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**INFORMAL WORKING GROUP ON MSMEs
2018 WTO PUBLIC FORUM SESSION***

**ENABLING GLOBAL MSMEs: HOW TECHNICAL ASSISTANCE AND CAPACITY
BUILDING INITIATIVES COULD TAKE INTO ACCOUNT THE TRADE
NEEDS AND CHALLENGES OF MSMEs?**

Summary of discussions

The following communication, dated 16 November 2018, is being circulated at the request of the delegations of El Salvador and the Philippines.

The Missions of El Salvador and the Philippines jointly organised a working session entitled "Enabling Global MSMEs: How technical assistance and capacity building initiatives could take into account the trade needs and challenges of MSMEs?" on 3 October 2018. Ambassador Luis Cancela of Uruguay, coordinator of the Informal Working Group of MSMEs, delivered the opening remarks while Ambassador Manuel A.J. Teehankee of the Philippines moderated the session.

Micro-, small- and medium-sized enterprises (MSMEs) represent over 90% of business registrations globally. They are among the world's leading job creators, drivers of productivity, and agents of growth. By enhancing their integration in international trade through adequate technical assistance and capacity building (TACB), MSMEs can exponentially increase their impact and contribution in achieving the Sustainable Development Goals.

The following were key takeaways from the panel presentations and the discussion that Members can build on as WTO continues the dialogue on TACB for MSMEs:

I. Comisión Nacional de la Micro y Pequeña Empresa de El Salvador (CONAMYPE) explained how national governments can initiate programs to promote MSMEs growth. CONAMYPE President Ileana Rogel presented the various MSME programs of El Salvador such as the One Village One Product, and programs focused on Entrepreneurship/Female Entrepreneurship, Artisan Development, Supplier Development and Business Growth.

II. Sidley and Fairtrade International illustrated the advantages of technical cooperation between MSMEs and private, non-profit organizations as well as how it empowers their development as global MSMEs.

a. Sidley's Emerging Enterprises Pro Bono Program Manager, Karolina Anda Berney, talked about the free legal support Sidley provides to eligible MSMEs in developing countries. While working with hundreds of MSMEs, she cited the pattern of psychological barriers (e.g. distrust, suspicion towards TACB proponent) when accessing TACB opportunities. Thus, there is a need for MSMEs to break free from this impediment to harness the benefits of TACB. Videos of Sidley's beneficiaries from South Africa and Nicaragua highlighted how TACB helped them grow and expand internationally.

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b. Fairtrade International's former CEO, Harriet Lamb, shared some of the common MSME challenges and limitations, such as, market competition, poor business administration skills, lack of access to buyers, and inability to access finance. Ms Lamb also argued that due to the varying levels of development of various countries, special and differential treatment is necessary to level the playing field for MSMEs to participate in international trade.

III. Finally, as a beneficiary of TACB programs, Sagana Association's Cattleya Romero-Faude shared how these activities addressed some of the challenges and gaps confronting MSMEs to integrate in international trade.

A very interactive discussion followed the presentations on issues such as: access to information on technical regulations in host countries, certification process and price fluctuations of commodities, access to finance, the different needs of MSMEs due to varying levels of development, and breaking free from psychological barriers to fully benefit from TACB.

In conclusion, to promote and enable more global MSMEs, TACB in these three major areas are important: i) Access to Information; ii) Access to Finance; and iii) Access to Markets.
