How to Support MSMEs: Sharing of National, Regional and Multilateral Experiences

WORKSHOP
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Profile of Canadian Exporters

Number of SMEs, 2014*

- Non-Exporting 1.2 million
- Exporters 39,950

Number of Exporters, 2014

- Large 3.1%
- MSMEs 96.9%

Value of Exports, 2014

- Large 74.4%
- MSMEs 25.6%

*Number of employer businesses with less than 500 employees, 2015. Merchandise exporters only.
Data: Trade by Enterprise Characteristics, Statistics Canada and Key Small Business Statistics ISED
Source: Office of the Chief Economist, Global Affairs Canada

Helping MSMEs a key focus of Canada’s progressive trade approach
The Trade Commissioner Service

Roughly 88% of all TCS clients in Canada are located across four provinces: ON (38%), QC (22%), BC (18%), and AB (10%).

The TCS builds export strength

Compared to non-clients, TCS clients:
- Export 20.5% more overall
- Export 9.7% more products
- Export to 20.9% more markets

CLIENT SUMMARY

- Small and medium-sized enterprises < 500 employees
- Large > 500 employees
- Foreign Subsidiary
- Education
- Government
- Non-governmental organization
- Public/Private Institution

Top sectors for TCS clients
- ICT
- Infrastructure
- Life Sciences
- Aerospace
- Clean Technology
- Defense and Security
- Extractives (mining, oil and gas)
- Education
- Automotive
- Creative Industries

Where do our clients tell us they want to go?

- United States
- China
- India
- Mexico
- Brazil
Innovative Partnerships

Objective: Leverage expertise and resources of public and private sector partners in support of Canada’s MSMEs

- Federal
  - Trade portfolio, i.e. EDC, CCC
  - Industry portfolio, e.g. BDC
  - Regionally-focussed (ACOA, etc.)
  - Sectorally-focussed (AAFC, NRCan, etc.)

- Other orders of government
  - Provincial/territorial
  - Municipal

- Private sector and civil society (CME, Asia-Pacific Foundation, industry associations)
  - Over 30 TCS officers are embedded in industry associations across Canada.
The Canada Tariff Finder

Objective: Increase awareness of FTA-related opportunities among Canadian businesses

www.tariffinder.ca

- Launched on May 8, 2017
- New tool to explore tariff information in Canada’s FTA markets
- Developed by the Trade Commissioner Service, BDC and EDC
- Inform users of phase out schedules for certain tariffs under Canada’s FTAs
The tool provides tariff information for **35 countries** – with more FTA partners to be added over time.

- **United States and Mexico** (NAFTA)
- **28 European Union member States** (CETA)
- **South Korea** (CKFTA)
- **Peru** (CPFTA)
- **Iceland, Switzerland and Liechtenstein** (CEFTA)*

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NAFTA: North American Free Trade Agreement
CETA: Comprehensive Economic and Trade Agreement (provisionally applied)
CKFTA: Canada-Korea Free Trade Agreement
CPFTA: Canada-Peru Free Trade Agreement
*EFTA: Canada-European Free Trade Association – Norway to be added in Dec. 2017
CUFTA: Canada-Ukraine Free Trade Agreement
How to use the tool

1. Look up the product by HS code or keyword

2. Compare tariffs between various export markets with which Canada has a Free Trade Agreement

3. Print your results or receive them by email
CanExport Program
Objective: Encouraging small entrepreneurs to explore new markets

- Launched in January 2016
- Administered by the Trade Commissioner Service in partnership with the NRC-IRAP
- Provides assistance to MSMES to support export marketing activities in new markets worldwide
- Requires applicants to match funds
- Support market diversification, especially for small and young firms
Business Women in International Trade Program

Objective: Connecting women entrepreneurs to markets

- Inclusive language in progressive trade instruments, such as Chile FTA
- Active trade support leveraging:
  - **partnerships** through international agreements, such as MOU with Mexico and U.S. to support growth of women-owned businesses
  - **Supplier diversity** initiated in America to bring minority-owned businesses into the supply chains of large American Corporations
  - **WBE Canada** - programs and services to assist women to better access business opportunities with major corporations
  - **WEConnect International** - certify women’s businesses around the globe – over 20 chapters including one in London
The BWIT program offers a unique set of services & tools to help women entrepreneurs.

- Women-Focused Trade Missions
- BWIT Website: businesswomenintrade.gc.ca
- Quarterly Blog Posts - Canada Business Network
- Directory of women-owned businesses: ic.gc.ca/bwit
- LinkedIn Group: linkd.in/bwit-faci
Canada Technology Accelerator Initiative

Objective: Help small technology companies expand their business to key hub cities

- Mentorship from industry leaders, partners and Trade Commissioners
- Access to office space and resources within shared co-working start-up and tech ecosystems *(virtual programs do not offer office space)*
- Support in accessing financial resources, engaging strategic partners, and refining business models for global market opportunities
- Greater exposure to global partners and opportunities to pursue clients

11 CTA locations in 9 cities
The CTA offers companies a unique program, *tailored to the local market and sector opportunity*

The CTA is open to innovative small Canadian technology companies that have:

- Fully-built product or service with differentiated technology
- Existing market traction in Canada
- Revenue generating business – $1M in revenue and/or investment
- Strong management team
- Ability to send a founder or “C” executive to the market for the duration of the program
- Strategy for the new market
Stephane Lambert  
Counsellor and Head of Trade  
Mission of Canada to the European Union  
Avenue des Arts 58, 1000 Brussels  
Stephane.Lambert@international.gc.ca  
Tel: +32 (0)2.741.06.89