



**Asia-Pacific
Economic Cooperation**

2015/SMEWG40/047
Agenda Item: 16.10

**Report on the Workshop on Facilitating SME Trade
Through Better Understanding of Non-Tariff
Measures in the Asia Pacific Region for the
Agriculture and Food Processing Sector**

Purpose: Information
Submitted by: Philippines



APEC
PHILIPPINES
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**40th Small and Medium Enterprises Working Group
Meeting
Atlanta, United States
10-11 June 2015**

R E P O R T
on the
**Workshop On Facilitating SME Trade through
Better Understanding of Non-Tariff Measures in
the Asia Pacific Region for the
Agriculture and Food Processing Sector**
(1 of 2 Workshops)
Atlanta, Georgia, United States of America
June 8-9, 2015

Overview of the NTM Workshop

- This reports on the NTM Workshop, one of 5 that were jointly conducted at the **APEC Global Value Chain Event for SMEs** held in Atlanta, GA, United States.
- The Event was conducted on June 8 to 9, 2015 at the Georgia Tech Hotel and Conference Center in Atlanta.
- The Philippines and the United States organized this Workshop.

Objectives of the Workshop

1. To engage the SMEs, industry organizations, policy makers and trade specialists in a discussion of each economy's trade regulations in the agriculture and processed food sectors, and identify the challenges, opportunities and best practices in SME exports.
2. To promote awareness on existing institutional framework (e.g., WTO system of trade regulation notification/enquiry points) and resources (e.g., databases on NTM), which SMEs, industry organizations and policy-makers can utilize to monitor/identify trade distorting policies of members, adopt measures, where necessary, and resolve trade issues across member economies.
3. To identify actions for APEC economies to take to facilitate the trade of SMEs.

Participants and Speakers

- 14 APEC Economies: Canada, China, Chile, Indonesia, Japan, Malaysia, Mexico, PNG, Peru, The Philippines, Russia, Thailand, USA, & Viet Nam
- 2 International Organizations: WTO & ITC
- Composed of: SMEs and industry organizations, trade regulatory agencies, trade promotion agencies, SME agencies, logistics service providers, among others.

Structure of the NTM Workshop

- It comprised 5 sessions.
 1. Understanding Non-Tariff Measures
 2. Hurdling Market Entry Requirements for Agriculture and Food Products
 3. Connecting SMEs to Global Value Chains
 4. Action Planning and Presentation of Recommendations
 5. Best Trade Promotion Practices

Preliminary Findings and Recommendations from NTM Workshop 1

(Next workshop will be on NTMs for the
Handicraft Sector (September))

Challenges and Suggested Actions: Poor Access to Information on NTMs

- **The SMEs have poor access to, and are less able to understand and apply, information related to export requirements.**
- *Short Term Actions:*
 1. Through outreach to SMEs, economies can identify the biggest gaps in knowledge on NTMs and related export requirements.
 2. Economies can encourage SME participation in relevant Food Safety Cooperation Forum (FSCF) activities (e.g., export certification, trade association capacity building).
- *Midterm Actions:*
 3. Economies can develop and disseminate easy to understand information materials on NTMs and export requirements.
 4. In implementing the multilateral and/or preferential trade facilitation agreements, economies can take the situation of SMEs into account.
 5. Economies can facilitate access of SMEs to information by centralizing it through a single and accountable inquiry point.

Challenges and Suggested Actions: High Cost of Compliance with NTMs

- **The SMEs face difficulties complying with regulations associated with exporting.**
- *Short Term Action:*
 6. Economies can identify strategies from successful SMEs to share with new-to-export SMEs.
- *Midterm Action:*
 7. As part of good regulatory practice, economies can consider the effect of proposed regulatory actions on SMEs to facilitate compliance and lower trade costs.

Challenges and Suggested Actions: Poor Access to Information on GVCs

- **The SMEs have poor access to information on opportunities of and specific requirements to doing business in GVCs.**
- *Short Term Actions:*
 8. Economies can develop and disseminate information materials on GVC business opportunities and requirements of joining GVCs; as well as on factors of successful integration of SMEs.

Challenges and Suggested Actions: Low Readiness of SMEs to Join GVCs

- **The SMEs are less capable of meeting the requirements for joining GVCs.**
- *Short Term Action:*
 10. Economies in cooperation with appropriate associations of SMEs conduct training and mentoring programs on understanding and applying specific requirements for joining GVCs, e.g. agriculture and food safety standards.
- *Midterm Action:*
 11. Economies can ensure a business environment conducive for joining GVCs, e.g. SMES getting better access to improved infrastructure and logistics services and financing, as well as policy and regulatory environment.
 12. Economies in association with trade associations create feedback/action forums for regulators to know how existing regulations and the way these are implemented affect SMEs.
 13. Economies can improve coordination of their agencies mandated to regulate as well as promote exports to quickly address problems faced by SMEs.

End