



WORLD ASSOCIATION FOR SMALL & MEDIUM ENTERPRISES

# WASME

## WORLD SME NEWS

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Ambassador &  
**WASME President**  
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# READERS' REVIEW



“ The research paper on “Women Entrepreneurship development in Nigeria” by Dr. Okpara, insightfully contributes towards a better understanding of challenges faced by Nigerian women entrepreneurs and informs on the development of policies and programs to support women entrepreneurs in Nigeria. Its chief emphasis on the significance of women’s alliances in the business is a noteworthy takeaway.”

Ludovic Bigfarm, aoundé, Cameroon

“ In country focus section, Argentina's history is told with care and respect, and the connections between the country's history and its economic challenges today are very insightful. The detailed and informative section on Argentina's SMEs provides a clear understanding of the sector and the opportunities and challenges it faces.”

Dediu Gheorghe , Caras-Severin, Romania

“ India's G20 presidency is both a revision and a new development, bringing more collaborative opportunities for MSMEs. Inclusive growth through MSMEs, women-owned businesses, and rebuilding of global supply chains are all important to global economy. The article does an excellent job of making and explaining this connection, while highlighting government schemes through a gendered lens.”

Mary Kissner, Accra, Ghana

“ WASME events are highly inclusive, interactive and informative. They bring together academias, policymakers and industry experts for highly engaging and fruitful discussions. The opportunities to learn and network for hand-holding and development for MSMEs are well-utilized.”

Ajit Shinde, Pune, Maharashtra

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# FROM THE DESK OF SECRETARY GENERAL



**Dr. Gyan Prakash Agarwal**

We would first like to wish all of our readers a happy new year and on that note, we bring to you in the January issue of our newsletter, the latest developments in the MSME sector which took place in the previous year. We have revamped the structure of the newsletter and hope that our audience would appreciate and gain from the new changes.

WASME's vision is to have a thriving MSME sector as the main driver of economic development. In our latest issue, we focus on the MSME global review, which tracks the contributions of the MSME sector, the challenges it faces, and the key policy initiatives undertaken by national governments to mitigate the negative effects of Covid-19 and other socio-political developments.

We also bring to you through an opinion piece by Mr. Ajith D Prera, President, PBCA and Executive Secretary, of the APTA-CCI, Sri Lanka highlighting crucial policy recommendations to SAARC for achieving economic integration of South Asia.

This latest issue also features two interviews which provide valuable insights into the MSME sector from the perspective of the Mauritius Ambassador to Russia and WASME President H.E. Dr. K C Jankee. Awardee of the WASME Resilience Awards, Ms. Agnes Modlalo Malebane is the Entrepreneur of the Month and she shares her inspiring story of starting and running a successful business as a woman.

For this edition, we undertook an in-depth analysis of South Africa's MSME sector to map the contextual challenges, policy initiatives and most importantly the resources available for MSMEs in the country. This edition also features the evolution of technology in Textile Sector.

We have also listed regular updates on the major initiatives of international and transnational organisations and important events and activities conducted by WASME in January 2023.

We hope that through this edition of the newsletter, the readers have substantial takeaways about critical developments in the MSME sector, update themselves and have a share in the knowledge pool.

Happy reading!

# WASME Editorial

## MSME Sector

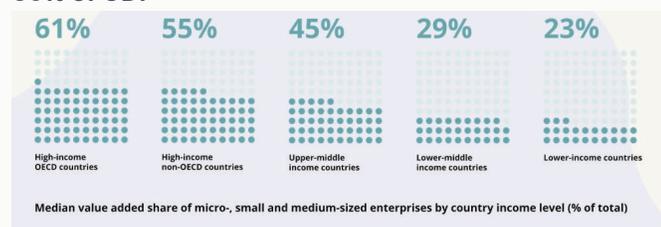
### Year-end Review



### Contribution of SMEs to global Gross Domestic Product (GDP)

SMEs make up the majority of enterprises globally and play a significant role in employment creation and the expansion of the global economy. They account for more than 50% of all jobs globally and roughly 90% of all enterprises. In rising economies, the share of formal SMEs in GDP can reach 40%. When informal SMEs are taken into account, these figures are substantially higher.

**In most OECD countries, SMEs contribute more than 50% of GDP**

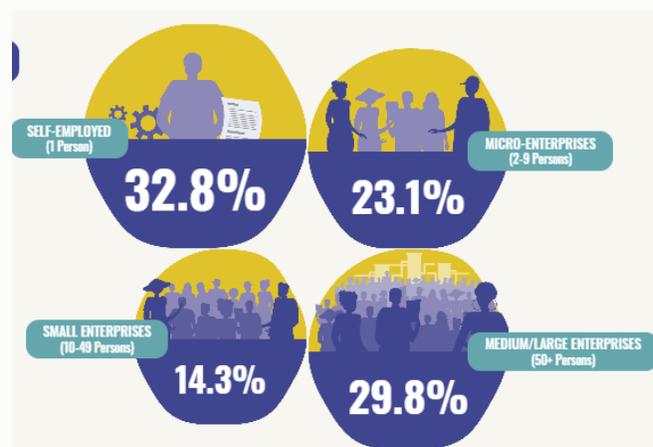


Source : ILO

### Employment share of SMEs

SMEs, often known as small and medium-sized businesses, typically employ less than 250 people. More than 90% of businesses worldwide can be categorised as SMEs in several nations, with a significant portion of those being micro firms with fewer than ten employees. According to recent ILO data, micro- and small businesses, along with employees working for themselves, account for an astounding 70% of employment globally.

**Employment share by enterprise size and the self-employed around the world**



Source : ILO

### Challenges plaguing SMEs globally

Some of the trends contributing to negative effect on MSMEs growth has been that the central banks in both advanced and emerging market economies have hiked rates in 2021-22 to contain high inflation; due to low liquidity in 2021-22, the interest rates have drastically risen; emerging economies are increasingly facing high borrowing costs; financial conditions in both advanced and emerging economies are witnessing a decline. The developing economies are seeing an increase in the financial gap across regions. Internal factors affecting MSMEs are the low level of productivity and innovation, low capacity to pay adequate wages, skill shortages and low quality and level of infrastructure.

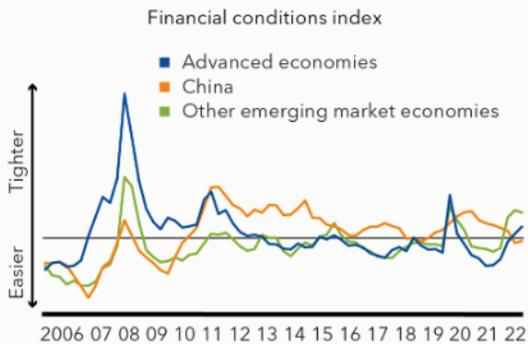
### Interest rate volatility has risen exacerbated by low liquidity



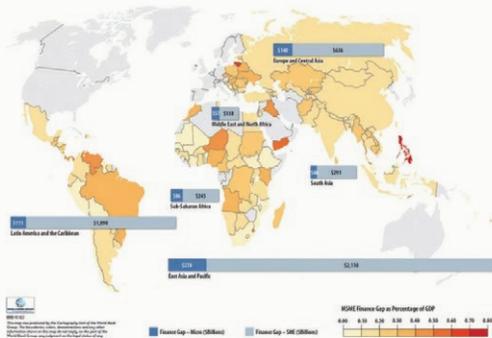
### Lower-rated emerging markets are facing high borrowing costs



### Financial conditions have tightened in most economies



### Formal MSME Finance Gap in Developing Countries



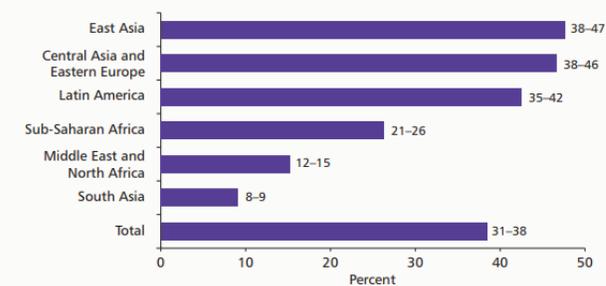
### Gender disparity in SME sector

Across the globe, women representation in MSMEs vis-a-vis its ownership is lower than men. Moreover, women face difficulty in accessing finance including borrowing and saving capital to start their enterprise.

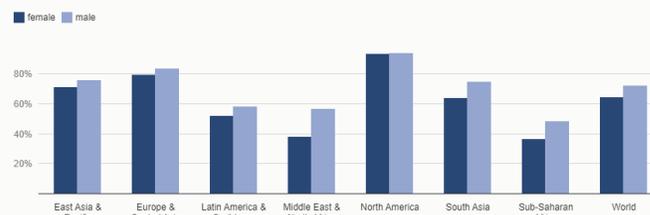
#### Globally, only 1 in 3 businesses are owned by women



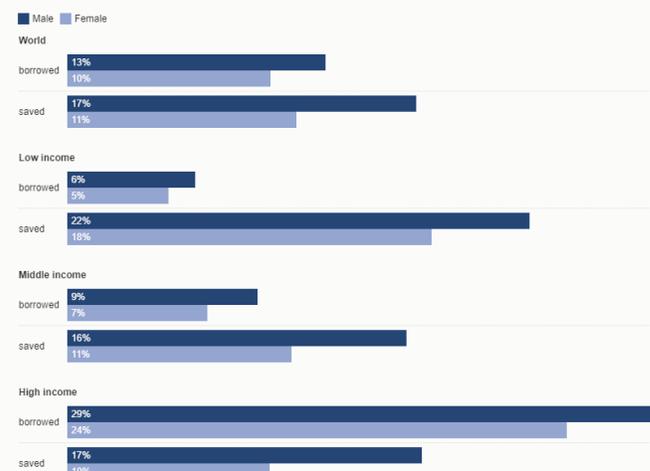
### Proportion of Formal Small and Medium-Sized Enterprises with One or More Women Owners (%)



