



Newsletter of the WTO Informal Working Group on Micro, Small, Medium Enterprises (MSMEs)

"I'm delighted to announce that on 5 November the members of the WTO Informal Working Group on MSMEs finalized technical work on a package of six recommendations and declarations to help MSMEs' participate in international trade. The issues covered include promotion of transparency through the WTO TPR process and access to trade-related information through the ITC-UNCTAD-WTO Global Trade Helpdesk; MSME-inclusion in the development of trade regulations; support for WTO work with particular relevance to MSMEs such as trade facilitation; support for MSME access to finance and cross-border payments; and implementation of the recently adopted decision on the Integrated Database. The hard work of members of the Group over the last few months to finalize this package is proof of the importance they attach to their MSMEs.

MSMEs play a crucial economic role. They represent an estimated 60 per cent of employment globally and 95 per cent of all companies worldwide and are major employers of women and young people. Yet, they are highly vulnerable because of their limited resources and often struggle to benefit from the opportunities opened by international trade.

The current pandemic has had a devastating impact on many small businesses around the world. MSMEs need our help, now more than ever.

Helping our MSMEs means helping our economies. It means helping our citizens have a better life. It means promoting inclusive trade.

The past few months have highlighted the need for a global coordinated approach to help MSMEs. For the multilateral trading system this may imply embracing new concepts, new fields of work and new partnerships. This is what the Informal Working Group on MSMEs has been striving to do over the last three years, trying to find practical approaches to help MSMEs trade".

— MSME Informal Working Group Coordinator H.E. Mr José Luis Cancela of Uruguay.

Upcoming events

December 11th – IWG meeting to endorse the package.

December 15th – Presentation of the IWG's package of recommendations to the private sector.

Past events

During the Covid-19 period, the MSME Informal Working Group organized several webinars, which are available on the [WTO webpage dedicated to MSMEs](#).



1. PACKAGE OF RECOMMENDATIONS AND DECLARATIONS

On 5 November, members of the MSME Informal Working Group finished technical work on six recommendations and declarations. These recommendations and declarations aim to enhance MSME access to market and regulatory information, skills development opportunities and access to finance, as well as promote the inclusion of MSME-related dimensions in domestic rulemaking. At the heart of these recommendations and declarations lies the sharing of good practices that the Group seeks to actively promote. The texts are presented in the order in which they were received by the Group.

The package will be officially endorsed at the next meeting of the Group on 11 December. All interested WTO Members are invited to support the package.

Recommendation on the Collection of MSME-Related Information in WTO Trade Policy Reviews ([INF/MSME/3/Annex 1](#))

One of the key functions of the WTO is to monitor national trade policies. Transparency of Members' trade policies facilitates the smooth functioning of the multilateral trading system. All WTO members are reviewed under the Trade Policy Review Mechanism; the frequency of each country's review varies according to its share of world trade.

Transparency on policies related to MSMEs can be an important tool to help identify good practices to address the challenges faced by MSMEs when participating in international trade. The recommendation includes a list of MSME-related information that WTO Members can provide on a voluntary basis during their trade policy review, to the extent it is readily available. This list of MSME-related information is featured below. Last, but not least, the Group recommends that the WTO Secretariat establish and maintain a database of the information collected or provided by Members in order to (i) provide Members with an overview of MSME-related information; (ii) support an exchange of information between Members; and (iii) inform analysis and discussions of MSME-related agenda items in WTO committees.

List of MSME-related information that Members are invited to voluntarily include in their trade policy reviews

Background information

1. How MSMEs are defined for the purposes of statistical and policy analysis.
2. Available statistics on the role of MSMEs in the economy and their participation in international trade; any identifiable trends. This information, disaggregated to the extent it is readily available, could include: (i) total number of MSMEs; (ii) percentage of businesses that are MSMEs; (iii) employment profile of MSMEs, e.g. percentage of total employment generated by MSMEs; (iv) contribution of MSMEs to gross domestic product; (v) export and imports by MSMEs, e.g. percentage of all exports and imports for
3. Available statistics (overall or by sector) on MSME ownership by diverse groups (e.g., women, youth, etc.)

