

World Trade Organization Informal Working Group on Micro, Small and Medium-Sized Enterprises (MSMEs) - call for papers

"MSME PROVISIONS IN REGIONAL TRADE AGREEMENTS: OBJECTIVES AND OBSERVED OUTCOMES"

1. Background and rationale of the publication

MSMEs are a substantial segment of every economy, representing up to 99 per cent of certain countries' registered businesses; an estimated 60 per cent of global GDP; and half of world employment. However, policymakers recognize that relative to their share in domestic economies MSMEs continue to trade relatively less, accounting for only 36 percent of export value in developed economies according to a 2022 WTO MSME Research Note. With this in mind, the [WTO MSME Informal Working Group \(MSME Group\)](#) was established by 88 WTO Members in 2017 to try to address the underlying reasons for this trade discrepancy, such as access to resources, information or trade-related finance by small businesses.

Interest in MSME-specific provisions in Regional Trade Agreements (RTAs) by the WTO MSME Group first emerged in 2019. At the request of MSME Group members, the WTO Secretariat developed a [database of MSME references in RTAs](#), finding that more than half (53 per cent) of RTAs notified to the WTO had at least one MSME-related provision ([INF/MSME/W/6/Rev.1](#)). Continued WTO Secretariat research has found that the number of MSME-related provisions continues to rise, with close to three quarters of in-force RTAs notified from 2010-2019 containing such language and 90 per cent of WTO Members participating in at least one RTA with MSME-related language ([INF/MSME/W/6/Rev.3](#)).

The RTA chapters with MSME provisions have changed over time, moving from short references found only in the preamble, to dedicated SME chapters beginning with the 2002 Japan-Singapore trade agreement. MSME-related provisions are now found in a range of RTA chapters and on many different topics ranging from government procurement to intellectual property. In general, these MSME RTA provisions have three objectives, to drive economic growth through increased MSME trade participation; improve MSME competitiveness; and achieve sustainable development. To understand the impact and effectiveness of this increase

in MSME-related language in RTAs, the WTO Secretariat also performed a literature review in 2022 of RTA effects on MSME trade ([INF/MSME/W/40](#)). The work that was found provided inconclusive evidence on the direction of MSME trade impacts of RTAs generally, with no literature found reviewing the effects of MSME-specific RTA provisions.

Given this gap in the literature on the impacts of MSME-specific language in RTAs, the MSME Group is looking for research in this area to identify effective practices for incorporating MSMEs into trade through RTA provisions. Selected papers will be presented to WTO members at a conference to take place at the end of 2023. The papers and/or their key findings will also be consolidated in a publication.

Authors are invited to submit final papers **before 1 August 2023** for consideration in this project. **Papers should deal with the topic "MSME Provisions in Regional Trade Agreements: Objectives and Observed Outcomes"**.

2. Scope of the research and papers to be considered: Guiding questions

From the literature review, little work has been done on MSME trade and economic impacts from RTAs. Specific research investigating how RTAs have affected **MSME trade participation** is of particular interest. Studies or cases studies illustrating and/or quantifying the impact of MSME measures or chapters in RTAs on MSMEs' international trade participation in specific countries or regions are especially encouraged.

Overall, research that provides empirical evidence, develops mechanisms and/or surveys for monitoring and assessing the linkages between MSME trade and RTA provisions will be highly relevant.

To be considered, authors should submit a final paper before 1 August 2023. Information on the methodological approach, data used, and the likely evidenced-based policy implications at the micro or macro level should be provided in annex. Please include the following for all submissions:

- A separate page with the name(s), affiliation(s) and contact information/email(s) of the authors
- An abstract of approximately 150 words that provides a sufficient understanding of the work in the final paper
- Whether the research has been previously published

Submissions must be in any one of the official working languages of the WTO (English, French or Spanish), should not exceed 8,000 words and should be sent to: email-ersd@wto.org. Authors of selected papers will be notified mid-September 2023. Please include "**WTO MSME Informal Working Group, RTA Research**" as the email subject line.

For more information and contacts:

WTO Secretariat

Kathryn Lundquist, kathryn.lundquist@wto.org

Emmanuelle Ganne, emmanuelle.ganne@wto.org