### Women face greater challenges in accessing financial accounts and services than men



### Men are more likely to borrow and save to start, operate and expand businesses than women



## Strategies to address challenges faced by SMEs – Learnings from across the globe

Country	Policy framework	Details of the scheme
<p><b>Chile</b></p>	<p>In Chile, SME &amp; Entrepreneurship (SME&amp;E) policies are outlined as a component of a multi-year Action Plan.</p> <p>Within the Ministry of Economy, Development, and Tourism, Chile has a specialised Undersecretary of Economy and Smaller Companies. The Ministry's Division of Smaller Companies (DEMT) is in charge of developing, outlining, and putting into effect policies that support small enterprises and encourage the launch of new ones. Additionally, it coordinates with several governmental and private organisations.</p> <p>The COVID-19 epidemic has prompted a more comprehensive strategy for supporting SMEs. The MSME Guidelines - "Guía Mypyme" (2020) include measures from eight Ministries that address a wide range of laws and regulations that are significant to SMEs, including those pertaining to finances, digitalization, labour, skills, procurement, and health.</p>	<ul style="list-style-type: none"> <li>◆ Recent key initiatives include a USD 12 billion Fiscal Stimulus Package, an infrastructure development programme, and a specific effort to streamline bureaucratic processes, encourage and expedite innovation and investment. Both place a strong emphasis on reinvigorating micro-SMEs through tax policies, financial aid, other sources of funding, and capacity training.</li> <li>◆ The "Reactivate Plan," which offers incentives of \$4,200 to SMEs that have been impacted by the epidemic, is another example of structural interventions. SMEs are encouraged by the government to go digital</li> <li>◆ SMEs Online Scheme, which gives access to e-commerce, social networks, payment methods, and digital marketing</li> <li>◆ Amending the Labour Code to encourage teleworking facilities for SMEs and remove regulatory barriers in this area;</li> <li>◆ Compra Agil Program to make it easier for SMEs to participate in public procurement while the State is still in charge of doing so;</li> </ul>
<p><b>Germany</b></p>	<p>In Germany, SME&amp;E policies are outlined as a component of particular SME plans.</p> <p>The "Valuing SMEs - Strengthening Opportunities - Reducing the Burden: The German SME Strategy" (2019) assists SMEs in overcoming the financial obstacles presented by a changing global economy as well as in preserving and strengthening their position in the face of domestic and international competition. It places a strong emphasis on enhancing both long-term competitiveness and resilience.</p> <p>The Federal Ministry for Economic Affairs and Energy in Germany maintains a SME Advisory Board made up of impartial specialists. It focuses on the present economic climate and potential outcomes for professional services and SMEs. On the effects that structural changes are likely to have on SMEs, the board provides advice to the Federal Minister. It also examines the impacts of domestic economic policies.</p>	<ul style="list-style-type: none"> <li>◆ A EUR 600 billion Economy Stabilization Fund to ring-fence companies of crucial importance for the economy, and a EUR 1 trillion Emergency Budget with loan guarantees and grants, including for small firms, the self-employed, and liberal professions.</li> </ul> <p><b>Additionally, structural reforms have been made:</b></p> <ul style="list-style-type: none"> <li>◆ German Recovery and Resilience Plan (DARP), which includes Project-Related Research and Climate Protection Research to help SMEs adopt sustainable solutions or to strengthen and increase their position and competitiveness on international markets. The "Development of Skills Alliances" in digitalThe programme aims to boost SME training participation while improving future-ready skills and assisting local business and innovation networks.</li> <li>◆ A EUR 130 billion support package for: - Increasing demand through a temporary VAT cut and easier access to income assistance for job seekers; - Promoting investment by businesses and local governments with a focus on housing and transportation; - Investing in a future-ready Germany to address climate change, sustainable mobility, innovation, and digital technology (EUR 50 billion).</li> </ul>

<p><b>Japan</b></p>	<p>In Japan, SME&amp;E policies are outlined as a component of a multi-year Action Plan.</p> <p>Execution and coordination of SME policy toward other players are handled at the national level by the SME Agency, which reports to the Ministry of Economy, Trade, and Industry (METI). Small businesses receive additional support from SME Support Japan and the Regional SME Support Centers, as well as broader SME support. To guarantee vertical coherence of policy delivery, METI and the regional prefectures collaborate.</p> <p>Annual reports are also created by the SME Agency. The “White Paper on SMEs in Japan” (2020) released recently highlights the significance of SMEs and small businesses for value creation, including at the regional level, and highlights variations in the goals and performance of SMEs, emphasising the need for policy that takes these into consideration. It also demands more collaboration.</p>	<ul style="list-style-type: none"> <li>◆ Safety Net Loan Scheme of JPY 720 million and Crisis Response Loan of JPY 300 million lending programmes offered by governmental financial institutions that have low interest rates help SMEs.</li> <li>◆ Cash Grants for SMEs (of up to JPY 2 million) for those that experience monthly revenue losses of 50% or more year over year.</li> </ul> <p><b>Additionally, structural actions have been taken:</b></p> <ul style="list-style-type: none"> <li>◆ JPY 117 trillion Economic Stimulus Package for the creation of benefits for SMEs who pay rent fees.</li> <li>◆ 430 billion yen (USD 4.1 billion) Part of the package aimed at SMEs encourages them to adopt IT solutions and create e-commerce sales channels, with subsidies supporting teleworking in particular.</li> </ul>
<p><b>India</b></p>	<p>The Government of India’s Ministry of Micro, Small, and Medium Enterprises serves as the supreme executive authority for developing and enforcing laws, rules, and regulations pertaining to micro, small, and medium-sized businesses in India. The National Board for Micro, Small and Medium Enterprises (NBMSME) was established by the Indian government in accordance with the Micro, Small and Medium Enterprises Development Act, 2006, to investigate the factors influencing the development and promotion of MSME. Additionally, this body examines current regulations and makes recommendations to the government for the development of the MSME sector.</p>	<ul style="list-style-type: none"> <li>◆ Government announced a special economic and comprehensive package of Rs. 20 Lakh crore for all the sections of the society including Industries and MSMEs.</li> <li>◆ Rs 20,000 crore Subordinate Debt for MSMEs.</li> <li>◆ Rs 3 lakh crores Collateral free Automatic Loans for business, including MSMEs.</li> <li>◆ Rs. 50,000 crore equity infusion through MSME Fund of Funds.</li> <li>◆ New revised criteria for classification of MSMEs.</li> <li>◆ New Process of MSME Registration through ‘Udyam Registration’.</li> <li>◆ No global tenders for procurement up to Rs. 200 crores, which will help MSMEs.</li> <li>◆ Prime Minister’s Employment Generation Programme (PMEGP)</li> <li>◆ Scheme of Fund for Regeneration of Traditional Industries (SFURTI)</li> <li>◆ Scheme for Promoting Innovation, Rural Industry and Entrepreneurship (ASPIRE)</li> <li>◆ Entrepreneurship and Skill Development Programme (ESDP)</li> <li>◆ Credit Guarantee Fund Scheme for Micro and Small Enterprises</li> <li>◆ Pradhan Mantri Mudra Yojana (PMMY)</li> <li>◆ Champions Portal - The portal covers many aspects of e-governance</li> <li>◆ including grievance redressal and handholding of MSMEs.</li> <li>◆ Samadhan Portal - for MSMEs to directly register their cases on the portal relating to delayed payments by Central</li> <li>◆ Ministries / Departments/ CPSEs/ State Government &amp; other buyers</li> </ul>

# Guest Article

## South Asia; Economic Integration – A Reality or Fantasy?

By Ajith D Perera: A Banker turned corporate and has over 20 years exposure in both retail and corporate sector locally and internationally. He is the president of Professional Business Coaches Association and Executive Secretary of Asia Pacific Trade Agreement Chamber of commerce and Industry. He was also the Secretary General/CEO of Federation of Chambers of Commerce and Industry from 2014 to 2022. He is a writer and speaker on Trade Agreements.



### Policy Recommendations to revive and activate the dream of South Asian economic integration

**Back Ground:** South Asian Association of Regional Cooperation (SAARC) was initially formed in 1985 as an organization aimed at political, economic, social and cultural cooperation and integration with seven Member States such as Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka, In 2007, Afghanistan too joined SAARC. SAARC has 9 observers including EU, US, China and Japan. In fact incorporation of SAARC was a good news for countries divided and disputed over many political and social issues.

At the beginning, SAARC governments, showed the courage, willingness and farsightedness to do business collectively within SAARC countries. South Asian Free Trade Agreement (SAFTA), SAARC Framework Convention on Energy Cooperation, Formation of SAARC Development Fund, South Asian University, SAARC Regional Standards Organization, SAARC Arbitration Council and SAARC cultural center were good examples to support this statement.

The slow progress of SAARC compelled state leaders in Male [1997], and Colombo [1998] to endorse the concept of sub regional cooperation, e.g cooperation among three or more members on issues of interest to them.

Unarguably the progress in SAARC has been slow. The formal intra trade between SAARC countries is around

5 % as opposed to similar power blocks such as ASEAN - 32 % and APTA- 20 %.

It's a common knowledge that SAARC is engrossed in political, ethnic and social strife and receive the world attention on any given day and this creates a negative perception globally.

### Reasons for slow progress of SAARC economic cooperation

The objective of this draft policy document is to have a look at the main issues and shed light on possibilities of working towards the initial objectives of SAARC for economic integration.

### Following are recommended proposals for Implementation by SAARC countries.

**A) Question of applicability of most favored Nation (MFN) status by India and Pakistan:** The past practice between two countries implicate that both countries do hesitate to grant Most Favored Nation (MFN) treatment to each other and imposition of heavy taxes by both sides further aggravate the depleted trade between two countries. This reason pushed traders from both countries to get engaged in informal trade activities through trading houses in UAE and individuals through other entry / exit points between two countries. The notable feature is India and Pakistan being biggest trading partners in the SAARC do record more unofficial trade than official trade, which is generally accountable for less than 25 % of formal trade in other economies.

Its recommended that granting MFN status has to be from a trading point of view and should desist from applying political considerations for granting MFN status.

#### B) Disbursement of SAARC development fund (SDF):

According to reports released by SDF which was established and inaugurated on 28 April, 2010 by the Heads of States/Governments during the Sixteenth SAARC Summit held in Thimphu, Bhutan. The cumulative capital of SDF as of 2020 is USD 529.37 million.. The cumulative fund commitment under the three funding windows including MSME Program allocation stands at USD 198.23 million, of which, SDF has disbursed about USD 62 million only. The main barrier for approval and disbursement of SDF is the rule that the project should deal with at least three countries, which is most of the time not possible due to trade barriers and non-recognition of conformity standards exist within SAARC countries for products or due to the nature of projects itself.

Its recommended to introduce a new disbursement methodology for SDF (SAARC development Fund) among the private sector of SAARC countries.

#### C) Land based transportation system among SAARC countries for Regional connectivity:

This arrangement very much serving land locked countries to reduce the cost and time of transportation. This arrangement was called SAARC Motor Vehicle and railway agreement and was to be signed at the 18 th SAARC summit in 2014 but was abandoned at the last minute since some of the SAARC countries deferred their decision to sign the agreement. .it's estimated that once this project is completed that will increase the regional trade by 60 % while that with rest of the world by 30 %. Despite the setback a frame work agreement was signed in 2015 among Bangladesh, Bhutan, India and Nepal (BBIN), subject to ratification by national governments and later except for Bhutan

all other countries ratified the agreement. On 1st of November 2015 first truck of DHL Global under the pilot project left Kolkatta and the truck travelled 640 Km to reach Agartala (India) via Dhaka ( prior to signing of the BBIN motor vehicle agreement the truck would have had to travel 1550 Kn through Indian territory to reach Agartala!

Under this frame work agreement signed in 2015 there are three more instruments waiting for signatures namely enabling MOU, A cargo protocol and a passenger protocol. Bhutan has not agreed to sign since they are yet to ratify the framework agreement. Bangladesh, India and Nepal are expected to sign the passenger protocol soon. The other two agreements are yet to be cleared by Nepal but Bangladesh and India are agreeable.

It is recommended to encourage all SAARC countries to sign Motor Vehicle and railway agreement to improve trade and regional connectivity within the region

#### D) Mobility for businessmen Among SAARC Region:

business travelers: All SAARC countries used to issue SAARC visa exemption stickers under the SAARC Visa Exemption Scheme for the private sector. However since early 2020 this scheme has not been in force due to expiry of recognition granted to SAARC chamber of commerce and Industry. This scheme was very useful to all businessmen within south Asian countries. It was also very encouraging that special clearance desks were also set up at air ports such as Chennai, Lahor,Dhaka etc for speedy clearance.

Its requested for SAARC countries to resume issuance of SAARC visa exemption scheme and Its also requested for SAARC countries to issue a SAARC passport similar to that of EU passport which may overcome most of the operational and security issues confronted through issuance of Visa scheme.