Marketplace Framework

1. Specific references, if any, to MSMEs in the domestic marketplace framework (i.e., legislative and regulatory regime).
2. Consultation mechanisms, if any, for MSMEs to provide input to and comment on new or revised legislation and regulations.
3. Processes implemented, if any, to review new legislation or regulations in relation to their effects on MSMEs.

"Transparency is one of the three pillars of the WTO. Trade Policy Reviews represent an opportune moment for each WTO Member to voluntarily share information on their MSMEs and thus expand awareness within the WTO. This also helps to inform analysis and discussion in the Informal Working Group on MSMEs and across all WTO Councils and Committees". — Christopher O'Toole, Diplomat, Permanent Mission of Canada to the WTO.

4. Procedures and assistance, if any, to support MSMEs' compliance with new regulatory or legislative requirements.

Government Programs and Policies

1. General programs, if any, that provide financial support to scale-up or export and are accessible by MSMEs.
2. Provisions in Regional Trade Agreements, if any, to support MSMEs in cross-border trade, e.g. cooperation, investment.
3. Collaborative engagement with other countries that support MSMEs, e.g. international cooperation efforts on standardization to reduce regulatory burden across jurisdictions

Declaration on Access to Information (*INF/MSME/3/Annex 2*)

Access to information is systemically mentioned as a key challenge by MSMEs interested in trade. The 2016 World Trade Report showed that one of the main obstacles encountered by MSMEs interested in trade is the limited information about the working of foreign markets. [The Global Trade Helpdesk](#) permits users to conduct trade and market intelligence analysis by comparing demand for products across markets, exploring tariffs and other market access conditions, navigating domestic export procedures, and finding any relevant regulatory information about specific goods.

In this declaration, members of the Group call on WTO Members to contribute to the success and the prompt operationalization of the Global Trade Helpdesk and agree to voluntarily provide to the WTO Secretariat updated and complete information by using a questionnaire, which is reproduced below. In addition, the Group considers taking actions to improve the availability of trade-related information in relevant WTO committees with the aim of improving the operationalization of the GTH.



The Global Trade Helpdesk (GTH) is an online platform meant to simplify market research for companies, especially MSMEs, by integrating trade and business information into a single online portal. The GTH was launched jointly by the International Trade Centre, the UN Conference on Trade and Development (UNCTAD) and the WTO at the WTO's 11th Ministerial Conference in Buenos Aires in December 2017.

“Access to timely and accurate trade-related information is key for MSMEs to participate in international trade, to take advantage of newly emerging opportunities and to recover from the Covid-19 crisis. In this respect, the Global Trade Helpdesk (GTH) is a valuable tool to support MSMEs. The Declaration on Access to Information encourages Members to provide relevant information pursuant to a questionnaire with the aim of further improving the quality and coverage of the GTH”. — Laura Gauer, Diplomat, Permanent Mission of Switzerland to the WTO.

Global trade helpdesk baseline coordination questionnaire

I. BASIC INFORMATION

- 1) Member
- 2) Contact point(s) (if possible, provide the following contact details: name, institutional affiliation, email, phone number.)

II. TRADE DATA

- 3) Does your country already collect and publish trade data online? If yes, please provide the website.
- 4) Which agency or ministry collects/centralizes trade-related information for your country? Relevant contact point(s) for information on trade flows (If possible, provide the following contact details: name, email, phone number.)

III. TARIFF AND TAX DATA

5) Does your country already collect and publish tariff data online? If yes, please provide the website.

6) Which agency or ministry collects and centralizes information related to tariffs, quotas, and trade remedies for your country?

7) Does your country already collect and publish tax-related information online? If yes, please provide the website.

8) Which agency or ministry collects/centralizes tax-related information for your country?

9) Relevant contact point(s) for information on tariff, quota and trade remedy and tax (If possible, provide the following contact details: name, email, phone number.)

IV. NON-TARIFF MEASURES (NTMs) DATA

10) Does your country already collect and publish NTM data online? If yes, please provide the website. Specify where your country publishes (a) its final TBT measures, and (b) its final SPS measures.

11) Which agency or ministry collects/centralizes information on NTMs in your country?

12) Relevant contact point(s) for information on NTMs (If possible, provide the following contact details: name, email, phone number.)

V. DOMESTIC TRADE PROCEDURES

13) Does your country already collect and publish Domestic Trade Procedures data online? If yes, please provide the website

14) Which entity or ministry in your country collects/centralizes information on domestic trade procedures in your country?

