Joint statement initiatives:
Micro, small and medium enterprises

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Outline

• Context

• The Informal Working Group on MSMEs

• Package of declarations and recommendations for MSMEs (Dec 2020)

• Draft Declaration on MSMEs (MC12)

• Looking ahead
Context

The problems:
• MSMEs are at the heart of any successful economy, but their participation in international trade remains disproportionately low.
  • MSME account for about 95% of global businesses, but only 34% of merchandise and services exports (source: WTO).
• MSMEs suffered the most during the COVID-19 pandemic.
  • 60% of micro and 57% of small businesses strongly affected, compared with 43% of large firms (source: ITC).

The proposed solution:
• Address trade-related barriers that, while impacting all businesses, disproportionately undermine MSMEs’ ability to compete internationally.
The Informal Working Group on MSMEs

• When: Launched in December 2017 at the 11th MC in Buenos Aires.

• Who: 91 WTO members and open to all

• Why: Support MSMEs in international trade

• How:
  • Soft law (non-binding recommendations)
  • Existing WTO committees
  • Concrete tools
  • New ideas
Package of declarations and recommendations

Collection of MSME-related information (WTO Trade Policy review)

Access to information (Global Trade Helpdesk)

Trade facilitation

MSME inclusion in regulatory development

Market information (WTO Integrated Database)

Access to finance and cross-border payments
Draft Declaration

Timeline:
• Draft declaration for MC12 circulated in July 2021.
• Consultation undertaken by 1 September and discussions between 1 and 6 September.
• Expected adoption at the next group meeting on 24 September.

Content:
• States the Group's commitment to addressing the challenges facing MSMEs seeking to trade internationally.
• Recognizes the negative impact of COVID-19 on small business and the need for a global coordinated response to help MSMEs recover.
• Takes stock of the Group's work since its establishment.
Looking Ahead

Continued monitoring of implementation of recommendations and declarations

Potential focus areas:
- IP and innovation
- Digitalization
- Rural MSMEs

Related work at WTO:
- Working Group on Trade, Debt and Finance: how to improve the availability of trade finance for MSMEs.
- Government Procurement Committee: how to facilitate MSME participation in government procurement projects.
- Council for Trade-related Aspects of Intellectual Property Rights (TRIPS): members exchange information about their policies to support MSMEs' creativity, inventiveness and investments in research and technology.
Thank you

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