According to SAARC Immigration authorities despite many discussions held to implement an unified

and standardized software system for SAARC visa exemption scheme. However the process has not gathered up the momentum.

**E) Encourage SAARC Tourism:** Tourism has virtually become one of the non-priority sectors under SAARC mechanism. Its evident that processing of both visit and business visa in many SAARC member countries does take a longer period and some countries do not issue visa on arrival or even transit visa due to security reasons. Tourism Ministerial meeting does not take place regularly and this may be one of the basic reasons for relatively slow cooperation in Tourism Sector.

Its recommended to encourage implementation of the roadmap adopted at the SAARC Tourism Ministerial Meeting held in May 2006 at Cox Bazar, Bangladesh for promotion of Tourism supported by an efficient Visa Processing system.

**F) Connectivity of Capitals:** the frequency of flights or access to neighboring countries are very poor in the 'SAARC region. As a result, most of the travelling across SAARC is happening via Dubai or

1. To adapt the code sharing facility by air lines operating within the SAARC region and calling for CEO forum of all airlines operating within SAARC region to develop a closer cooperation among airlines
2. To introduce SAARC air service agreement and Aviation traffic rights 1 to 5 need to be facilitated within the region and at least flight operations connecting capital cities need to be initiated as priority concerns and can be later extended to other commercial cities.
- 3) To establish dedicated counters at immigration points at SAARC airports for prompt and smooth clearance of SAARC passengers.
- 4) To introduce SAARC telecom tariff charter and extending Roaming facility to all SAARC countries by introducing special discounted package through each country telecom service providers.

Qatar. Adding misery to this issue is no airline from SAARC countries serves all member countries or key destinations or capitals leaving no option for South Asian travelers but to depend on non SAARC Airlines. E.g Due to the limited number of flights the passenger from Pakistan cannot reach Maldives or Bangladesh or Sri Lanka in the same day, which is equally true for Afghanistan passengers intending to travel to Nepal, Bhutan and Maldives and vice versa Its recommended.

**G) Currency swapping and currency exchange:** A mechanism does not exist in member states (except for Sri Lanka-India, India-Nepal and India-Bhutan), the money changers don't convert currency of each other countries due to which travelers have to pay unnecessary commission for exchange of currency. Since recently the notable development was recorded In Sri Lanka. As a result Sri Lanka's monetary authority has declared Indian Rupee as an authorized currency to use for international trade.

Its recommended to have a common currency system like the one in EU (Euro currency). Sometimes back this idea was proposed by Sri Lanka at a SAARC summit.

**H) Exchange of information regarding credit and risk management:** SAARC countries do not have a proper system for Exchange of information regarding credit and risk management: This has made difficult for traders, importers and exporters of SAARC countries to create credit for their customers. It is not a secret that the credit create businesses and trade volumes. In fact there is no reliable or trust worthy mechanism for stakeholders including investors within SAARC member countries

It is recommended to establish a mechanism of sharing SAARC credit and risk management information system such as Trusted Trader Certification System.

to share credit and risk information with another stake holder from another country.

- 1) Climate Change:** While climate change is a global occurrence, South Asia will likely be one of the hardest hit regions – the Global Climate Risk Index (2021) by Germanwatch ranked Afghanistan, and India as 6 th and 7 th Most Affected Countries in 2019. Meanwhile The Long-Term Climate Risk Index (CRI) based on annual averages ranked Bangladesh, Pakistan, Nepal as the 7 th, 8th and 10 th most affected countries from 2000 to 2019.

CRI report further disclose Floods in Afghanistan (2019) were the most devastating – approximately 120 000 people were affected, and 12 000 homes were either destroyed or damaged by the floods and mudslides . India was affected by the yearly monsoon season In 2019, Overall, 11.8 million people were affected by the intense monsoon season with the economic damage estimated to be US\$ 10 billion. In Pakistan an estimated 5 million people remain exposed to or living close to flooded areas. Further Due to floods the 2022/23 rice production estimate is lowered to six million tons, which is the lowest rice crop since 2012/13.

**Its strongly recommended to further strengthen the politically and institutionally weak arrangement to implement the SAARC climate declaration and an action plan on climate change**

Stability and security are vital to create a positive environment for investments and all SAARC countries need to think of introducing an effective institutional frame work agreement under SAARC secretariat on subjects such as counter terrorism and smuggling, and Poverty alleviation that frequently disturb the business environment in SAARC region.

- 1) Salient features, Challenges of MSME's in South Asian Region:** Micro, small, and medium-sized enterprises (MSMEs), including cottage firms, are an Integral Part of the economy in south Asia. According to Asia SME monitor (2021) Traditionally, MSMEs

are mostly low-tech and in the region counted for an average 99.6% of all enterprises, 76.6% of the workforce, and 33.9% Of A country's Gross Domestic Production. In Bangladesh, 87% of manufacturers sell their products locally. About 85% of workers in Nepal are informal SME. Asia monitor (2021). MSMEs in India contribute an average 47% of overall exports (fiscal year [FY]2013–FY2020), higher than the Southeast Asian average of 19.2% (2010–2020).

- 2) Inadequate MSME credit market:** Limited access to financial services is a chronic problem for MSMEs and has become more serious during the pandemic, according to Asia SME monitor (2021). Across South Asia ,bank lending to MSMEs was equivalent to an average 7.0% of a country's GDP (2015–2019) and 14.8% of total bank lending (2015–2020). Another challenge is MSME non-performing loan Its recommended for South Asian Governments to offer several financial assistance options to MSMEs using interest subsidies, refinancing, credit guarantees, and mandatory lending quotas, contributing to MSME credit growth.
- 3) SME Equity Markets:** A dedicated SME equity market has been created in Bangladesh (2019) and India (2012) ,Pakistan and Sri Lanka (2018) however Attracting more SME issuers and investors in these new markets is a key challenge to MSME 's. Its recommended for SAARC countries to open a special equity window at SAARC Development Fund to cater to Equity Market.
- 4) Lack of data infrastructure for effective monitoring and policy interventions for expansion of financing options as a core strategy.**

Its recommended for SAARC countries to develop MSME data infrastructure that helps each country effectively monitor the growth of MSME's , Potential for credit, rate of recovery of loans and pay the way for policy interventions and finally to design a national and sustainable MSME growth strategies to create a salient MSME sector.

# COUNTRY FOCUS

# SOUTH AFRICA

## Population

57,516,665 (2022 est.) with 68.8% Urban population  
Country comparison to the world Nationality: 26

## Ethnic groups

Black African 80.9%, Colored 8.8%, White 7.8%,  
Indian/Asian 2.6% (2021 est.)

## Youth unemployment rate (ages 15-24)

Total: 64.2% , Male: 59.8% Female: 69.3% (2021 est.)

## GDP – composition, by sector of origin

Agriculture: 2.8% (2017 est.)

Industry: 29.7% (2017 est.)

Services: 67.5% (2017 est.)

## Industries

Mining (world's largest producer of platinum, gold, chromium), automobile assembly, metalworking, machinery, textiles, iron and steel, chemicals, fertilizer, foodstuffs, commercial ship repair

## Country Snapshot

The southernmost nation on the African continent, South Africa, is well known for its diverse topography, stunning natural beauty, and rich cultural diversity. Three cities function as the capitals of South Africa: Pretoria, which is the executive, Cape Town, which is the legislative, and Bloemfontein (judicial). The commercial and residential hub of the nation, Johannesburg, is located in the densely populated Gauteng province.



An important industrial hub is Durban, a port on the Indian Ocean. Along the southern coast of the nation, East London and Port Elizabeth are significant centres for commerce, industry, and culture. South Africa currently has a diversified economy that is largely stable and dependent on its rich natural resources, lush agricultural lands, tourism destinations, and highly developed intellectual capital.

## Definition of MSME in South Africa

The National Small Business Amendment Act of 2003 is the sole law directly addressing the classification of MSMEs in South African public policy. Listed below is the categories adopted by the government based on turnover:

	Micro	Very Small	Small	Medium
Threshold	<Rs 500,000	Rs. 500,000 <Rs 1 million	Rs 1 m <Rs 5 million	Rs 5m <Rs 20 million

## Classification of MSMEs in South Africa

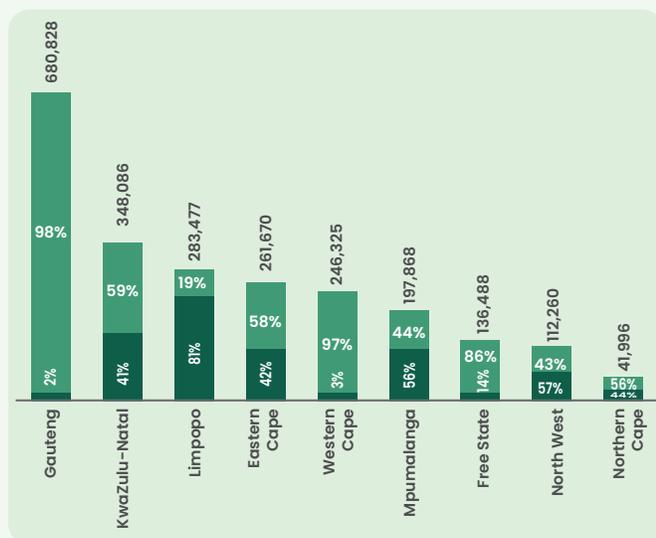
About 37% of South Africa's 2.6 million micro, small, and medium-sized businesses (SMEs) are regarded as formal. Out of 54% of the total are micro-enterprises, 15% of the total are situated in rural areas.

### MSME count by urban and rural areas

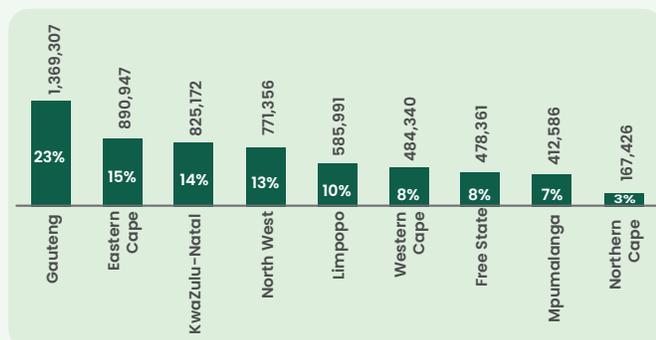


Source: StatSA PALMS database, 2008–2017

### QLFS (2017)

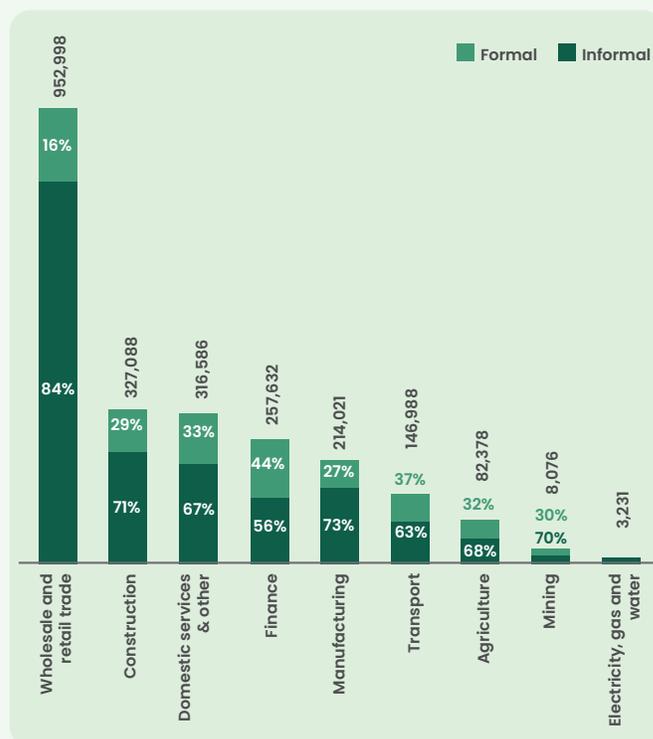


### FinScope Small Business Survey (2010)



Source: StatsSA PALMS dataset, 2017; FinMark Trust, 2010 FinScope Small Business Survey

### MSME distribution across industrial groupings filtered by formality



Source: StatsSA PALMS dataset, 2017

### MSME distribution based on gender of the owners

While in 2008, 48% women and 52% men were owners of MSMEs, there has been a 10% decline in women ownership and by 2017 this figure stood at 38% for women and 62% for men.