15) Relevant contact point(s) for information on domestic trade procedures (If possible, provide the following contact details: name, email, phone number.)

VI. COMPANY DATA

16) Does your country already collect and publish company data online? If yes, please provide the website

17) Which entity or ministry in your country collects/centralizes information on company data in your country?

18) Relevant contact point(s) for information on company data (If possible, provide the following contact details: name, email, phone number.)

VII. MARKET PRICE INFORMATION

19) Does your country already collect and publish market price data online for agricultural and other products? If yes, please provide the website.

20) Which entity or ministry in your country collects/centralizes information on agricultural market price in your country?

21) Relevant contact point(s) for information on market price (If possible, provide the following contact details: name, email, phone number.)

Recommendation on Trade Facilitation for MSMEs (INF/MSME/3/Annex 3)

Burdensome customs procedures are a key challenge faced by MSMEs. The 2016 World Trade Report showed that one of the main obstacles encountered by MSMEs interested in trade is the burden of customs and regulatory procedures. Acknowledging that the benefits of implementing the Trade Facilitation Agreement (TFA), which entered into force in 2017, accrue particularly to MSMEs, members of the Informal Working Group on MSMEs call for the full implementation of the TFA and the exchange of TFA implementation experiences involving MSMEs. In addition, the Group recommends that MSMEs are involved when conducting consultations in accordance with the TFA and invites WTO Members, the WTO Secretariat and donor organizations to work together in order to design and provide MSME-related capacity building and technical assistance. The recommendation also emphasizes the importance for MSMEs of the effective application of trade facilitation disciplines that contribute to reducing transit times and costs and calls upon the constructive cooperation between Members with a view to enhancing freedom of transit. Last, but not least, in view of speeding up customs procedures, Members agree to endeavour to identify opportunities to adopt digital solutions.

Recommendation on Promoting MSME Inclusion in Regulatory Development in the Area of Trade (INF/MSME/3/Annex 4)

Changes of regulatory environment in the area of trade are often difficult to understand and comply with, especially for MSMEs. They can effectively deprive such enterprises of benefits emanating from participation in international trade. Regulatory burden can be minimized by assessing the impact of new rules on MSMEs and by providing adequate opportunity for MSMEs to comment on and adapt to new regulatory requirements. Considering the specific needs of MSMEs where domestic regulatory development is concerned can minimize challenges for MSMEs to comply with rules and foster further participation in international trade.

WTO Agreements include rules on consultations with stakeholders in the process of regulatory development, but do not explicitly refer to MSMEs. In this recommendation, the members of the Informal Working Group on MSMEs encourage WTO Members to promote the consideration of the specific needs of MSMEs in domestic regulatory development with respect to issues covered by the WTO Agreements. The recommendation includes a non-exhaustive list of elements of domestic regulatory procedures that may be beneficial for MSMEs. This non-exhaustive list is reproduced below. Last, but not least, the Group encourages the exchange of experiences meant to further involve MSMEs in domestic regulatory development with respect to issues covered by the WTO Agreements, including on possible training and capacity building programs to help MSMEs to understand these issues.

Non-exhaustive list of elements of domestic regulatory procedures that may be beneficial for MSMEs

- a) engagement of MSMEs, as appropriate, throughout the process of domestic regulatory development;
- b) publication of drafts of regulations before their adoption, or of consultation documents that provide sufficient details about a possible new regulatory measure, preferably at an early stage of their development;
- c) assessment of the impact of possible new regulatory measures on MSMEs and, as appropriate, consideration of potential steps to identify and mitigate potential economic impacts on MSMEs – including alternative compliance approaches where appropriate – while allowing the Member to fulfil its regulatory objectives;
- d) provision of a reasonable period of time for all the interested parties, including MSMEs, to comment on drafts or consultation documents related to possible new regulatory measures as referred to in subparagraph b);
- e) prompt publication of such adopted regulations so as to allow economic operators to adapt to the new regulatory requirements;
- f) retrospective review of adopted regulations to assess whether there are opportunities to more effectively achieve public policy objectives and reduce unnecessary regulatory burdens, including on MSMEs;
- g) making available the public documents referred to in subparagraphs a) through f) in electronic form and provision of free access to them

