Integrated Services for MSMEs in International Trade (ISMIT)

Opening the Global Economy to MSMEs

Informal Working Group on MSMEs - World Trade Organization

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UN/CEFACT: Who we are and what we do

Objectives
• Simple, transparent and effective processes for global business
• Efficient and automated exchange of information

Outputs
• Global Trade Facilitation and Electronic Business Recommendations and Standards

Means
• Public Private Sector Partnership – over 600 experts from government and business
• Meet virtually every week plus two Forums per year
UNECE’s Trade Facilitation Pillars

UNECE Policy Rec.s UN/CEFACT

UNECE Standards UN/CEFACT

UNECE / UNNExT Guidelines, Briefs, Case Studies
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UN/CEFACT eBusiness standards

- **eSPS**
  - Electronic Management and Exchange of Sanitary and Phytosanitary Certificates
  - Main outcomes: Safe and legal imports and/or exports, less fraud
  - Goal: Improved trade

- **FLUX**
  - Electronic Management and Exchange of Fishery Information
  - Main outcomes: Better control of fish resource, better stock assessment, legal fishing
  - Goal: Sustainable marine resources

- **T&T**
  - Track and Trace for Animal and Fish
  - Main outcomes: Reduced risk, better statistics
  - Goal: Safe food production, healthy animals and fish

- **eLAB**
  - Electronic Management and Exchange of Laboratory Analysis Information
  - Main outcomes: increased safety of agricultural goods, increased efficiency of laboratory analysis process, statistics
  - Goal: Safer food, healthier plants and animals

- **eCITES**
  - Electronic Management and Exchange of CITES permits and certificates
  - Main outcomes: Safe and legal imports and exports, less fraud
  - Goal: Improved trade
MSMEs and International Trade

MSMEs: huge economic importance: stimulation of growth, employment, poverty reduction

HOWEVER their access to International markets is limited - On average MSMEs account for 95% of all firms in a country, BUT their share in direct export is 7.6% (World Trade Report 2016, WTO)

MSMEs can drive global trade if right tools are available
International Trade Barriers faced by MSMEs

- Difficulties in dealing with import and export regulations and procedures and lack of professional skills
- Lack of quality logistics services
- Lack of professional skills
- Lack of access to trade finance
- Lack of access to other quality business services essential for trade
- Limited access to advanced eBusiness solutions
Integrated Services for MSMEs in International Trade (ISMIT)- What is it?

ISMIT

An integrated, end-to-end eCommerce trade services platform for MSMEs that want to trade across borders

One type of Single Submission Portal for MSMEs in some situations

Combines the competitive advantages of MSMEs as small players

Provides the strength of the large enterprises (expertise of int’l trade, scale) by using eCommerce technology and electronic information exchange as an enabler.
What is a Single Submission Portal (SSP)

SSP is an access point that allows traders to exchange information, in a standard format and related to a specific activity, with relevant parties and relevant government agencies.

SSPs cover Business to Business (B2B) processes such as contracting for transport, logistics and financial services. SSPs will often also facilitate regulatory processes through Business to Government (B2G) information exchange, in cooperation with or within the context of a Single Window. There are a variety of types of SSPs e.g. PCS, CCS.

In all SSPs, regardless of the type, economic operators are, ultimately, the main ‘clients’ to whom the offered trade facilitation services are targeted.
### Single Window and Single Submission Portal

**NSW**

- **B2B**: Mandatory
- **G2B**: Mandatory
- **B2G**: Mandatory
- **G2G**: Mandatory

**SSP**

- **B2B**: Mandatory
- **G2B**: Optional
- **B2G**: Optional
- **G2G**: Mandatory
Benefits of ISMIT

MSMEs can focus on their core competence areas

Benefits for Government agencies

Transport contracts + volume contracts

Easier access to trade
How ISMITs address the international trade barriers faced by MSMEs?

- Reduced business transaction costs for MSMEs
- More inclusive international e-commerce
- Better cash flow
- An established credit system for MSMEs
Implementation Guidelines: Recommended best practices when establishing ISMIT

ISMIT would be operated by the ISMIT platforms which would be Private Sectors or Public Private partners

ISMIT platforms can assemble the service providers and service partners of cross-border trade

MSMEs in a country should have access to ISMIT platforms that facilitate their access to foreign markets

ISMIT platforms should support both exports and imports in order to provide equal export opportunities to MSMEs from all countries and to support the ability of domestic MSMEs to participate in global value chains which, in the manufacturing sector, often requires the use of imported components

ISMIT service provider should support national eGovernment strategies, for example by proposing an entry point into the national Single Window and other relevant systems of Government agencies.

ISMECE
UN/CEFACT White Paper

Integrated Services for MSMEs in International Trade (ISMIT)

https://qrgo.page.link/AVyRK
Thank you

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