### Contribution of MSME in South Africa

MSMEs contribute more than 40% of total GDP and account for more than 87% of all employment. Research conducted in 2020 by the FinMark Trust estimates that enterprises grew to over 2.6 million businesses (from about 2.2 million in 2010), employing over 12.9 million workers (from 9.7 million in 2010), with an estimated turnover of around ZAR 3.1 trillion. Although the number of SMEs has expanded more slowly than the economy over the past ten years, their contribution to South Africa's gross value-added—the country's GDP without taxes and subsidies—has increased from 18% in 2010 to 40% in 2020.

## MSME employment creation by industry:

MSME Employment	Agriculture	Mining	Manufacturing	Electricity and gas	Construction	Wholesale trade	Transport	Finance	Domestic service and other
0	23%	30%	66%	50%	35%	78%	58%	59%	69%
1	7%	0%	9%	0%	12%	4%	7%	4%	6%
2 to 4	23%	0%	14%	25%	32%	11%	21%	4%	6%
5 to 9	21%	10%	5%	0%	11%	4%	8%	9%	6%
10 to 19	12%	30%	3%	0%	7%	2%	4%	7%	3%
20 to 49	11%	10%	2%	25%	3%	1%	1%	3%	1%
50+	4%	20%	1%	0%	1%	0%	2%	2%	0%
	0-2.5%	2.5-5%	5-20%	20-40%	40-60%	60-100%			

## Challenges faced by MSME sector in South Africa:

Some of the challenges which have been reiterated by various studies conducted on the status of MSME in South Africa include:

- ★ **Regulatory red-tapism:** MSMEs questioned for the SBP 2014 MSME Growth Index reported dealing with regulatory red tape for an average of 75 hours per month, or eight working days. The ILO calculated the cost of regulatory compliance for MSMEs in South Africa to be 216,000 rand annually using data from the SBP MSME Growth Index and Davis Tax Commission figures.
- ★ **Business registration:** According to the World Bank's Doing Business index, South Africa ranks 136 out of 190 nations on how easy it is to establish a business. In Sub-Saharan Africa, the process of registering a business takes an average of 22 days; in contrast, the average in South Africa takes 45 days. In reality, the registration procedure can take significantly longer, with some businesses reporting it might take up to six months.
- ★ **Tax compliance:** South Africa ranks 46 out of 190 nations in the World Bank's Doing Business report on the criteria measuring how easy it is to pay taxes. Businesses must submit seven payments to SARS on average each year, which takes 210 hours

on average. The Davis Tax Committee determined that the average cost of small enterprises to comply with tax laws is R20,500 for tiny firms, this amounts to at least 4% of the company's yearly revenue but may be significantly higher.

- ★ **Licensing and certification:** It has turned out to be a time-consuming and expensive process to earn these credentials. For instance, five government entities must evaluate and approve a request for a company licence in Johannesburg.
- ★ **Access to financial services:** (a) Transactional banking: The high bank penetration rate in South Africa masks poor utilisation of formal financial services. Although they frequently have access to transactional and savings products, small businesses typically use very little insurance and credit. (b) Start-up capital: Although South Africa has a well-established Private Equity/Venture Capital industry, the great majority of funds are directed toward late-stage investments. Fewer than 4% of PE funds under management are allocated to early-stage investments, and less than 2% of VC funds are allocated to start-ups.
- ★ **Access to credit:** The formal MSME credit gap in South Africa is valued at \$30 billion, according to the IFC. The IFC calculates a potential credit demand of \$24 billion for the unorganised sector. The FinScope Small Business Survey shows that

there are 779,321 formal enterprises with unmet demand and 1,997,270 informal firms with unfulfilled demand. Credit gap is due to

- a) High administration and information collection costs
- b) Poor financial record keeping
- c) Limited access to collateral

★ **Access to skills:** Compared to many other productive nations, South Africa's workforce has a lower level of education and skill base; only 20% of those in employment have a degree from an accredited university, 32% have finished high school, and nearly half do not have a grade 12 diploma. Other issues include lack access to a high-quality education, low completion rates, and a poor transition from basic to secondary to postsecondary education. Based on a number of metrics, the Global Entrepreneurship Index rates South Africa's entrepreneurial ecosystem. The MSME Growth Index highlighted skills as the second biggest barrier to MSMEs hiring personnel, after strict labour law.

★ **Access to markets:** (a) Public procurement: For small enterprises, joining public supply chains is expensive. A B-BBEE certificate can be obtained by organisations that have a turnover under 10 million rand or have been in operation for less than a year by submitting an affidavit, but other eligible small businesses that are not majority-owned by black people must adhere to the scorecard requirements. 45 percent of the 457 government departments and public bodies in South Africa failed to satisfy their own 30-day payment deadline for the 2015–2016 fiscal year, with 13 percent needing more than 90 days to complete payments. Poor financial management and cash flow issues were mentioned by government departments as the primary causes.

b) Corporate supply and distribution chains: There are numerous industries, like those that manufacture food and beverages, apparel and textiles, and cars, where there are backward and forward linkages that provide small firms in South Africa tremendous opportunity to enter value chains.

★ **Global value chains: (i) Transaction costs:** In terms of trade across borders, South Africa is placed 147th out of 190 nations in the World Bank's Ease of Doing Business Index. It takes 100 hours to complete border compliance for export trade, as opposed to 49 and 20 hours in Brazil and Mexico, respectively.

ii) **Managing standards and certification:** The only body responsible for setting standards in South Africa is the South African Bureau of Standards, which answers to the Department of Trade and Industry. Given their typical geographic locations, informal MSMEs are disproportionately impacted by standards and certification, and rural-based MSMEs, particularly those owned by women and youth, are challenging to reach.

iii) **Trade finance:** Some information about MSME exporters in South Africa was found in the World Bank's 2010 Financial Crisis survey. According to the poll, MSMEs that are "export finance ready" are more likely to have their requests for trade financing accepted by banks. This includes having a history of exporting and having more administrative staff, such as management and administrative personnel with exporting experience. This indicates that in order for MSMEs to be better candidates for trade financing, just as with other types of financing, capacity building is necessary.

### South African government's intervention to strengthen MSME sector

★ Parliament is examining a red tape impact assessment measure to reduce regulatory red

tape. The OECD also suggests creating a new Red Tape Impact Assessment Unit to examine all new laws and give regulatory agencies the aim of cutting red tape by 25% over the course of the following five years.

- ★ To address tax compliance issues, South Africa has two unique tax regimes for small businesses: the small business corporation system and the turnover tax regime.
- ★ The Broad-Based Black Economic Empowerment score system, which is designed to support the growth of black-owned firms, is the main tool used by the South African government to steer public procurement toward development goals. The system was modified in 2017 to put

a greater emphasis on MSMEs; as a result, 30 percent of all large contracts must, whenever possible, be subcontracted to micro enterprises and small businesses owned by people of colour, and suppliers that make investments in supplier and enterprise development are given more B-BBEE points.

- ★ Appropriate regulation and streamlining of Development Financial Institutions (DFIs)
- ★ A Financial Inclusion Policy which has a pillar dedicated to SME Access to Finance
- ★ Under the FSDRP, South Africa has developed an SME Access to Finance Action Plan, which proposes the introduction of the following initiative

### Public MSME development stakeholders and programs

Department of Small Business Development		Department of Trade and Industry	Presidency
Small Enterprise Development Agency: Provides BDS for MSMEs through its network of branches across the country	Small Enterprise Finance Agency: Provides direct and wholesale lending (debt/equity) to MSMEs	National Empowerment Fund: Financial and non-financial support for black-owned businesses, including MSMEs	National Youth Development Agency: Provides financial and non-financial support for young entrepreneurs
Black Business Supplier Development Program: Cost-sharing grant assisting black-owned MSMEs to improve their competitiveness	Co-operative Incentive Scheme: 100% grant for primary co-operatives to improve viability and competitiveness	Industrial Development Corporation: A national development finance institution focusing on industrial development	Department of Science and Technology
Shared Economic Infrastructure Facility: A grant for local municipalities to invest in business-facilitating infrastructure	National Informal Business Upliftment Strategy: Support to local chambers/municipalities to help the informal economy	Incubation Support Program: Support to private incubators in order to nurture the growth of start-ups into MSMEs	Technology Innovation Agency: Provides a series of funds to promote innovation and disseminate technology among MSMEs
<b>Legend:</b>	Government department	Department agency	Department program

Source: Lewis and Gasealabwe, 2017 Lowering Barriers to Entrepreneurship & Promoting Small Business Growth in south Africa; and organization websites

### MSME incubators in South Africa

- ★ South African business incubator focusing on integrating high-performing micro- and small-enterprise supply chains. The programme is provided as a six-month intensive training

course with the addition of a mobile app-based virtual incubator to offer ongoing business support and a networking platform for entrepreneurs.

- ★ Raizcorp: The South African business incubator Raizcorp targets high-potential companies through a rigorous vetting procedure. The company's core product is access to markets, capital, business advice, back-office assistance, entrepreneurial education, and infrastructure.
- ★ Shanduka Black Umbrellas: A three-month pre-incubation programme is provided by Black Umbrellas as a requirement for the complete three-year incubation. This includes standard-priced bookkeeping services, access to networking and marketing events, continuing mentoring, help with financial access, and training for both professional and personal growth.
- ★ The Innovation Hub: The Department of Economic Development was established by the Gauteng Provincial Government to promote economic growth and the competitiveness. Numerous incubation programmes are available through the Innovation Hub in the bioeconomy (agro processing and pharmaceuticals), smart industries (ICT and advanced manufacturing), and green economy (water filtration, waste management, and renewable energy).