“The TFA was a major step forward. Better supporting MSMEs through implementation of the TFA is of utmost importance to our Group. Our approach is not to advocate for changes to the TFA, but rather to explore good practices, engage with the private sector on the design of trade facilitation measures, and develop possible recommendations that could help promote MSME-friendly implementation of the Agreement - so that TFA provisions are implemented by WTO members in a way that takes into account the needs of MSMEs”.
— **Mauro Bruno, Diplomat, Permanent Mission of Uruguay to the WTO.**

"The information provided by WTO Members to the Integrated Database supports research and analysis on MSMEs by international organizations, like the ITC, UNCTAD and FAO. This recommendation highlights the importance of keeping that data up to date and promotes new pathways for WTO Members to provide it."
— Christopher O'Toole, Diplomat, Permanent Mission of Canada to the WTO.

"Access to financial solutions, such as trade finance or cross-border payment services, is a key obstacle to the participation of MSMEs in international trade, in particular those located in developing economies and least-developed countries. Our proposal aims to encourage governments and the international community to consider appropriate and sustainable solutions within the framework of the WTO and regional and international financial institutions" — **Marc, Loba Mobio, Diplomat, Permanent Mission of Côte d'Ivoire to the WTO.**

Recommendation on MSMEs and the WTO Integrated Database **(INF/MSME/3/Annex 5)**

Access to reliable, timely and official information concerning tariffs and other taxes to be paid upon importation significantly reduces uncertainty currently faced by MSMEs interested in trade. The WTO Integrated Database (IDB) is the official source of tariff and other trade-related information, thus contributing to transparency of the trade policy regimes of Members.

In 2019, the WTO Committee on Market Access adopted a *Decision on the Modalities and Operation of the Integrated Database* (G/MA/367) to improve access to market access information by updating the operation of the Integrated Database. The Decision provides for the mandatory notification of a WTO Member's applied most-favoured nation and non-reciprocal tariffs. It also encourages WTO Members to provide additional market access information, such as preferential duties under Free Trade Agreements and customs unions, and all the other taxes, fees and charges to be paid upon importation.

In view of ensuring that information in the WTO Integrated Database is kept up to date and is as comprehensive as possible so that MSMEs can access reliable information, the Informal Working Group on MSMEs recommends that all WTO Members fully implement the 2019 Decision and voluntarily explore with the Secretariat the feasibility of automatic electronic transmission of their tariff or import data to the Integrated Database.

Declaration on Addressing the Trade-Related Aspects of Facilitating MSMEs' access to finance and cross-border payments **(INF/MSME/3/Annex 6)**

One of the major obstacles to MSMEs' participation in international trade are the difficulties they face in accessing finance, including trade finance, and challenges associated with cross-border payments – difficulties rendered more acute by the current crisis, particularly in developing and least-developed countries. Beyond the well-known trade finance gap that affects MSMEs, estimated by the Asian Development Bank at about US\$ 1.5 trillion per year, various issues, such as limitations related to cross-border payments, hinder MSMEs' participation in international trade.

The members of the Informal Working Group on MSMEs are well aware of the trade implications of these challenges for MSMEs interested in international trade. They call on WTO Members to actively engage in relevant fora to identify concrete measures that can facilitate addressing these challenges and to promote them through capacity-building and information sharing. For example, the Group has explored how the adoption of a global legal identification system for companies such as the global Legal Entity Identifier (LEI) can address these trade-related aspects of MSMEs' access to finance and cross-border payments. The Declaration welcomes international initiatives aimed at facilitating a global legal identification system for companies and invites WTO Members to cooperate in such initiatives. It also invites the WTO Secretariat to organize, with the support of relevant international organizations, information sessions on topics related to trade related aspects of MSMEs' access to finance and cross-border payments.

2. DEVELOPMENT OF A MSME WEB PLATFORM

One of the well-known obstacles encountered by MSMEs interested in international trade is access to market and regulatory information as well as to trade-related skills. Although multiple market analysis tools and training opportunities exist, they are spread out across various repositories; presented in a way that is excessively technical; and often not translated. Also, policymakers engaged in MSME-related policy design and implementation face challenges in sorting through the wide range of analytical work that has been done by a range of actors and institutions.

