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SME Participation in International Trade

**Initial findings of the WTO's 2016
World Trade Report**

Motivation



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- Rigorous and detailed look at:
 - Measures of SME participation in trade, including e-commerce and GVC participation
 - The impact of internationalization on SME performance
 - Trade obstacles to SME participation in trade
 - Cooperative approaches to addressing these obstacles
 - in RTAs
 - in other international organizations
 - in the WTO

Context



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- Limited SME trade participation
- New opportunities for SMEs to connect to world markets
 - E-commerce
 - GVCs

Obstacles



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- To participate in trade in general
 - Fixed and variable costs of trade
- To grasp E-commerce opportunities
 - ICT infrastructure
 - Access to online e-commerce platforms and legal frameworks
- To become involved in GVCs
 - Logistics and infrastructure
 - Trade policy

International cooperation on SMEs



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Fora

- Regional trade agreements
- Other international organizations
- The WTO

Forms

- Provisions referring explicitly to SMEs
- More general provisions with de facto effects on SMEs
- Capacity building

The WTO and SMEs



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- WTO agreements help SMEs by reducing the variable and fixed costs of trade and increasing transparency
 - Tariff commitments
 - Transparency provisions, including in the TFA
 - Notifications
 - Enquiry points
 - SPS and TBT agreements

The WTO and SMEs



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- Flexibilities for SME policies are built-in in several WTO Agreements
 - Anti-dumping (AD) Agreement
 - Subsidies and Countervailing Measures (SCM) Agreement
 - Agreement on Trade-related Intellectual Property Rights (TRIPS)

The WTO and SMEs



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- Trade finance
 - WTO Director-General initiative of April 2016
- Capacity building
 - Aid for Trade
 - Enhanced Integrated Framework (EIF)
 - Standards and Trade Development Facility (STDF)

Some areas for discussion



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- Can transparency mechanisms be further enhanced with a view to making it easier for SMEs to access information?
- What works and what does not when it comes to SME-related provisions in trade agreements, including multilateral ones?
- Is there a need for deeper cooperation and coordination among international organizations on SMEs?