## MSME financing providers

	Banks	MFI	PE/VC	AltX	Fintechs	Government
Typical segmentation						
Estimate of financing quantum	Aggregate loan portfolio of R160 billion	Total unknown - business loan portfolio upward of R1.5 billion	Allocation to MSMEs unknown estimate of R36 billion for PE and R3.5 billion for VC	Market capitalization of R12.95 billion	Total unknown - lending upward of billion R500 millions	Upward of R17

### Banks

- ◆ Absa Bank, headquarter - Johannesburg
- ◆ Standard Bank, headquarter - Johannesburg
- ◆ Capitec Bank, headquarter - Western Cape

### MFI

- ◆ Small enterprise foundation, headquarter - Limpopo
- ◆ Marang microfinance, headquarter - Kwazulu Nata
- ◆ The Kuyasa Fund, headquarter - Cape Town

### PE/VC

- ◆ Naspers, headquarter - Cape Town
- ◆ Knife Capital, headquarter - Cape Town
- ◆ 4Di Capital, headquarter - Cape Town

### Fintechs

- ◆ Fundrr, headquarter - Cape Town
- ◆ Lulalend, headquarter - Cape Town
- ◆ Merchant Capital South Africa, headquarter - Johannesburg

### Government:

- ◆ National Empowerment Fund (NEF), headquarters - Johannesburg
- ◆ Industrial Development Corporation (IDC), headquarters - Sandton
- ◆ Small Enterprise Finance Agency (SOC) Ltd, headquarters - Centurion

# GLOBAL INDUSTRY SECTOR

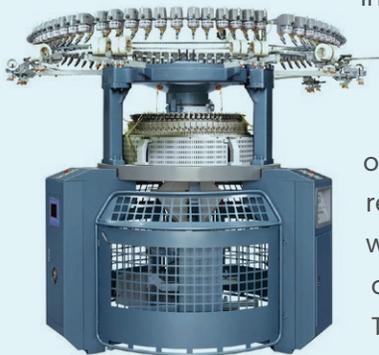
## The Evolution of Technology in Textile Industries

The main industry of the first industrial revolution and the first to employ contemporary production techniques was the mass manufacture of textiles in the 18th century. Using cutting-edge inventions like the power loom, cotton gin, and sewing machine as a foundation, the TCLF (mechanised manufacture of textiles, apparel, leather, and footwear) revolutionised how work was organised and produced in a variety of industries.

Globalisation, climate change, changing demographics, and technological advancements are all significant megatrends that have significantly altered several industries over the past few decades.

### Robotics and Automation

Industries are changing as a result of automated technologies. In many industries, hand cutting of fabrics has already been replaced by **laser cutting**, which has developed quickly over the previous 20 years. The 1.2 million T-shirts that



will be able to be produced annually by **sewbots** in the Tianyuan plant that will be built in Little Rock, Arkansas, will cost only \$0.33 each, which is less than what is currently feasible in low-cost nations. Due to the potential for the technology to facilitate the reshoring of production to Germany, **3D printers and robotic arms** that produce running shoes in Adidas', highly automated manufactured facility in Ansbach, Germany, have garnered media attention. In an effort to put production closer to important markets and consumers, high street stores now carry **knitting machines** that can manufacture sweaters in just two hours.

### Digitalization

**Market intelligence** helps assist businesses in analysing and comprehending countless data points regarding current industry trends (AI), enabling businesses to identify microtrends in what is being bought and where (AI) Permit a brand to examine data from RFID tags and sensors incorporated into clothing to discover actual consumer usage and the characteristics of the materials used (RFID, sensors, AI.)

In the area of **Design**, digitisation assist designers in predicting anticipated demand for new items (AI), permit consumers and designers to see how designs will appear in actual settings (AVR) aid in classifying,



improving colour selection, and avoiding errors for designers (new software) and utilise software that recognises contours and body shapes to assist designers in tailoring clothing to certain body sizes and shapes (new software).

In the context of **Materials**, digitisation assist producers in predicting a garment's mechanical qualities (RFID, sensors), help find and analyse problems in clothing by classifying and grading it (AVR, new software) and aid manufacturers in future selections of the best raw material vendors and textiles (AI).

For **suppliers & logistics**, it help companies and manufacturers manage their supply chains more effectively and produce just-in-time (RFID, sensors, Internet of Things, AI, blockchains), improve logistics management, decrease manufacturing delays, and overcapacity and assist buyers and suppliers with payment processing and accounting (blockchains)

In the domain of **Production**, it helps manufacturers with production planning, control, and online monitoring (using RFID, sensors, the Internet of Things, AI, and blockchains), contribute to the process optimization of manufacturers' spreading, cutting, bundling, sewing, pressing, and packaging operations (RFID, sensors, Internet of Things, AI, blockchains), assist companies and consumers in tracking environmental performance (RFID, sensors,

Internet of Things, AI, blockchains), occupational safety and health (e.g., noise, dust, heat, air quality), and working conditions (e.g., hours and overtime).

In **Marketing**, it help brands better target certain consumer demographics and groupings (new software, AI), allow businesses to contact and engage with consumers on social media more effectively (new software, AVR, AI) and it permit brands and merchants to affect consumers' purchasing decisions (new software, AI)

For **Retail**, it assists a brand in understanding when, how, and through which channels consumers shop (RFID, sensors, AI). A brand can use RFID, sensors, AI, and blockchains to better understand how customers interact with apparel in-store, it allows personalised offers based on previously purchased items which might assist shops in selling additional merchandise (AI, new software, blockchains)

In the arena of **Customer service**, it helps immediately respond to inquiries by employing chatbots (AI) enhancing the shopping experience with conversational AI shopping assistants who provide goods and services (AI) and customers to receive recommendations based on their recorded needs or previous product searches (AI)

## New materials

New materials are being developed to replace or supplement current resource-intensive raw materials (such as fibres made from bamboo and orange trees), improve performance (such as help regulate body temperature, reduce wind resistance, control odours and muscle vibration), connect users to web applications, enhance aesthetics (such as fabrics that can change colour or light up according to the user's mood), and protect the wearer from radiation, dry skin, or ageing. Innovative techniques for recycling materials, man-made nanomaterials, such as cotton blend fabrics that kill bacteria or conduct electricity, extremely thin silicon circuits, which may lead to wearable, high-performance

medical and communication devices, and even metamaterials that render whatever they cover undetectable, are a few of them.

In addition, Qmilk has developed a technology to transform leftover milk into a silk-like, biodegradable fabric. Re:newcell, a start-up firm backed by LAUNCH NORDIC, has discovered new ways to turn used cotton and viscose into biodegradable fibres, yarn, and fabrics.

### Types of technology textiles Practices around the globe in using

	<b>Agrotech</b> Horticulture + landscape gardening, agriculture + forestry, animal keeping		<b>Meditech</b> Hygiene, medicine
	<b>Buildtech</b> Membrane, lightweight + massive construction, engineering + industrial building.		<b>Mobiltech</b> Cars, ships, aircraft, trains, space travel
	<b>Clothtech</b> Garments, shoes		<b>Oekotech</b> Environmental protection, recycling, waste disposal
	<b>Geotech</b> Road infrastructure, Railways, Irrigation and Hydraulic structures, Waste Landfills, Dams etc.		<b>Packtech</b> Packaging, protective-cover systems, sacks, big bags, container systems
	<b>Homotech</b> Furniture, upholstery + interior furnishing, rugs, floor coverings		<b>Protech</b> Person and property protection
	<b>Indutech</b> Filtration, cleaning, mechanical engineering, chemical industry		<b>Sporttech</b> Sport and leisure, active wear, outdoor, sport articles.

### technology textile

**Brazil:** The technical textile sector in Brazil currently



has about 200 enterprises and employs over 40,000 people. The US International Trade Administration's (ITA) report predicts that Brazil's technical textile industry would grow at the quickest rate. Disposable nonwovens with end use applications such as air and liquid filtration (9.4%), absorbent hygiene (8.4%), and wipes (7%), are included in this industry. The only technological textiles used in the automotive industry are those in the durables market, where their growth is approaching that of disposables. Brazil has so far become a significant global consumer of disposable sanitary linens.

**India:** The Union Ministry of Textiles in 2022 approved 23 key research projects costing roughly INR 60 crores in the fields of Specialty fibres, Sustainable Textiles, Geotextiles, Mobiltech, and Sports textiles. The Flagship Program "National Technical Textiles Mission" is where these strategic research initiatives fit in. 12 Specialty Fibers Projects with applications in Agriculture, Smart Textiles, Healthcare, Strategic Application, and Protective Gears were approved from among these 23 Research Projects. Four sustainable textiles projects with applications in the agricultural and healthcare sectors were approved. Also approved were 5 projects from Geotextile, 1 from Mobiltech, and 1 from Sportech.

**Spain:** Technical textile cate may contain as many as 280 Spanish businesses. 60% of them also create other textile products, compared to 40% who just produce technical textiles. Sati, Tecniker SL, Texbor SA, and many other companies are examples of typical technological textile companies. Protective apparel, geotextiles, and agriculture are the primary sectors for technical textiles growth in Spain. In comparison to other European nations, Spain does not have the same level of associational and educational infrastructure support for the technical textile industry. Extending the product base, making investments abroad (joint ventures), and reforming conventional textile companies are all steps taken to improve the business.



# Face *to* Face

**H.E. Dr. K. C. Jankee**  
Ambassador of Government  
of Mauritius in Russia and  
President, WASME

★ **With the countries globally struggling in the aftermath of covid pandemic, Russia-Ukraine war, trade deficit and recession, what are some of the best practices initiated by national governments for safeguarding MSME sector at global and domestic level?**

During this extremely difficult period, several governments are urgently implementing policies to assist SMEs and the self-employed, with a significant emphasis on programmes to maintain short-term liquidity. For instance, Central Banks have intervened to encourage lending in several nations by easing financial constraints and enabling commercial banks to extend additional loans to SMEs. A number of nations have enacted laws governing working hours reduction, temporary layoffs, and sick leave, some of which are specifically aimed at SMEs. Similar to this, governments offer pay and income support to businesses that want to maintain employment or to workers who have been temporarily laid off. Many nations have implemented policies that allow for the postponement or relief on tax, social security, debt, rent, and utility payments in an effort to relieve liquidity difficulties. Additionally, some nations are implementing policies addressing the

The government of Mauritius appointed Dr. K. C. Jankee as Ambassador in December 2014. Apart from his academic and professional qualifications, his engagement in policy making and advocacy have been instrumental for representing the country as ambassador. In the foray of diplomacy in the backdrop of changes in the world economic order and the need for economic diplomacy to address the challenges, his continued interest in business development with emphasis on MSMEs motivated him to reiterate the needs in international forum and policy. He has been linked with WASME since his first tenure as its President from 2005 to 2008. Under the guidance of the governing body and support of the secretariat, he feels confident that WASME would cover some new grounds in its mission to achieve international collaboration and cooperation.

public procurement process. To make up for the decline in sales, several nations offer SMEs and other businesses grants and subsidies. Countries are increasingly implementing structural policies to assist SMEs in adopting new working practices and (digital) technology as well as in finding new markets and sales channels in order to maintain operations despite the current containment measures. To track the crisis' effects on SMEs and improve the governance of SME-related policy

responses, certain nations have put in place specific programmes.

★ **What are your views regarding the kind of necessary steps that can be undertaken by countries to reduce inequality and to achieve gender empowerment?**

Small businesses cater to areas, communities, and markets that lack the scale to draw larger companies and have the ability to revitalise economically underdeveloped communities by spending more of the money they earn locally. MSMEs typically require a lot of labour; they employ a wide range of people, including low-skilled and uneducated individuals as well as rural and urban poor. MSMEs also provide chances for employment and entrepreneurship for young people, women, and other underrepresented groups, such as immigrants, members of disadvantaged ethnic groups, and persons with disabilities. Therefore, MSMEs are essential for raising the earnings of the bottom 40% of the global population. Following the global financial crisis of 2007–2008, the productivity gap between MSMEs and large businesses widened leading to rise in inequality, particularly salary disparity, in many emerging and developing nations. The key to lowering wage disparities is investing in MSME growth and boosting their productivity and competitiveness. MSMEs to achieve SDG 10 (of Reducing inequality) can adopt actions such as equal pay rules for male and female employees with the same level of skill; organise skill-building and career coaching opportunities for employees from marginalised and vulnerable population groups; provide social protection mechanisms to employees, including payment for life, accident, and unemployment insurance, contributing to social security of employees, and ensuring paid leave in accordance with legal requirements.

