



Realizing the Untapped Potential of MSMEs in APEC

Practical Recommendations for Enhancing Cross-border Trade

ABAC IV

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**Asia-Pacific
Economic Cooperation**



USC University of
Southern California

A group of women in a meeting, smiling and looking at a laptop screen. The image is dimly lit with a blue tint. A woman in the center is smiling and resting her chin on her hand. To her right, another woman is pointing at a laptop screen. In the background, a man in a white shirt is standing and holding a folder. The overall atmosphere is professional and collaborative.

Women-Led MSMEs in Trade: Still at the Starting Point



Inclusive growth requires a focus on women-led MSMEs

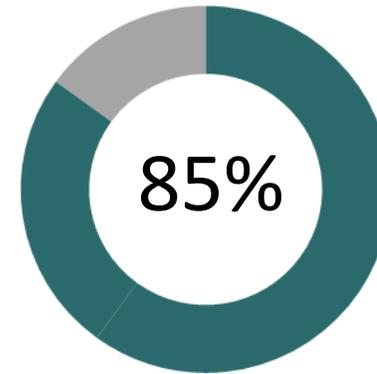
217 years

to achieve gender equality at the current rate

Gender equality would lead to a

\$28 Trillion

growth in annual global GDP by 2025



Women-led MSMEs in APEC will increase in importance in next 3-5 years

When women earn more,

they reinvest **90%**

back into their families and communities

Why are women missing in trade?