In view of making these existing resources more readily available, some members of the Informal Working Group on MSMEs have been working on developing a MSME web platform- an online hub for MSMEs and policymakers to access relevant trade information in one central spot. This web platform neither creates new content nor duplicates existing ones, such as the [Global Trade Helpdesk](#), but rather compiles existing materials to enhance their visibility with a view to making them more accessible for MSMEs.

Design and development of the web platform is funded by DFID under the TAF2+ programme. The official launch of the MSME web platform is scheduled in January 2021.

3. NEXT STEPS FOR THE MSME INFORMAL WORKING GROUP

In 2021, the Informal Working Group on MSMEs will monitor the implementation of the various recommendations and declarations. In addition, the Group will discuss new issues hindering the participation of MSMEs in international trade and solutions to address them. Interested Members are welcome to join the Group and help shape its future programme of work.

The private sector also plays a key role in identifying obstacles encountered by MSMEs in international trade and finding solutions to overcome them. The Group has established several channels through which private sector representatives can share their views and ideas:

- **Workshops** – Any business representative interested in participating in, or organizing, a workshop should feel free to contact the Group (msmes@mrree.gub.uy , cc email-ersd@wto.org)
- **MSME Ideas Exchange Platform** – available [here](#)
- **Newsletter** – subscribe by sending an email to email-ersd@wto.org

4. THE COVID-19 PANDEMIC: ACTIONS BY THE INFORMAL WORKING GROUP ON MSMEs

Adding on to existing and well-known trade obstacles encountered by MSMEs, the pandemic is now also disproportionately impacting MSMEs' trade. MSMEs are prevalent in the economic sectors most impacted by quarantine measures and transport disruptions, such as accommodation and food services, cultural and creative sectors, or wholesale and retail services. MSMEs are losing trade opportunities due to trade restrictions on agricultural products introduced by some governments in response to the pandemic. Many MSMEs integrated in global value chains have been affected either by shortages of parts and intermediate goods or by reduced demand for intermediate goods they produce, or both. MSMEs typically have relatively low cash reserves and generally smaller inventories and supplier networks, meaning demand shocks and supply chain disruptions can impact them faster and harder than large firms.

In May 2020, the Members of the Informal Working Group on MSMEs endorsed a statement highlighting MSMEs' importance, which is reproduced below.

In addition to this statement, Members of the Informal Working Group on MSMEs voluntarily submit information on their respective government measures to support MSMEs in response to the pandemic. Access to regulatory information is critical for MSMEs to navigate through the current rapid changes in policies and to effectively use available support measures. The WTO Secretariat has been invited to map these measures to facilitate the exchange of good practices between policymakers, and, in turn, to promote the design and implementation of evidence-based policies addressing MSMEs' needs.

"The necessity for information-sharing to resolve the issues of asymmetric information and digital divide, inter alia, experienced by each country is being increasingly highlighted in its significance in this COVID-19 pandemic situation. The IWG's package of recommendations and declarations which aims to tackle this agenda bears great meaning indeed; it is a task we need to undertake with the attention of every member." — Lee Dong-wook, Minister Counsellor, Permanent Mission of the Republic of Korea to the United Nations and Other International Organizations in Geneva

Statement on highlighting the importance of MSMEs in the time of COVID-19*

We note the significant negative impact that the COVID-19 pandemic has had on our citizens and our businesses, in particular on those that operate as Micro, Small and Medium-sized Enterprises (MSMEs) in economies at all levels of development. We recognize that addressing this global health crisis and economic shock requires a coordinated global response to stabilize our economies and to help MSMEs affected during this challenging period.

In this regard, we commend the actions taken by many WTO Members to address the immediate challenges faced by workers and businesses alike, in particular MSMEs, during these difficult times.

We will continue careful monitoring of all MSME-related developments. We will take further action where necessary to help MSMEs' involvement in international trade and promote supply chains remaining open and connected. In cooperation with other international organizations and stakeholders, we will look to explore solutions and share good practices to facilitate trade, accelerate efforts towards trade digitalization, including access to digital tools, as well as improving MSMEs' access to trade finance and to trade-related information through online platforms.