MSMEs must therefore concentrate on implementing technology-supported changes that are specific to their goals. These can be done through acquiring the technological know-how and skills necessary for the use of new digital business tools.

MSMEs can be encouraged to implement gender inclusive policies in their value chains and business practices.

Women-owned formal MSMEs are more prevalent in MSME sectors such as retail and wholesale as well as the healthcare, cosmetics, and beauty industries but their participation in the manufacturing, agricultural, and construction sectors is marginally lower. Women-owned and led businesses do, however, confront a number of obstacles, the most important of which is restricted access to capital. However, because they work mostly in low-skilled positions, women often suffer low pay, unfavourable working conditions, and a lack of social security, maternity benefits, or anti-sexual harassment laws. This entails ensuring equal pay and benefits for work of equal value, having zero tolerance for any form of workplace violence, supporting women through flexible work schedules, offering assistance with child and dependent care, elevating women into management roles, and improving gender balance in teams. Adopting the Women's Empowerment Principles, which are supported by UN Women and UN Global Compact for businesses of all sizes and across all industries, could help achieve SDG 5 (Gender Equality).

★ **What have been key developments in the areas of digital transformation and skill development?**

The problem of digital transformation for MSMEs is made more difficult by the fact that it frequently has a low rate of success. Technology adoption is a crucial component of digital transformation. All MSMEs have various demands, capabilities, weaknesses, and ambitions, and their choice of digitalization technologies should reflect that. A digital transformation would be lacking without changes enabled by technology. In this

approach, governments should provide MSMEs and business owners the training resources and support they need to adopt digital solutions, including fundamental digital skills and more complex competencies, like digital marketing, accounting, digital identification systems, digital security and transactions, and digital financial services to increase their competitiveness in global trade and investment. Creating specialised entrepreneurship education (including programmes just for women and young entrepreneurs) and supporting and accelerating initiatives for digital and green business models to facilitate access to international markets should also be undertaken. Assisting with the creation of knowledge networks between educational institutions, business support groups, the public administration, and MSMEs to share knowledge, expertise, and best practises, rewarding MSMEs with direct financial support for their efforts to create jobs and build digital skills, especially for women and vulnerable or underrepresented groups of the society.

★ **Do you feel that there is a need for a greater push towards building transnational partnerships and cooperation? What according to you are the essential strategies to achieve global cooperation?**

When indirect links are taken into consideration, MSMEs represent a significant portion of the added value in international commerce. MSMEs are typically underrepresented in global trade in OECD and non-OECD countries. Few MSMEs export directly, and those that do often have lower export shares as a percentage of trade turnover (relative to larger firms). A major factor in the competitiveness of whole supply chains, both locally

The development of global value chains (GVCs) is correlated with an integrated global economy. GVCs and the digital transformation present MSMEs with fresh chances for global economic integration and collaboration.

MSMEs are a resource for forming alliances to carry out SDGs and to fulfil societal goals through discussions with governments and communities to identify answers to development issues

and globally, is the calibre and responsiveness of MSMEs that provide goods and services to multinational corporations that export. By taking advantage of the interdependence between MSMEs and larger companies and the cooperation between the parties, trade and competitive supply chains can be promoted.

As MSMEs collaborate directly with communities. Public-private partnerships (PPPs) also involve MSMEs to meet various developmental concerns. Through Corporate Social Responsibility (CSR) practises, they can contribute to social economy. MSMEs, which participate in a variety of value chains and employ a sizable portion of the population, have the potential to produce data that can help with SDG monitoring. Individual MSMEs may decide to change their business practices in order to further the objective. Additionally, they could participate in SDG-related collaborations like the UN's Make the Global Goals Local campaign. MSMEs dominate some niche worldwide markets, and creative small businesses are frequently important partners of larger multinationals in developing new goods or supplying new consumers.

★ **What mechanisms can be developed to cope with challenges plaguing the MSME sector such as trade barriers, inaccessibility to the credit system, lack of quality infrastructure and human resource?**

After a severe economic recession in 2020, countries experienced a triple sudden stop as a result of the COVID-19 pandemic: capital flows stopped, mobility stopped, and trade collapsed. The GDP was increasing in the months prior to the invasion of Ukraine, however job growth



was sluggish. For women, losing their careers was especially detrimental apart from people with less education and those employed in the informal economy. Poverty and inequality have risen as a result.

A strong MSME recovery is required for the economic recovery from the COVID-19 pandemic to be socially inclusive. The key solution is to implement targeted policies and coordinated global response to mitigate the impact of the COVID-19 pandemic on MSME. It becomes imperative to create a transparent, inclusive, non-discriminatory and predictable global trading environment that supports and enhances MSMEs' participation in international commerce. The global environment calls for increased levels of personal accountability, institutional commitment, and social inclusion—processes in which SMEs have a crucial role to play. Access to information, expertise, technology, money, trade facilitation, and connection are some of the challenges faced by MSMEs while trying to internationalise. There exists a wide gap in embracing digital technology by MSME compared to other industries. While the gap is generally small for basic connectivity and web presence, it widens when taking into account involvement in e-commerce and, particularly, more advanced apps. A significant adoption gap is also seen for cloud computing in many nations. Compared to larger companies, MSMEs are also

disproportionately impacted by company taxes, compliance requirements in export destinations, and trade facilitation/administrative costs. The difficulties are further exacerbated by the limited lending opportunities they have.

★ **How do you see WASME contributing to the global discourse and practices to strengthen the MSME structure**

For more than four decades, WASME has been spearheading the cause of SME development across the globe and has been striving hard to forge international cooperation with regional government bodies, SME promotion agencies and international and multilateral organisations so as to support SMEs in their countries and region. WASME aims to strengthen efforts to achieve gender equality via women entrepreneurship and leadership. WASME aims to contribute towards bolstering efforts to achieve meaningful outcomes and impact in the climate change domain. We are also prioritising nurturing innovation through focus on technology and digital transformation. We aim to effectively work towards achieving SDG goals in the focus areas through alliances and partnerships with national and transnational institutions to further international cooperation vis-a-vis its national and global platform for exchange of ideas, knowledge and skills and undertaking substantive sectoral policy research and advocacy.

Post Covid and especially in years to come, WASME's entire focus will be on strengthening sustainable trade facilitation, financing; knowledge and capacity building around skill development and entrepreneurship development.

# Entrepreneur of the month

Tswelangpele Primary  
Cooperative Ltd, South Africa  
and WASME Resilience Awards  
2023 winner

Ms. Agnes  
Modlalo  
Malebane



## Tenets of the organisation

Tswelangpele Primary Co-operative's it is an accredited organization, its core objective is to look after the community's well-being and progress by imparting the knowledge the organisation has acquired in its 26 years of functioning.

## Tryst, with starting a business: The first step

Starting my first business was not easy for me as it was difficult to get banks to lend my business the 'money'. Fortunately, I had a very loving husband. He took early retirement and with the money he had saved he was willing to invest in my first business called "Dee Décor house' which was named after my husband nickname. Before I opened my business while I was at work; a man came to my workplace coming to deliver office chairs which he has upholstered. Looking at the craftsmanship and knowing that he wasn't getting adequately paid, I asked him to join my first business. the curtain and upholstery business won me an award of "Best Business Woman. Moreover, the men who were working for me in the upholstery business are now bigger than me in terms of business expansion and growth generation.

## Leadership: A continuous process of reinventing and upgrading oneself

“

**I am successful when measured by the people I have continuously developed and empowered. That is what a transformational leaders is supposed to do.**

”

“  
Life doesn't get  
more easier or more  
forgiving, we get  
stronger and more  
resilient

”

I consciously took up the task of learning and acquiring the skill of making aluminium windows and panes to make self-informed decisions about the construction of my house. To master this skill, I took my daughter to school along with me for the training.

We were the only black women who had enrolled for that course. This is because the construction sector largely involves and employs our male counterparts. By the end of the course, we excelled at the training and I took it upon myself to show the evidence of women flourishing in male dominated sectors such as aluminium manufacturing through the medium of knowledge sharing.

I developed the skill with the help of QCTO (Quality control trade org) and another skill namely garment making and received my accreditation in it. I have witnessed the kind of value training engagements add to the development of the skills of my community as I trained students at Skill Centre as a part of my course. I received a tender for the development and project management of a community in Bronkorspruit district Ezithobeni location called Kholiwe. I started working with them on building their capacities from scratch as they did not possess any idea regarding the expected and required skill set in the industry. The outcome of facilitating their knowledge and skill development was that they are presently the best set of trained personnel in the country in terms of delivery,

quality and reliability of products and services. They are excellent because they are able to pass on and share the skills I imparted to them to other people of the community making the industry more inclusive.

### **Aftermath of covid pandemic - Lessons learnt**

The pandemic and other global crises will continuously emerge. Manufacturing plays a pivotal role in the growth of the economies of countries. Acquiring requisite skills helps the workers in providing better opportunities and quality of life to their families As we have seen and experienced the devastation of the Covid pandemic, there was no country or SME that was not affected by the pandemic. We need to make a plan for similar situations that might take place in the future.

### **Bouncing back from personal and professional setbacks**

I have faced a myriad of problems and challenges in my personal and professional life. First in 2014, my husband was diagnosed with cancer. Unfortunately, he succumbed to cancer in 2017. During and after 2017, I started suffering from depression, which had a detrimental effect on my physical wellbeing leading to multiple organ failures developing ceased in my lungs and liver which affected my mobility I experienced vertigo and motion sickness. I stayed in the hospital for four months. In 2019, I was released to go home after a long period of hospitalization. This proved to me that my situation was not right yet and it was essential that I became resilient. I bounced back with vigour. I told myself that I needed to equip myself and hence my skills in business on training. I enrolled in a college to acquire the right set of skills. Last year, I completed a course on Generic management. In September of 2022 feeling the push to prove it to myself, I enrolled for a course on Business Analysis.

### **Approach to challenges**

The challenges should be the driving force to say yes, I am going to take this life head on. It doesn't matter how many times you fell, what matters is how many times you stood up.

### **Path to creating resilient enterprises**

When faced with challenges, decide to form a strategy and a plan. The strategy is to identify the needs in a new way to take your business forward. Risk mitigation is the next step that needs to be undertaken. When you do the risk management study, you concentrate on the existing gaps. Building resilience is not a linear process and the same goes for life.

### **Strengthening of SMEs, cooperatives and other businesses**

One advice that I will give to all the women entrepreneurs out there is that you need to knock at all the doors. You should have all your business matters in compliance. You should be able to navigate your prospective funders through your plan on how you want to market your business. Good networking is also a key aspect that needs to be covered. I was able to connect with WASME through the networking links called LINKEDLIN it is a global organisation. You need to introduce yourself to the participants, circulate your business cards and do follow ups.

### **Call to the global community**

Me, my community and my nation require assistance to be recognized as crucial actors in empowering, bolstering our share at the global level. We require you to reach out and to involve me and my people in the policy making framework. There won't be any progress if you leave this task to us as you would never know the kind of challenges that we are facing. "We cannot work in a silo we need to form partnership to fight the scourge of unemployment together we can and will "Unemployment cause poverty can have diverse social, economic, and political causes. For safe and sustainable assistance humanitarian we need support since we are striving to make a difference to the life of the people for positive change.



