



Survey on MSME/MSME-related Provisions in APEC Economies' FTAs/RTAs

the Philippines

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WTO Informal Working Group on MSMEs

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Outline

-  **Background**
-  **General Observations**
-  **Specific Areas**
-  **Summary**
-  **Developments in the Philippines**




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Background

-  Increase over the years in the inclusion of provisions and elements that support SMEs
-  Evolution of RTAs/FTAs and international trends that impact development and implementation

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Background

-  FTAAP MSME Work Programme (Philippines & Malaysia)
-  Stocktake of MSME/MSME-related provisions: 33 RTAs/FTAs
-  The survey was successfully completed and noted by APEC Ministers Responsible for Trade in 2019

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General Observations

- Reference to SMEs, including micro businesses, is often **direct/explicit**
- Chapter on cooperation: contain **broad commitment** to promote a favorable environment for MSMEs development
- Scope of the MSME-cooperation provisions **vary**
- Do not provide further elaboration and only list MSMEs as a general **area of cooperation**
- Others specify forms of **cooperation activities** related to SMEs
- Others have cooperation provisions or clauses in a **specific** context
- Some provisions only refer to MSMEs that are limited to one **sector**

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Specific Areas

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GOVERNMENT PROCUREMENT

Facilitating access of MSMEs
Establishing an institutional body

2

E-COMMERCE

Explicitly recognize or affirm
importance of SMEs

3

TRADE FACILITATION

Taking into account interest of SMEs
Cooperation efforts

4

INVESTMENT

Cooperation efforts
Dispute settlement

5

INTELLECTUAL PROPERTY

Relating to cooperation

05

Summary

- Commonly housed in chapters on cooperation (have explicit provisions in dedicated articles or in chapters on SMEs)
 - Do not follow a specific format or structure
 - Best endeavor approach, but recent mega trade agreements provide for newer ways of thinking
 - Focus on improving the capacity of MSMEs to trade
- A range of options exist for policymakers and trade negotiators to incorporate MSME-related provisions in FTAs/RTAs
 - Provisions address a host of members' objectives for their MSMEs
 - Useful follow-up: study the effectiveness of the MSME provisions and to identify what provisions are most effective in addressing members' particular objectives

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Developments in the Philippines

Philippine experience in FTAs with MSME Chapter:

-  Regional Comprehensive Economic Partnership (RCEP) Agreement (in effect)
-  ASEAN-Australia-New Zealand FTA (AANZFTA) (negotiations concluded, for signing)
-  ASEAN-China FTA (under negotiations)
-  ASEAN-Canada FTA (under negotiations)
-  ASEAN Trade in Goods Agreement (ATIGA) (under negotiations)

Thank you.

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