USD annually out of which 1,7 billion USD comes from the CEE region. GE has over 6,500 suppliers, including 1.500 Hungarian qualified suppliers in the area.

*“Key to GE’s performance is the support and growth of its supply base. We believe there is a real opportunity to expand our spend in CEE providing for substantive growth for our suppliers and the opportunity to better support our plants in Europe”* – said Melissa Twiningdavis, GE Europe Vice President Supply Chain. *“We wish to create future-safe, strong SMEs by sharing our know-how, especially on disruptive technologies, by developing entrepreneurial attitudes and by developing stronger export capabilities. Increased and stronger cross-border collaboration shall drive the growth of our SME suppliers in CEE, including Hungary”* –she added.

GE Hungary and the Hungarian Government signed a memorandum of understanding for the development of SMEs in June. GE has been employing more than 10.000 people in 12 facilities in Hungary and its export out of Hungary amounts to 3 billion USD of which 900 million USD is sourced from local SME’s.

**Further information:**

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**About GE**

GE is the world’s leading Digital Industrial Company, transforming industry with software-defined machines and solutions that are connected, responsive and predictive. GE is organized around a global exchange of knowledge, the "GE Store," through which each business shares and accesses the same technology, markets, structure and intellect. Each invention further fuels innovation and application across our industrial sectors. With people, services, technology and scale, GE delivers better outcomes for customers by speaking the language of industry. [www.ge.com](http://www.ge.com/)

**GE in Hungary**

GE has been successfully operating in Hungary since 1989, and is not only the biggest US investor, but also one of the largest Hungarian company running 12 factories, 5 research & development centers and 3 business service centers in 13 cities, employing more than 10.000 people. GE is the biggest exporter in the country, exporting 99% of its total production to foreign markets. Today 9 out of GE’s global businesses are active here. GE provides innovative and advanced healthcare, oil and gas, aviation, lighting, power and digital products, services and solutions across Hungary. At the end of 2012 GE signed a strategic partnership agreement with the Hungarian Government.