

11th Session

Agenda item: C

General Assembly

**Appropriate and Resilient Development for Environmental Sustainability
Appropriate infrastructure Innovation and Industry for Sustainable Development (SDG 9)
Strengthen small scale enterprises in developing countries**

The General Assembly,

Recognizing the major hurdles of small and medium enterprises (SMEs) to access international trade and regional trade including complex procedures and costs which are stated in the *World Trade Report 2016* levelling the trading field for SMEs by World Trade Organization (WTO),

Recognising that developing SMEs is a step to increase our technologies of our world, as written in *Transforming Our World: the 2030 Agenda for Sustainable Development* adopted by the General Assembly on September 2015,

Taking note WTO *Input for United Nations Secretary General (UNSG) Report on Vienna Programme of Action 2021 for Landlocked Developing Countries* which suffer from the challenges to export including remoteness for sea access and international, markets, and high transit cost,

Recognizing that providing every child with access to education and the skills needed to participate fully in society would boost Gross Domestic Product (GDP) by an average 28per cent per year in lower-income countries and 16% per year in high-income countries for the next 80 years according to a recent Organization for Economic Cooperation and Development report,

Believing SMEs are major sources of employment in developing countries and accesses to credit are particularly important to SMEs for increasing their competitiveness and enabling them to integrate into local and global business,

Concerned that only 22.9 per cent of SMEs in sub-Saharan Africa received loans or lines of credit,

Deeply concerned that 65 million SMEs in developing countries have an unmet financial demand of \$5.2 trillion every year,

Stressing that providing financial support and access to financial services in support of SMEs is essential to enabling them to survive and thrive during and after the crisis,

Being aware that 40 per cent of GDP in developing countries is contributed by a number of SMEs and it helps them sustain up their economies, which the World Bank reported in 2021,

Deeply concerned that SMEs entrepreneurs and managers in developing countries have faced the difficulty in getting the trust of investors, because of lack of meaningful education related to acquiring management skills,

Realizing that SMEs have great potential for the expansion of world businesses, considering the fact that they are providing over two-thirds of gross jobs and the majority of rising jobs in the world as shown by International Labour Organization (ILO),

Recognising The International Trade Center (ITC) holds the “Micro, Small and Medium-sized Enterprises Day” every year, this conference, although aiming to raise awareness of the importance of supporting the development of SMEs in developing countries and also celebrating the gigantic contribution smaller companies make to the global economy, doesn’t aim to connect with each SME in developing countries,

1. *Encourages* all Member States to cooperate to promote international trade to create a synergy through a chain of consumption such as export of regional products and services, and investment by contracts between Member States through negotiation for the development of SMEs;
2. *Encourages* regional economic organisations to promote regional trade to raise the capacity of SMEs to access cross-border trade by facilitating discussion towards :
 - a. Simplifying trade regulations economically;
 - b. Lowering the tariffs and the costs of seaport usage;
3. *Requests* Member States, especially developed Member States with advanced ICT, to provide technical support including internet communications technologies (ICT) and coaching system for human resources of SMEs;
4. *Encourages* discussion to realize the importance of cooperation between all Member States and the Economic and Social Council for provision of financial support to developing countries which request support to improve and strengthen SMEs;
5. *Supports* the United Nations Development Programme to provide international platforms to create financial programs for small scale enterprises to start and continue their businesses such as:
 - a. Long-term and narrow financial programs for small scale enterprises in LDCs, Small Island and Developing States (SIDS) and developing countries;

- b. Short-term financial programs for all small scale enterprises in Member States to make profits by themselves after accepting the support;
6. *Encourages* Member States to facilitate cooperation to strengthen SMEs in developing Member States, especially in the African region, including the provision of financial aid and access to financial services both directly by Member States and through future or existing projects such as the Women Entrepreneurs Finance Initiative hosted by the World Bank Group;
7. *Encourages* all Member States to promote reorganization of businesses adding new or remodeled products or services to the existing items so as to keep the markets growing constantly through:
 - a. Holding national, regional, and international online conferences, if possible annually, to give knowledge about diversification by professional from developed countries;
 - b. Asking local banks in each country for financial assistance to be ready for additional resources;
 - c. Focusing on the Information and Communication Technology (ICT) business which nowadays meets the needs regarding the COVID-19 pandemic regardless of contractor or subcontractor;
8. *Requests* all Member States to hold an online conference showing example of successful SMEs during pandemic which aims to share the information for SMEs to survive and recover from the COVID-19 pandemic which Member States' Ministries will participate in for promoting enterprises;
9. *Requests* all Member States to hold conferences at local, national, regional and international levels Member States, and requests all Member States to join the conferences in order to share and have common recognition of the importance of SMEs, and finally to strengthen the internationalization of SMEs by:
 - a. Establishing monitoring and performance systems for developing Member States;
 - b. Encouraging the development of growth-oriented and internationally oriented SMEs in the domestic economy;
 - c. Providing access to support services and infrastructure;
 - d. Promoting fair employment of foreign, migrant workers more actively;
 - e. Utilizing training systems which contribute to improve job quality and productivity, decreases waste and defective products, and increases factory machinery utilization from internal support;

10. *Encourages* all Member States to cooperate with the ITC to hold an online conference for SMEs of developing countries in order to help them recover from the severe situation caused by COVID-19 by:

- a. Holding an online meeting where participating SMEs can share and introduce their services or products to other Member States;
- b. Providing advice from developed countries to SMEs, and even making a contract with them;
- c. Promoting Cooperation between SMEs through knowing other services and products.