We reaffirm our support for the central role of the WTO in international trade. We will continue to work together to deliver a free, fair, predictable, and stable trade environment and to keep our markets open with a view to supporting the global recovery. We invite the WTO Secretariat to continue working closely with other international organizations to facilitate MSMEs' participation in international trade.

It is clear that timely and accurate information on COVID-related trade measures reduces uncertainty and allows MSMEs to make informed decisions. We therefore encourage Members to continue informing and updating the WTO, as soon as practicable, of any trade-related COVID-19 measures they implement in order to ensure transparency and predictability.

We will continue our efforts to deepen and multilateralize MSME conversations at the WTO, for the benefit of our MSMEs and our economies. We will work together to help MSMEs overcome this crisis, and build resilience to future shocks.

In June and July, the IWG organized three webinars on cross-border payment services, paperless trade, and MSMEs and digital tools co-organized with the Global Innovation Forum, as well as two panel discussions on MSME Day to review the effects of the Covid-19 pandemic on MSMEs.

5. JUNE-JULY WEBINARS ON MSMEs

Cross-border payment services are a key tool for MSMEs to participate in international trade and global value chains. Studies have found that MSMEs with cross-border digital payments have a much higher first year survival rate compared with MSMEs that do not. Speakers highlighted that there is a need to re-visit and increase services commitments under the GATS as currently only a quarter of Members have fully liberalized cross border payments, as well as a need to homogenize regulation to reduce regulatory complexity and increase framework interoperability (a full summary of this webinar is available at [INF/MSME/R/14](#)).

Paperless trade, or the digitization of trade-related documents and data exchange, could significantly ease the cost and burden of trading for MSMEs. In view of promoting the adoption of paperless trade, speakers stressed the need to harmonize trade-related datasets and standards and to recognize the legal authority of digital trade documents through legislation that transposes the UNCITRAL's Model Law on Electronic Transferable Records (MLETR). It was also recommended that the TFA could adopt a more stringent approach to digitalization to speed up this transition. (a full summary of this webinar is available at [INF/MSME/R/15](#)).

*Delegations sponsoring the statement include: Afghanistan; Albania; Argentina; Australia; Brazil; Canada; Chile; China; Colombia; Costa Rica; Côte d'Ivoire; Ecuador; El Salvador; European Union; Guatemala; Guyana; Honduras; Hong Kong, China; Israel; Iceland; Japan; Kazakhstan; Kenya; Korea, Republic of; Lao, People's Democratic Republic; Liechtenstein; Malaysia; Maldives; Mexico; Moldova, Republic of; Mongolia; Montenegro; Myanmar; New Zealand; North Macedonia; Norway; Paraguay; Philippines; Qatar; Russian Federation; Saudi Arabia, Kingdom of; Singapore; Switzerland; Saint Vincent and the Grenadines; Thailand; Turkey; the Separate Customs Territory of Taiwan, Penghu, Kinmen and Matsu; Ukraine; United Kingdom; Uruguay; Vanuatu; Viet Nam. The reference of the statement is WT/GC/215 /rev1.

The last webinar looked into ways the Covid-19 pandemic has impacted MSMEs in different regions of the world and how businesses have pivoted to more online operations. Speakers highlighted various difficulties to operate online, such as paper document processing holdups or infrastructure deficiencies (a full summary of this webinar is available at [INF/MSME/R/16](#)).

Two panel discussions were held at the WTO on MSME Day to review the effects of the Covid-19 pandemic on these businesses from the perspectives of national governments and international organizations. Speakers in the first panel discussed actions taken by Côte d'Ivoire, the European Union and the Philippines to support their MSMEs during the Covid-19 crisis. Measures focused on access to finance to provide domestic MSMEs with short term liquidity and also digitalization efforts, including training, e-payment systems and new trade initiatives like Blockchain4EU in the EU.

The second panel focused on the research and recommendations international organizations have taken concerning the pandemic and the private sector, especially traders. MSMEs are recognized as the most impacted business size in this pandemic, given the industries they are focused in and their limited resources. International organizations noted the need for short term liquidity support followed by structural reforms to facilitate trade and increase MSMEs' digital connectivity, among others (a full summary of these webinars is available at [INF/MSME/R/17](#)).

The recording of these various events and the presentation of speakers are available on the [MSME public page](#).

WHY AN INFORMAL WORKING GROUP FOR MSMEs?