**Your gift can make a positive change  
and build a better future**



# WASME CORNER



## Five-Day Advanced Management Development Program

WASME supported SMEs through a Five-Day Advanced Management Development Program hosted by Startup Incubation & Innovation Centre (SIIC) at Indian Institute of Technology Kanpur (IITK), Noida Campus. The programme received support from the Ministry of MSME. The Advanced Management Development Program was conducted with six parallel batches in the areas of "Advanced Marketing Strategy & Strategic Management, Artificial Intelligence" spanning over the entire month of January.

The in-depth immersive training session was hosted with the aim to promote new enterprises, building the capacity of existing MSMEs and inculcating entrepreneurial culture in the country. The session was aimed at identifying and motivating traditional/non-traditional entrepreneurs who have the potential to set up MSMEs with the objective of leading them towards entrepreneurship/self-employment.

**ADVANCED MANAGEMENT DEVELOPMENT PROGRAMME (MDP)**  
on  
**Advanced Marketing Strategy & Strategic Management**  
16th Jan 2023 - 20th Jan 2023

**GRANT UP TO INR 40 LAKHS**

Select MSMEs will have access up to INR 40 lakhs funding opportunity from the Ministry of MSME

Select Individuals will have access up to INR 15 lakhs funding opportunity from the Ministry of MSME

**PROGRAM HIGHLIGHTS**

- Training session by sector experts & industry leaders
- Opportunity to interact with entrepreneurs
- 5 days certificate training program
- Learn to convert your idea into a startup
- Enhance your business & technical skills

**TARGET GROUP**

- Owners
- Higher Officers
- Decision Makers of MSMEs

**LOCATION**  
Noida, Uttar Pradesh

For any queries: Mr. Nagendra Khatri, Assistant Manager, SIIC IIT Kanpur, E- nagendra.khatri@iitkfirst.com, M- 9650635037

## One Day Programme on Concept of Business - Related Opportunities & Growth

WASME organized a One Day Programme on Concept of Business- Related Opportunities & Growth on 21 Jan 2023 at WASME House.

The objective of the programme was to empower SMEs of the Delhi- NCR region with various business growth related concepts including business management, entrepreneurial leadership, export - import documentation and process, financial access and opportunities and international trade process, etc.

The programme was attended by eminent speakers including Prof H P Gupta, CA Sanjay Gupta who provided practical and key insights to over 20 participants.

**ARTIFICIAL INTELLIGENCE- ENTREPRENEURSHIP DEVELOPMENT**

**ADVANCED ENTREPRENEURSHIP AND SKILL DEVELOPMENT PROGRAMME (ESDP)**  
on  
23rd Jan 2023 - 28th Jan 2023

**GRANT UP TO INR 40 LAKHS**

Select MSMEs will have access up to INR 40 lakhs funding opportunity from the Ministry of MSME

Select Individuals will have access up to INR 15 lakhs funding opportunity from the Ministry of MSME

**PROGRAM HIGHLIGHTS**

- Training session by sector experts & industry leaders
- Opportunity to interact with entrepreneurs
- 5 days certificate training program
- Learn to convert your idea into a startup
- Enhance your business & technical skills

**TARGET GROUP**

- Engineers, MBAs, Agriculture graduates etc. looking for High End Entrepreneurship in sunrise sectors.

**LOCATION**  
Noida, Uttar Pradesh

For any queries: Ms. Neha Srivastava, Young Professional Program Fellow, SIIC IIT Kanpur, E- neha.srivastava@iitkfirst.com, M- 8527247504



**World Association for Small & Medium Enterprises**  
(AN INTERNATIONAL ORGANISATION)

**Be a part of New Avenues of Business Growth**

**ONE DAY PROGRAM**

**Concepts for Business-Related Opportunities & Growth**

- ✓ Entrepreneurial Personality Development
- ✓ Linking with Financial Avenues
- ✓ Connecting with Market Ecosystem
- ✓ Developing International Business Network

This Event Will Be Held On:  
Saturday  
21 January, 2023  
10:00 AM - 06:30 PM

**REGISTER NOW**

**INR 2499 + GST**

\*Participants shall be awarded a WASME certificate and Tea/Lunch will also be served.

SCAN THE CODE

8448699820  
info@wasme.org

WASME Conference Room, Plot No 4, Sector - 16 A, Film city Institutional Area, Gautam Buddha Nagar, Noida, Uttar Pradesh - 201301

## WASME highlighted key challenges and issues of state-specific at 1st Industry Bodies at Indian Industry Bodies meeting on Quality Infrastructure organized by QCI

WASME was one of the stakeholders at Indian Industry Bodies meeting on Quality Infrastructure, organized by NABCB on 16th January 2023 at India Habitat Centre, Lodhi Road, New Delhi, India. Dr Sanjiv Layek (Executive Secretary), represented WASME and was one of the key panelists on the major challenges and issues of state-specific Industry bodies. The session also had discussions on the concerns of SMEs and regional bodies related to the quality infrastructure.

Among industry bodies were - CII, FICCI, ASSOCHAM, PHDDCC, WASME and many more. Dignitaries included - Mr. Rajeev Kher, Former Secretary, Department of Commerce, Dr. R.P. Singh, Secretary General, QCI, Mr. Rajesh Maheshwari, CEO, NABCB and other luminary dignitaries Mr. Jaxay Shah, Chairman, QCI; Mr. Deep Kapuria, Chairman, NABCB;

The event was attended by 40+ industry bodies in person and 200+ participants joined virtually.



## WASME participated in the founders meeting for the establishment of a UNCTAD – ISAR Regional Partnership in Asia for Sustainability Reporting.

Forming a Regional Partnership in Asia on sustainability reporting was initiated during the 39th session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR).

The meeting was held virtually on 12th January 2023 and was organized by UNCTAD with the support of Mr. Sanjeev Singhal, the current Chair of 39th session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, Chair, Sustainability Reporting Standards Board, India.



Mr. Richard Bolwijn, Officer-in-Charge, Enterprise Branch, DIAE, UNCTAD informed the mandate of ISAR as an intergovernmental working group dedicated to the improvement of quality and international comparability of financial reporting and non-financial disclosure, such as environmental issues, corporate governance and corporate social responsibility. He added that the regional partnerships for the promotion of sustainability reporting in Africa and Latin America have been established with 50 members from 26 countries in Africa and 29 members from 14 countries in Latin America.

The objectives of this initial meeting was to scope out preparatory work needed, establish a timeline for launching the Regional Partnership in Asia; and identify ways and means to reach out to more countries and more institutions for subsequent meetings.

Ms. Archana Sharma, Director Planning and Development, represented WASME along with other 19 organizations that attended this meeting.

### **WASME and Ministry of MSME (MSME-DFO, New Delhi) organized Virtual Programme on ZED Certification Scheme**



The Programme was attended by Dr R K Bharti, Joint Director, MSME DFO and Dr B P Singh, Assistant Director, MSME DFO, Dr Sanjiv Layek, Executive Secretary, WASME, Ms. Archana Sharma, Director Planning and Development, WASME. The technical training was conducted by Mr. Sarath Chandran, RJS Inspection services and other industry associations.

WASME and MSME DFO organized the Virtual Programme on ZED Certification Scheme on 20th January 2023

The programme was organized to provide awareness to the SMEs in the manufacturing sector about the ZED Certification Scheme that provides a roadmap to global competitiveness for Indian MSMEs about Zero Defect Zero Effect (ZED) practices and motivate and incentivize them for ZED Certification.

The certification offers a lot of social benefits in terms of training of labor, creation of knowledge, increased labor productivity, lower input costs to other industries and introduction of new production equipment/methods in manufacturing and development of quality conscious work culture in Society.

The programme was attended by 40 SMEs in the manufacturing sector from Delhi NCR region.

## **UPCOMING WASME EVENTS**

### **PHYSICAL**

### **HYBRID**



## **Netherlands commits \$10 million for UNCTAD's work on digital economy, business and investment facilitation**

**The country's ministry of foreign affairs, trade and development cooperation will provide funds during the period 2023–2026:** The Netherlands will provide \$10 million to UNCTAD to help developing countries benefit more from e-commerce and the digital economy and facilitate business and investment.

UNCTAD Secretary-General Rebeca Grynspan and Liesje Schreinemacher, Minister for Foreign Trade and Development Cooperation of the Netherlands, signed an agreement on 17 January for the financial contribution.

"We greatly appreciate the Netherlands' increased support for our work on e-commerce and the digital economy, and business and investment facilitation," Ms. Grynspan said.

She said the support underscores the growing importance of digitalization for inclusive and sustainable development in a time of multiple global crises.

Ms. Schreinemacher said: "The Netherlands appreciates UNCTAD's contribution to global digitalization and linking it to improving business and investment opportunities. We are therefore happy to continue our support and hope other donors will follow the Netherlands in its support for this important programme". UNCTAD Secretary-General Rebeca Grynspan and Dutch Minister Liesje Schreinemacher

**Bridging digital and data divides:** According to the agreement, \$6 million will be dedicated to research and technical cooperation activities under UNCTAD's e-commerce and digital economy programme. The funds will support the integration of developing countries into the digital economy and enable the benefits of digitalization to reach all people and businesses.

While the COVID-19 pandemic revealed the growing importance of e-commerce, it also exposed digital and data divides between developing and developed countries. The funds will boost UNCTAD's capacity to meet this growing demand for e-commerce and help bridge the divides.

The Netherlands' long-standing support to the programme has contributed to building more gender-inclusive digital economies and fostering partnerships to support e-commerce development in low-income countries. Its support for the eTrade for Women initiative has been instrumental in strengthening more than 200 women-led digital businesses.

**Strengthening business and investment facilitation:** A further \$4 million will fund UNCTAD's efforts to strengthen digital government services for micro- and small and medium-sized enterprises (MSMEs) and international investors. It will also support enterprise development, accounting and reporting for MSMEs to strengthen business facilitation.

To boost investment, UNCTAD will use the funds to help strengthen facilitation mechanisms

and institutions promoting both national and international investment policies. The Netherlands' support has so far strengthened digital business and investment facilitation in six countries in Africa and one each in Asia and Latin America. It has supported the formalization of more than 400,000 MSMEs and contributed to key publications including UNCTAD's SDG Investment Trends Monitor and its policy guide on foreign direct investment and gender equality.

Source: <https://unctad.org/news/netherlands-commits-10-million-unctads-work-digital-economy-business-and-investment>

## UNEP

**New environmental education guide for Latin America, Caribbean region on action for nature, climate and pollution:** A new tool aimed at reinforcing environmental education was launched on 27 January 2023 by The Environmental Education Network, an intergovernmental platform of environmental education in Latin America. The Environmental Education Resources Guide is launched as part of Ecuador's Environmental Education Week, organized by its Ministry of Environment, Water and Ecological Transition and the Ministry of Education in cooperation with the UN Environment Programme (UNEP).

The objective of the guide is to support primary school teachers and environmental educators with reference materials on the integration of environmental themes and concepts in formal and non-formal educational systems. The guide includes ten environmental thematic chapters: climate change, environmental education, water, air, soil, energy, sustainable consumption, biodiversity, waste management, and ecosystem restoration.

"It is our responsibility to take the first step to strengthen and adapt the processes of environmental education to our local reality. This will

undoubtedly contribute to the active involvement of present and future generations in the protection and conservation of the environment," said Óscar Rojas, Vice-minister for Water at the Ministry of Environment, Water and Ecological Transition of Ecuador.

