MSMEs

Presentation of the WTO MSME Group Package of Recommendations

WTO Informal Working Group

2 December 2020

Informal Working Group on MSMEs

Launched in December 2017

90 Members – Objective: multilateral

Open to all!

Objective: To support MSMEs in international trade

- •Through soft law (non-binding recommendations)
- •Through existing WTO committees, where relevant
- •Through concrete tools
- Incubator of new ideas

MSME

BUENOS AIRES

IWG's solutions to support MSMEs

Horizontal and non-discriminatory

No prescriptive definition of MSMEs

Target challenges encountered by MSMEs

Best endeavours, not prescriptive → soft law



MSME Package -6 Texts on:



What next?

Monitor the implementation of the recommendations

Focus on new issues

Interested in supporting MSMEs? Join us!

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Six recommendations and declarations

(INF/MSME/3)

Recommendation on the collection and maintenance of MSME-related information (Annex 1)

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No systematic coverage of MSMEs in TPRs

- Encourages WTO Members to voluntarily provide MSME-related information in their Trade Policy Reviews
- Calls on the WTO Secretariat to establish and maintain a database of the information collected or provided by Members



Examples of MSME-related information

Background information

- National statistics on MSMEs in the economy and international trade
- National statistics on MSME business ownership by demographic (e.g., women, youth, etc.)

Marketplace Framework

- Consultation mechanisms for MSMEs to provide input on new or revised legislation and regulations.
- Procedures and assistance to support MSMEs' compliance with new regulatory requirements.

Government Programs and Policies

- General programs that provide financial support to scale-up or export.
- Collaborative engagement with other countries that support MSMEs (e.g. international cooperation efforts on regulatory standardization)

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Declaration on access to information (Annex 2)





GTH baseline questionnaire

	Requested information
Basic information	Contact point(s) (if possible , provide the following contact details: name, institutional affiliation, email, phone number.)
Trade data	Does your country already collect and publish trade data online? If yes, please provide the website. Which agency or ministry collects/centralizes these information?
Tariff and tax data	Does your country already collect and publish tariff data and tax-related information online? If yes, please provide the website(s) . Which agency or ministry collects/centralizes these information?
Non-tariff measures data	Does your country already collect and publish NTM data online? If yes, please provide the website. Which agency or ministry collects/centralizes these information?
Domestic Trade Procedures	Same as above
Market Price data	Same as above
Company data	Same as above



Recommendation on trade facilitation and MSMEs (Annex 3)

Burdensome customs procedures: a key challenge for MSMEs

- Calls for full implementation of the TFA
- Recommends engagement with MSMEs when conducting consultations in accordance with the TFA
- Encourages exchange of TFA implementation experiences involving MSMEs
- Endeavours to identify opportunities to adopt digital solutions to speed up customs procedures *MSMEs*

Recommendation on promoting MSMEs' inclusion in regulatory development in the area of trade (Annex 4)

Regulatory burdens can be minimized:

- by assessing the impact of new rules on MSMEs
- by providing adequate opportunity for MSMEs to comment on and adapt to new regulatory requirements

Encourages consideration of MSME specific needs

Illustrative list of domestic regulatory procedures beneficial for MSMEs (next slide) Exchange experience on involving MSMEs in domestic regulatory development

мSMEs

Examples of elements of domestic regulatory procedures that may be beneficial for MSMEs Engagement of MSMEs throughout the process of domestic regulatory development

Publication of drafts

Assessment of possible impact on MSMEs

Reasonable comment period

Prompt publication of adopted regulations

Retrospective review of adopted regulations

Availability of documents in electronic form and free access

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Recommendation on MSMEs and the WTO Integrated Database (Annex 5)

Supports implementation of the May 2019 IDB Decision by recommending:

- The provision of additional information to the IDB on a voluntary basis
- Voluntary agreements with the Secretariat for the automatic electronic transmission of Members' tariff or import data to the IDB

The *Integrated Database* (IDB) the WTO Integrated Database (IDB) is the official source of tariff and other trade-related information.

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The May 2019 IDB Decision updates the modalities and operation of the Integrated Database.

Declaration on addressing the trade-related aspects of MSMEs' access to finance and cross-border payments (Annex 6)

Access to finance and cross-border payments: major obstacles to MSMEs' participation in international trade

- Calls on WTO Members to actively engage in relevant fora to identify <u>concrete measures</u> through:
 - Exchange of best practices
 - Information sharing on technical assistance
- Invites the WTO Secretariat to organize, with the support of relevant international organizations, <u>information sessions</u> on trade-related aspects of MSMEs' access to finance and cross-border payments.

Trade finance gap: US\$ 1.5 tn/year (ADB), mainly affects MSMEs



Trade4MSMEs





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Access to Information

• One of the first and basic challenges faced by MSMES around the world is access to information.

• MSMES have a real need to access tools and develop competencies But even in this information age, this is not always easy.

• The problem is not lack of information but just the opposite, there's too much of it, which creates other problems for MSMES:

The sheer volume and dispersion of information

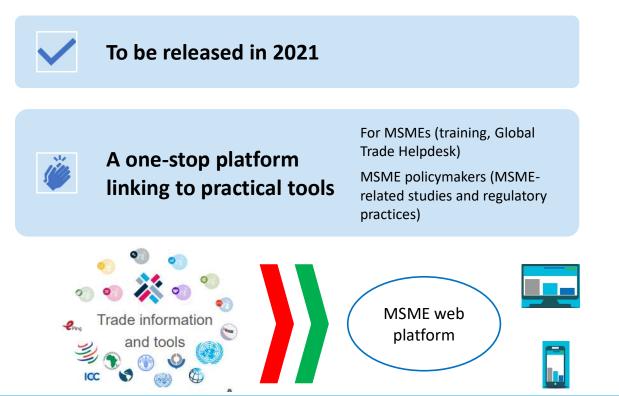
- > They don't know which sites to trust or how updated is their information
- Some of these sites are hard to access
- Information might not be easily understandable for newcomers
- Some essential information and tools can be quite expensive for a MSME



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Trade4MSMES





TRADE4MSMEs Platform

- Inform future discussions on MSMEs in the different WTO bodies
- generate feedback and information from MSMES themselves. It will include a survey box, a contact form and links to the International Chamber of Commerce surveys and business dialogues.
- TRADE4MSMEs will be mobile friendly

TRADE4MSMEs Platform

 There are many platforms dedicated to helping MSMEs and we don't intend to duplicate them

Our goal is to gather the best ones, validate their information and promote them in the most accessible and friendly way possible





MSMES require information more than ever as well as the competencies to build the resilience and flexibility needed to face these unprecedented challenges

Cooperating with several *international organizations* and *institutions,* we will continue working to tackle these concerns and facilitate MSMES access to information

Thank you for your attention!

Want to know more?

Visit the MSME page: https://www.wto.org/english/tratop_e/msmes_e/msmes_e.htm

Want to help shape WTO action on MSMEs? Join us!

Simply send an email to mauro.bruno@mrree.gub.uy

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