The MSME Informal Working Group is a coalition of 90 WTO Members of varied levels of development and all regions of the world that share an interest in improving access to global markets for Micro, Small and Medium-Sized enterprises (MSMEs). Today, 95 per cent of companies across the globe are MSMEs. Although MSMEs account for 60 per cent of the world's total employment and comprise anywhere from 80-99 per cent of a country's registered firms they remain underrepresented, and face a large number of obstacles when seeking to participate in international trade. When MSMEs successfully access international markets, they can act as a catalyst for better distribution of the gains from trade to all sections of the economy. The MSME Informal Working Group aspires to ensure that the multilateral system enables these economic benefits through better inclusion of MSMEs in global commerce.

THE ROAD TO BUENOS AIRES 2017

The Informal Working Group on MSMEs was created at the 2017 Buenos Aires Ministerial Conference by a Joint Statement. The road to the Buenos Aires Joint Statement began with a proposal by the Philippines in 2015, which identified MSMEs as a dynamic sector and suggested that "the General Council shall consider the most appropriate arrangement to facilitate discussions".

In July 2016, Brunei Darussalam, Lao PDR, Malaysia, the Philippines, Singapore and Thailand reported on a workshop held in June that year titled "Enhancing the Participation of Micro, Small and Medium



"The joint initiative on supporting MSMEs, which was launched in Buenos Aires last year... continues with real energy and enthusiasm behind it." - WTO Director-General Roberto Azevêdo, 27 June 2018.

Enterprises (MSMEs)” that aimed at enhancing awareness of the role that MSMEs have in international trade .In May 2017 at the General Council, a group of 47 Members (counting EU member states individually) effectively launched an Informal Dialogue on MSMEs chaired by H.E. Mr Héctor Casanueva of Chile.

In June 2017, Argentina, Brazil, Paraguay and Uruguay submitted a proposal for the development of a work programme that would cover areas such as information and transparency, trade facilitation, e-commerce and trade finance.

Several workshops were organized in the run-up to MC11 to emphasize to Members the importance of having a specific forum to discuss MSMEs at the WTO, including a workshop on regional and national experiences in October 2017.

A draft ministerial declaration was circulated prior to MC11 (click [here](#)).

WHAT IS THE MSME INFORMAL WORKING GROUP?

In their 2017 Joint Statement establishing the Group, Members committed to discuss and identify “horizontal and non-discriminatory solutions” to improve the participation of MSMEs in international trade. The Group seeks to develop solutions that would apply to all companies (but would benefit MSMEs the most) while taking into account the specific needs of developing countries. Members of the Group exchange information on a voluntarily basis, which benefit both MSMEs and policymakers.

Coordinator: H.E. Mr José Luis Cancela of Uruguay (Since January 2018)

Previous Chair: H.E. Mr Hector Casanueva of Chile (June 2017-January 2018)

Membership of the Informal Working Group: Afghanistan; Albania; Antigua and Barbuda; Argentina; Armenia; Australia; the Kingdom of Bahrain; Belize; Brazil; Brunei Darussalam; Canada; Chile; China; Colombia; Costa Rica; Côte d'Ivoire; Dominica; the Dominican Republic; Ecuador; El Salvador; European Union; Grenada; Guatemala; Guyana; Honduras; Hong Kong, China; Iceland; Israel; Japan; Kazakhstan; Kenya; the Republic of Korea; Kyrgyz Republic; Lao PDR; Liechtenstein; Malaysia; Mexico; Mongolia; the Republic of Moldova; Mongolia; Montenegro; Myanmar; New Zealand; Nicaragua; Nigeria; North Macedonia; Norway; Pakistan; Paraguay; Peru; Philippines; Qatar; Russian Federation; Saint Kitts and Nevis; Saint Lucia; Saint Vincent and the Grenadines; Saudi Arabia, Kingdom of; Singapore; Switzerland; Chinese Taipei; Turkey; Uruguay; United Kingdom and Viet Nam.

You can subscribe to this Newsletter by sending an email to email-ersd@wto.org.

“MSMEs are fundamental to our economies – a win-win for everybody - and employment, and we are working to develop the potential of MSMEs in international trade”- H.E. Mr José Luis Cancela of Uruguay, Coordinator of the Group