Addressing the triple planetary crisis of climate change, pollution and biodiversity loss requires informing citizens and the young generation of the issues and available choices. To do so, investment in environmental education programmes, training and adaptable resources for teachers and trainers are key as they support the frontline of change in schools and communities.

"Despite increased global awareness of the climate, nature and pollution crisis and its impacts on society, this is not leading to transformational action and changes in behavior. This operational guide will improve the mindsets and skill sets so that nature and its linkages to sustainable development goals are increasingly mainstreamed into formal and non-formal education systems," said Tomas Declercq, a UNEP Sustainable Consumption and Production and Consumer Information Officer and Coordinator of the Environmental Training Network.

Throughout 2023, UNEP and country members of the Network will conduct sub regional workshops with teachers and civil society facilitators to support the integration of environmental education into formal and non-formal education systems.

Source: <https://www.unep.org/news-and-stories/press-release/new-environmental-education-guide-latin-america-caribbean-region>

## IFAD

**IFAD and African Development Bank are on a mission to boost agricultural productivity in Africa:** As food security for millions of Africans continues to be impacted by rising food and fuel prices further compounded by threats of a debt crisis in some

countries, the African Development Bank (AfDB) and the UN's International Fund for Agricultural Development (IFAD) are joining forces to address the structural problems hampering agricultural productivity in Africa through a new programme aimed at feeding Africa sustainably.

IFAD and AfDB signed a letter of intent on 26 January 2023 in support of the pan-African Mission 1 for 200 (M1-200) – a joint initiative created to reduce Africa's food import dependency, and build sustainable, inclusive and climate-adapted food systems. New investment partners and much needed sources of funding for Africa are sought out under this new programme.

"The current convergence of crises has exposed the underlying structural issues affecting agriculture and food systems. Many countries in Africa need to find solutions now to avert more extreme consequences," said IFAD President Alvaro Lario.

In Africa, high fertilizer prices continue to be a significant hurdle to food production in many low-income countries. In addition, food supplies are expected to be affected by limited grain imports due to the war in Ukraine, climate-related shocks and persistent drought conditions in some countries. Since 2020, there has been an 8.5 percent rise in the cost of a typical food consumption basket in Africa, according to International Monetary Fund data. Now, high interest rates coupled with currency depreciation are compounding debt in many low-income countries. About 60 per cent are at high risk or in debt distress, exposing countries to debt default in the midst of a historic food crisis.

M1-200 seeks to attract investments to boost small and medium enterprises in the agriculture sector. The initiative will ensure that small-scale food producers across the agriculture value chain are included and that additional jobs are created for those that need one.

"Africa's agribusiness sector is projected to output US\$1 trillion by 2030 and presents a sound business opportunity for investors," said Lario.

The latest climate-induced, economic and social shocks that hit countries in Africa have increased hunger and extreme poverty, reversing years of steady development progress. Africa currently has the highest hunger rates in the world – one person out of five suffers from hunger – and a total of 278 million people are food insecure, according to the latest State of Food Insecurity report issued by the UN.

"Only investments in agriculture that support small-scale farmers will get us out of this worrying downward spiral of crisis after crisis. Strategic investments will boost agricultural productivity, they will build food sovereignty and they will pave the way for a more equitable distribution and access to food, bringing opportunities for all," Lario added.

The President of IFAD also emphasized the UN Fund's commitment to invest in the transformation of African agriculture and rural development through public and private partnerships. Lario reminded those attending the summit that IFAD is an institution that can "mobilize, directly or indirectly, and assemble much larger volumes of finance from different sources than our size would suggest."

M1-200 builds on AfDB's flagship Feed Africa strategy and complements IFAD's core programs, including its portfolio of investments in the areas of inclusive rural transformation, agricultural development, nutrition and food security, and climate adaptation, all of which is geared towards supporting small-scale farmers as the cornerstone of food systems transformation.

This new agreement reinforces the previous commitment that IFAD and AfDB have to boost agricultural production by doubling productivity levels through expanding existing agro-technologies,

investing in access to markets, and promoting agricultural research and development.

Source: <https://www.ifad.org/en/web/latest/-/ifad-and-african-development-bank-are-on-a-mission-to-boost-agricultural-productivity-in-africa>

## UNIDO

### **UNIDO helps steer industries towards a sustainability path, in line with Kunming-Montreal**

**Global Biodiversity Framework:** The United Nations Industrial Development Organization (UNIDO) supports its Member States to steer their industries on a path to sustainability, to restore ecosystems and ensure conservation and sustainable use of biodiversity, said UNIDO's Managing Director Ciyong Zou.

Speaking at the High-Level Segment of the 15th Meeting of the Conference of the Parties to the Convention on Biological Diversity (CBD COP 15) held in December 2022 in Montreal, Canada, he emphasized that conservation and sustainable use of biodiversity are embedded in the UNIDO mandate to promote inclusive and sustainable industrial development.

COP 15, chaired by China and hosted by Canada, resulted in the adoption of the Kunming-Montreal Global Biodiversity Framework after intensive negotiations involving 188 Parties to the CBD. The Framework provides a strategic vision and a roadmap for the conservation, sustainable use and restoration of biodiversity for the next decade.

The Framework consists of four overarching global goals and 23 targets for 2030 aimed at protecting nature. The goals include halting human-induced extinction of threatened species, sustainable use and management of biodiversity, fair sharing of the benefits from the utilization of genetic resources, and digital sequence information on genetic resources. Adequate means of implementing the Framework has to be accessible to all Parties, particularly least developed countries and small island developing States.

Targets of particular relevance to UNIDO include reducing pollution risks, sustainable management of areas under agriculture, aquaculture, fisheries and forestry, encouraging and enabling people to make sustainable consumption choices, integrating biodiversity into policies and regulations, ensuring capacity-building and development, access to and transfer of technology, promoting development effective and gender-responsive representation and participation in decision-making, among others.

"Circular economy is one of the promising solutions to address the triple planetary crisis of climate change, biodiversity loss and pollution," said Zou. Biodiversity protection is intertwined with climate action and UNIDO's portfolio incorporates numerous nature-positive components, including eco-industrial park solutions, circular agri-businesses interventions, nature-based infrastructure and valuation of ecosystem services. "This combination of partnership building, policy coordination and on-the-ground action is UNIDO's contribution to build a resilient, diverse and inclusive world," he stressed.

Together with Heads of United Nations agencies, the Managing Director participated in the side event on "Pledging Commitments to Implement the Common Approach on Biodiversity and the Post-2020 Global Biodiversity Framework".

During the visit to Montreal, Zou also met with heads or senior officials from the Convention on Biological Diversity, the Multilateral Fund for the Implementation of the Montreal Protocol, the Basel, Rotterdam and Stockholm Conventions Secretariat and the Minamata Convention on Mercury. The bilateral meetings focused on reviewing ongoing cooperation and exploring avenues for future joint activities.

Source: <https://www.unido.org/news/unido-helps-steer-industries-towards-sustainability-path-line-kunming-montreal-global-biodiversity-framework>

# ABOUT WASME

WASME is an International Non-Governmental Organization that has observer and consultative status with many UN agencies, such as UNIDO, UNCTAD, UNICITRAL, WIPO, ILO, ECOSOC, UNESCAP, ITC, and UNESCO. Additionally, WASME has several inter-governmental and international organization affiliations. It has been striving to stimulate, foster, promote, and coordinate international cooperation for the growth & development of MSMEs.

WASME was founded in 1980 with the goal of supporting MSMEs in member countries. We have achieved this through our strong association with local government bodies, regional authorities, international linkages, civil societies, SMEs, etc. We are continuously working to improve our innovative and sustainable framework so that we can better serve MSMEs around the world.

WASME's vision is further realized and advanced with the consistent support of its large base of member representatives in over 100 countries.



WASME's focus is on MSMEs by providing technology transfer and trade promotion through international/regional conferences/workshops/seminars. WASME also organizes programs on various important issues for the growth of MSMEs such as IPRs, Skill Development, Certification & Accreditation, ICT, Marketing, Global Supply Chain, Technology Transfer, Entrepreneurship development, quality control, AI, Machine learning, robotics, etc.

WASME also publishes monthly "World SME News" which features developments in the MSME sector from around the world, as well as a fortnightly e-newsletter called the "SME e-Bulletin". These two organs act as a way to disseminate information among members and advocate for sustainable and regenerative MSME development and growth.

## CORE ACTIVITIES



Articulating concerns and interests of MSMEs at various national and international level.



Developing relationship between MSMEs in developed and developing countries by encouraging enterprise-to-enterprise cooperation in the area of skill development, technology transfer and export;



International cooperation by networking with MSME promotion organisation at national and international level.



Enlarging collaboration with UN agencies and international organisations.



Capacity building of MSMEs through seminar, EDP and skill development programmes.



Information dissemination on technology, export, marketing, match making etc. in MSME sector.



Carrying out research and studies on national/international issues confronting MSMEs.

# MEMBERSHIP SERVICES

Since its inception, WASME has been rendering quality services to its members. Our membership offers access to all facilities of WASME including right to participate, access to circulars, literature, documents etc.

Our members support WASME's mission to advance, promote and support SMEs in their respective countries through association and collaboration mechanism with local government bodies, regional authorities, international linkages, civil societies and SMEs.

## General Members

Any Government Organizations, Small Business Authorities, Authorities bodies, Financial Institutions, Chambers of Commerce and Industry, SME Associations, Training Institutes, Consultancy Organisations, Technology Providers etc.

## Branding Opportunity

Any General member of Associate Member who contributes to the funds of the Organization.

## Associate Members

Any Individuals, Enterprises, Corporations, Stakeholders, Research Institutions, Large Enterprises, Academicians, Consultants etc. engaged in SME sector.

## Associate Membership-Indian Chapter

Indian MSMEs, Entrepreneurs, Corporates, SME Associations, Universities, Training Institute and Individuals who are interested in the growth of SMEs.

### Information Assistance

Basic business related laws, business legislation, trade regulation, Public policy, Taxation, Available MSME support by different stakeholders.

### Benefits Enterprise Support

Expert guidance and assistance for starting new business, improving existing business, Skill development and empowerment, Business matching, International experts search.

### Business Support

Tender information, potential buyer & seller, Marketing linkages, import/export facilitations, financial assistance technology transfer, branding and promotions etc.

### Exposure Visit to Global members

Facilitate exposure visit at National & International Organizations, Institutes, Research Centres etc

### Participation & Knowledge Support

Participation of WASME National/International conferences and seminars, workshops, training and programmes etc

### Branding Opportunity

Sponsorship and volunteering, advertising and programs, newsletters, website, e-bulletins, publications etc.

For more information visit our

**Website:** [www.wasmeinfo.org](http://www.wasmeinfo.org)

**Contact:** [membership@wasmeinfo.org](mailto:membership@wasmeinfo.org)

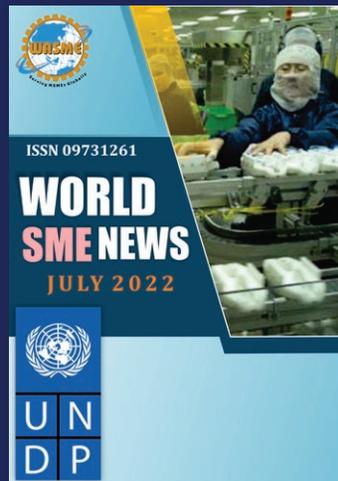
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