Survey on MSMEs/MSMEs-Related Provisions in APEC Economies’ FTAs/RTAs - Presentation

Purpose: Information
Submitted by: Philippines
Survey on MSME/MSME-related Provisions in APEC Economies’ FTAs/RTAs

Committee on Trade and Investment (CTI) – the Philippines

48th Small and Medium Enterprises Working Group (SMEWG) Meeting
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Outline

- Background
- General Observations
- Specific Areas
- Summary/Conclusion
At the Second Senior Officials’ Meeting (SOM2) held in Viña del Mar, Chile, Senior Officials recommended that APEC Ministers note the survey report on FTAAP MSME Work Programme (Philippines & Malaysia) and the stocktake of MSME/MSME-related provisions: 33 RTAs/FTAs.
Reference to SMEs, including micro businesses, is often direct/explicit.

Chapter on cooperation: contain broad commitment to promote a favorable environment for MSMEs development.

Scope of the MSME-cooperation provisions vary.

Do not provide further elaboration and only list MSMEs as a general area of cooperation.

Others specify forms of cooperation activities related to SMEs.

Others have cooperation provisions or clauses in a specific context.

Some provisions only refer to MSMEs that are limited to one sector.
Specific Areas

1. Government Procurement
2. E-commerce
3. Trade Facilitation
4. Investment
5. Intellectual Property
Specific Areas

United States-Chile FTA
maximizing access to government procurement opportunities for small business suppliers

Peru-Australia FTA
exchanging experiences and information [...] and developing and expanding the use of electronic means in government procurement systems

Singapore-Costa Rica FTA
promoting industry development including measures to assist SMEs to gain access to the government procurement market

CPTPP; Additional Protocol of the Pacific Alliance (PA)
recognizing “[…] the importance of facilitating the participation of SMEs in government procurement”

EAEU-Viet Nam FTA
“facilitating participation of suppliers in government procurement”

Comprehensive Economic and Trade Agreement (CETA) between Canada and the EU
specific committee to discuss promotion of joint activities to facilitate access for suppliers to GP opportunities
Specific Areas

**Canada-South Korea FTA**
“working together to facilitate the use of electronic commerce of micro, small and medium sized enterprises”

**Japan-Australia EPA, the Turkey-Singapore FTA, and the United States-Chile FTA**
Cooperate in overcoming obstacles faced by SMEs in the use of e-commerce

**AANZFTA; Viet Nam- Korea FTA**
cooperation through research and training activities;
to share information and experiences on laws and regulations relating to electronic commerce

**ASEAN-Hong Kong, China FTA (ECOTECH Work Programme)**
Details indicative activities on e-commerce cooperation
Specific Areas

European Union and Fiji (Papua New Guinea)
right of appeal against customs […] affecting imports, exports or goods in transit shall be easily accessible, including to SMEs

Turkey-Singapore FTA
customs procedures […] should be clear and transparent, and should take into account the specific needs of SMEs

China-Chile FTA
knowledge and good practices sharing; partnership & productive chain linkage development; training programs; promoting contacts between economic operators

CPTPP (Competitiveness and Business Facilitation chapter)
advice and recommendations aimed at enhancing SME participation in regional supply chains; seminars, workshops, capacity building activities

AHKFTA (ROO Chapter)
development of SMEs and narrow development gaps, make it responsive to dynamic change to facilitate trade and investment among Parties, and promote a regional production network
Specific Areas

**Thailand-New Zealand FTA**
endavor to strengthen and develop cooperation efforts in investment including for SMEs, particularly through capacity building.

**Japan-Malaysia FTA; Japan-Mexico FTA**
include investment under its bilateral cooperation chapter.

**CETA between Canada and the EU**
encourage preferable treatment of SMEs during disputes between investors and states; consultations between disputing Parties via videoconference, sympathetic consideration [...] and reducing financial burden on SME claimants.
Specific Areas

**Thailand-Australia FTA**
encourage the creation and development of intellectual property by inventors, creators, including SMEs.

**Peru-Australia FTA**
make information available online as regards regulations and procedures concerning intellectual property rights.
Commonly housed in chapters on cooperation (have explicit provisions in dedicated articles or in chapters on SMEs)

Do not follow a specific format or structure

Best endeavor approach, but recent mega trade agreements provide for newer ways of thinking

Focus on improving the capacity of MSMEs to trade

A range of options exist for policymakers and trade negotiators to incorporate MSME-related provisions in FTAs/RTAs

Provisions address a host of members’ objectives for their MSMEs

Useful follow-up: study the effectiveness of the MSME provisions and to identify what provisions are most effective in addressing members’ particular objectives
Thank you.