Globally,
40%
of MSMEs are
women-owned

Only
15%
of exporting firms are
women-led



Women face more challenges every step than men getting into the marketplace

17% harder to get a visa

17% harder to get clearance at border

15% less access to trade programs

15% less access to affordable ICT

19% less access to incubators and accelerators

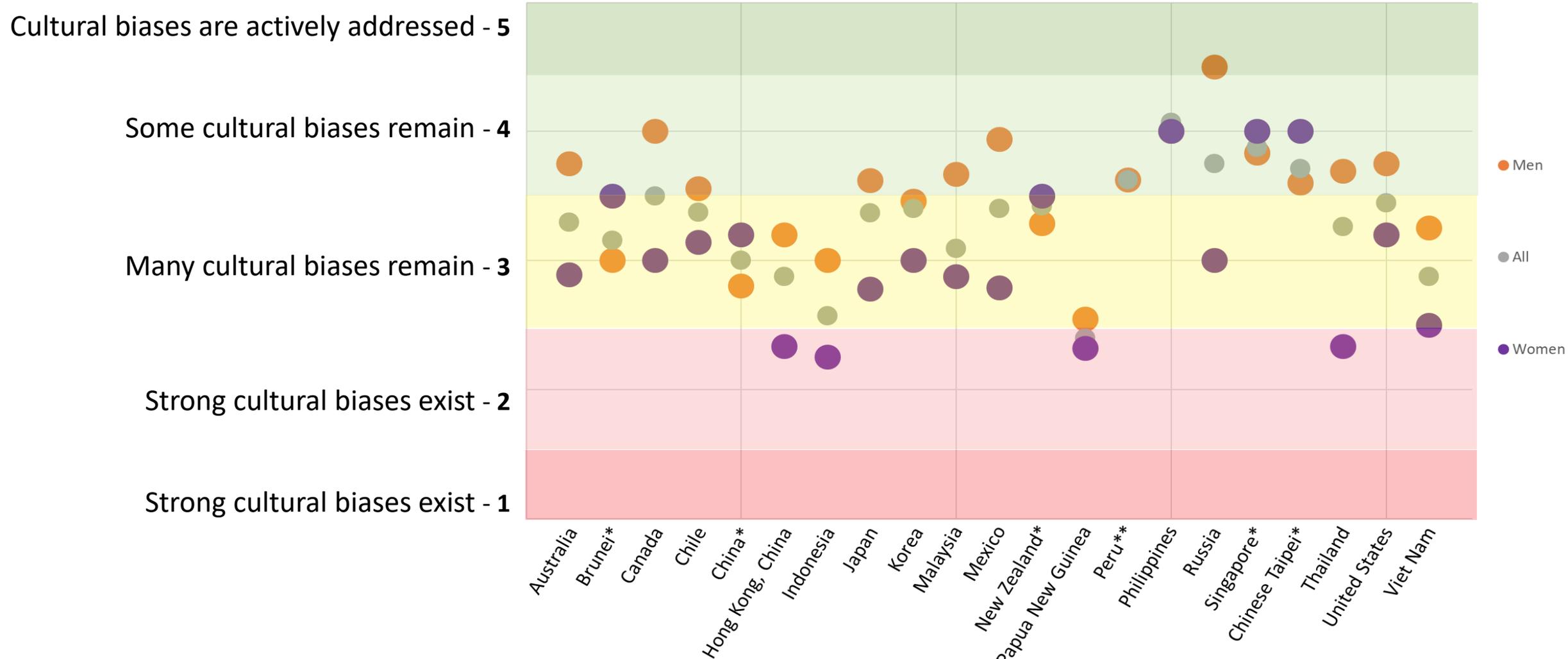
17% harder to get clearance at border

14% harder to identify foreign business partners and clients

14% harder to know which tariffs to pay

15% harder to deal with rules of origin

Men think the environment is becoming more supportive, women do not agree



*Economies where women had a more favorable view (higher rating) than men

**No female data available

What works: digital training and tailored support



**This is not an issue of capability.
It is an issue of access to affordable, tailored support.**

**Online readiness
programs**

STEM job training

**Trade and financing
support**

E-commerce

**Increased support
from men**

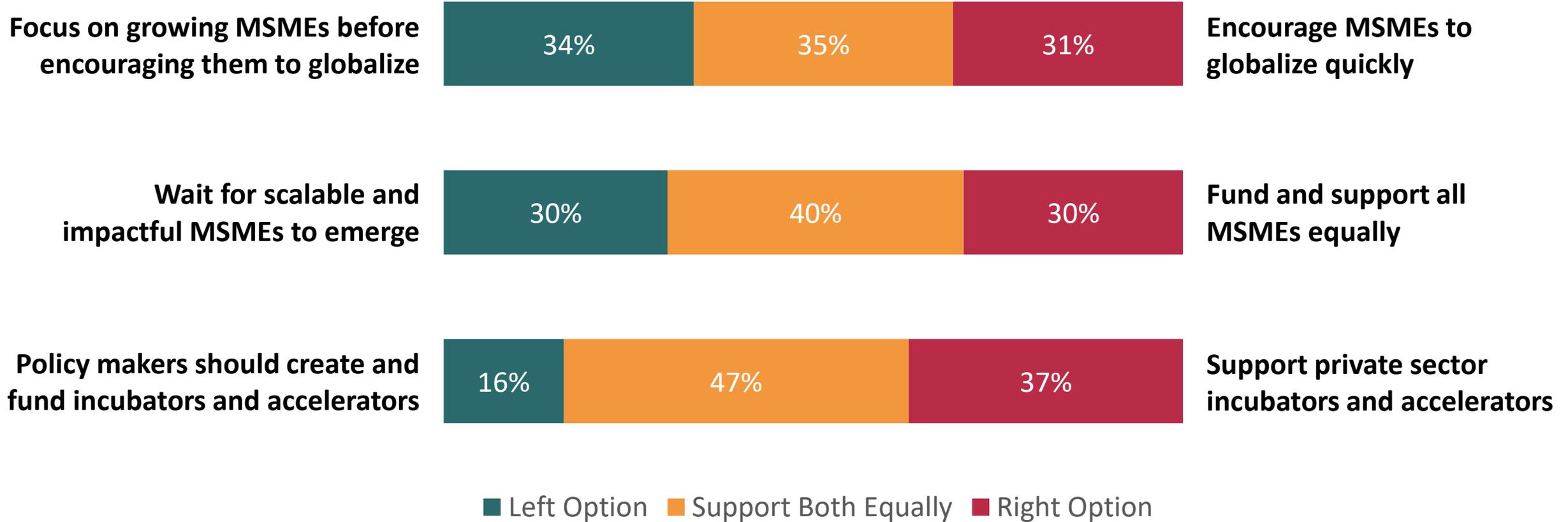
E-government

More affordable childcare

A woman with long dark hair, wearing a white t-shirt with blue trim and blue jeans, is sitting on a wooden bench in a library. She is holding an open book and reading. The library has white bookshelves filled with books. A large blue geometric sculpture is visible in the background. A hanging plant with pink flowers is in the foreground. A circular sign with a white 'T' is hanging from the ceiling. A potted plant is on the left. A poster with the text 'BÔNG BOM BÀM BÀM' is on the wall. The scene is dimly lit, suggesting an evening or indoor lighting.

APEC Economy Assessments

What does not work: unfocused, unprioritized policies and programs





Market inefficiencies and dependence are created through programs that:

- Help the same MSMEs time and time again
- Are not up-to-date, affordable, accessible, and trackable
- Are not created from genuine MSME needs

To avoid inefficiencies and dependencies:

- Results of all programs and policies must be trackable
- MSMEs must have “skin in the game” through reasonable fees or completion requirements
- Policy makers must gather and comprehend MSME needs, including digital needs

**There is an urgency to continue the liberalization agenda.
MSMEs are locked out due to high trade costs and protectionist barriers.**

- Continue to liberalize trade through the reduction of trade barriers and NTBs
- Keep MSMEs at the table when taking initiative to liberalize trade
- Foster the continued sharing of good practices from APEC and the world
- Continue work to find alternative methods of dispute resolution
- Lead the creation of guidelines for digital interoperability
- Build out the APEC SME Marketplace
- Find a new sponsor for the APEC STAR Database



Two Stories to Tell

One of Hope:

There is an emerging new world where technology has created opportunity and broken-down barriers.

One of Frustration:

Where MSME's are trapped in low-growth cycles, unnecessary trade costs, with impediments blocking their every move.

The path forward depends on a cohesive strategy, built with good practices.

