

INFORMAL WORKING GROUP ON MSMES

To: All Members of the WTO and Observers
From: H.E. Dr. Syed Tauqir SHAH, Ambassador of Pakistan to the WTO
Date: 13-06-2018
Number of Pages (including this one): 3

TRADE FACILITATION FOR MSMES

WORKSHOP

27 June 2018, 2.30pm to 6pm, Room D

Hosted by Pakistan

CONTEXT

The UN General Assembly, recognizing the importance of Micro Small and Medium Enterprises, has declared 27 June the "Micro-, Small and Medium-sized Enterprises Day" to raise public awareness of their contribution to sustainable development.

At the 11th WTO Ministerial Conference in Buenos Aires, several WTO members joined hands to launch a Work Programme highlighting the importance of promoting the participation of Micro, Small and Medium-Sized Enterprises (MSMEs) in international trade.

According to the data provided by the International Council for Small Business (ICSB), formal and informal Micro-, Small and Medium-sized Enterprises (MSMEs) make up over 90% of all firms and account on average for 60-70% of total employment and 50% of GDP. As part of the pledge to explore solutions to benefit the participation of MSMEs, the delegation of Pakistan is hosting a seminar to celebrate the MSMEs day at the WTO and to specifically address the topic of "Trade Facilitation for MSMEs".

The objective is to bring together various experts and representatives from leading public, private and international organisations to discuss ways to address obstacles related to foreign trade operations that represent a significant burden for MSMEs and to facilitate their trade across borders. The discussion will include an identification of issues and in-depth analysis of various aspects including trade facilitation, shipping and logistics, and procedures and requirements related to origin particularly for MSMEs in developing countries.

It is widely accepted that participation of MSMEs in international trade can play a very significant role in economic development and that developing countries face particular challenges for promoting such participation globally:

- MSMEs from developing countries encounter difficulties in customs procedures vis-à-vis larger companies – which increases their costs of doing businesses and restricts access to global export markets.
- Rules of Origin and other technical standards such as SPS and TBT measures present specific challenges for MSMEs given their small scale and limited resources. Navigating the complexity of these issues requires new skills, knowledge and the competencies to support small businesses.
- Information about customs, technical standards and various procedural requirements, both in the home country and importing country is also significant challenge.

- Shipping and logistics costs for export become overly burdensome for MSMEs due to the small size and scale of their shipments.

OBJECTIVE

The proposed seminar aims to initiate a discussion and share experiences in this field to identify policy issues and suggest solutions. In this regard, following some initial speeches from senior officials and representatives, leading experts in the field will present various issues in detail. The seminar will be followed by an interactive discussion.

AGENDA

2.30pm	Reception – Lobby, Room D
Session I – 3pm	Opening Session on Importance of MSMEs
	i) Opening of the event, welcome remarks and introduction of panellists Moderator: <i>H.E. Dr. Syed Tauqir Shah, Ambassador of Pakistan to the WTO</i>
	ii) Key Speeches by <ul style="list-style-type: none"> a. Mr. Roberto Azevêdo, Director General, WTO b. Ms. Isabelle Durant, Deputy Secretary General, UNCTAD c. H.E. Mr. Jose Luis Cancela, Permanent Representative / Ambassador of Uruguay
Session II – 3.30pm	Trade Facilitation aspects for MSMEs
	Moderator: <i>H.E. Dr. Syed Tauqir Shah, Ambassador of Pakistan to the WTO</i>
	i) Ms. Marion Jansen, Chief Economist ITC <i>Key Findings of SMECO (SME Competitiveness Outlook) of ITC, and Challenges for MSMEs</i>
	ii) Mr. Hans Kersten, Director General, International Federation of Freight Forwarders Associations (FIATA) <i>Trade Logistics for MSMEs, Challenges and Way Forward</i>
4.10pm	Q&A
	iii) Mr. Ouyang Cheng, Alibaba Group, China <i>Trade Facilitation of MSMEs through Digital Technology</i>
	iv) Ms. Lisa McAuley, CEO, Global Trade Professionals Alliance <i>Skill development and Capacity building in Trade Facilitation for MSMEs</i>
Session III – 5.10pm	Discussion / Q&A
	The following thematic questions are presented to guide the discussions:
	i) MSMEs face challenges in the shape of access to export markets and high costs of doing business: <ul style="list-style-type: none"> a. What role can the digital economy play in overcoming these challenges? b. What steps can be taken to ensure that MSMEs make use of digital platforms to export their products? c. What steps can national governments take to help MSMEs in this regard?

	<ul style="list-style-type: none"> ii) Shipping and logistics costs for export can be burdensome for MSMEs due to small size and scale of their shipments: <ul style="list-style-type: none"> a. What type of policies can help governments overcome the high costs of logistics? b. What international initiatives can be used by MSMEs to address the logistical barriers? c. Can digitally connected warehouses have a role to play in this regard? How can this aspect be facilitated? iii) Rules of Origin and other technical standards such as SPS and TBT measures present specific challenges for MSMEs given their small scale and limited resources. Navigating the complexity of these issues requires new skills, knowledge and the competencies <ul style="list-style-type: none"> a. How can MSMEs be helped to develop technical capacities to deal with such issues? b. How can we ensure that MSMEs receive the technical support to understand the procedural and technical regulations for export? c. Can harmonised documentation and standardisation facilitate MSMEs in their trading endeavours?
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