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READERS' REVIEW

“A great read! It really opened my eyes to how SMEs can use gig workers to stay agile and competitive.”

Amogh Rai
Kathmandu, Nepal

“Loved the breakdown of COP 29! It's helpful to see what global policies mean for small businesses like ours.”

Joellia Alexander
Port Louis, Mauritius

“Exciting insights on smart infrastructure! It's inspiring to see how technology is shaping the future of business.”

Mohd. Firoz Khan
Dubai, U.A.E

“Argentina's SME scene is full of innovation! This piece gave a great snapshot of the opportunities and challenges there.”

Mukhisa Kituyi
Ethiopia

FROM THE DESK OF **SECRETARY GENERAL**

Dr. Gyan Prakash Agarwal

Dear Readers,

Wishing you a Happy New Year and welcome to the January 2025 edition of the WASME newsletter!

WASME remains committed to empowering SMEs globally with impactful programs and resources in 2025 and beyond. This newsletter showcases our drive for growth and innovation, offering sharp insights and actionable strategies to help you thrive in a dynamic business landscape.

In this edition, explore how WASME is enhancing Zambia-India MSME collaboration in agriculture and food processing through technology transfer and export promotion. A recent Zambian delegation visit to India resulted in key partnerships, including an MoU for an Advanced Skill Development Training Centre in Zambia. With ongoing B2B engagements and trade missions, WASME remains committed to fostering SME growth and global innovation. Also know more about the Corporate Governance Excellence Summit & Awards 2025, organised by WDC and WASME in Pune, which brought together global leaders to advance best practices in governance and sustainability. The event featured keynote sessions, panel discussions, AI-driven governance innovations, and prestigious awards, fostering collaborations aligned with the UN SDGs. WASME hosted a discussion on the Union Budget 2025-26, examining its impact on MSMEs and key policy measures. Discover how the budget aims to strengthen India's MSME ecosystem.

We invite the global MSME community to join our business delegation to Ethiopia and Rwanda from March 23-28, 2025. Covering key sectors like agriculture, infrastructure, ICT, manufacturing, tourism, education, and health, this initiative offers a unique opportunity to build international collaborations and explore new business prospects. Secure your spot now—seats are limited!

This edition of "Country Focus" highlights Colombia's vibrant business landscape, exploring key industries and emerging opportunities for entrepreneurs in its dynamic economy, and uncover the trends shaping its growth. This edition of "Industry Scan" explores how innovation is transforming agro-processing, opening new opportunities for SMEs. With advancements in technology and sustainable practices, the sector is poised for a new era of growth.

In the "Editorial", we explore the global shift towards de-dollarisation in trade, analysing its impact on economies, currency dynamics, and international commerce. As more nations seek alternatives to the dollar, we examine the implications for global trade and financial stability. In this "Policy Brief", we examine the Carbon Border Adjustment Mechanism (CBAM) and its impact on African SMEs, exploring how they can navigate emerging carbon trade barriers. As global markets tighten environmental regulations, we assess the challenges and opportunities for SMEs in adapting to this evolving trade landscape.

The "UN Scan" highlights recent UN initiatives aimed at strengthening the global MSME sector.

Happy reading!

WASME EDITORIAL

Shifting Tides: The Global Move Towards De-Dollarisation in Trade

Introduction

In July 1944, during the Bretton Woods Conference, representatives from 44 countries convened and unanimously agreed to adopt the U.S. dollar as the standard currency for international trade. The participating nations decided to peg their exchange rates to the U.S. dollar, which was, in turn, convertible to gold at a fixed rate of $35 per ounce. As a result, the U.S. dollar emerged as the dominant international reserve currency, with many countries linking their currencies to it to maintain stability and facilitate global trade. The primary reason behind this decision was the vast gold reserves held by the United States. The dollar's stability and its guaranteed convertibility into gold made it an appealing choice for nations seeking a reliable medium of exchange for international transactions. Today, the U.S. dollar remains the leading reserve currency, valued for its depth, liquidity, and the security of U.S. Treasury bonds[1].

What is de-dollarisation?

De-dollarisation has become a widely debated and polarised topic globally, as many nation-states seek to reduce their dependence on the U.S. dollar as a reserve currency for trade and financial transactions. Since the Bretton Woods Conference, the U.S. dollar has risen to dominate the global financial system. However, efforts to move away from the dollar could present significant challenges for international trade and monetary policies. Over-reliance on the dollar exposes countries to various risks, including exchange rate volatility, external economic shocks, limited monetary policy autonomy, and trade imbalances in the global economy. As a result, economists, analysts, policymakers, and financial experts are increasingly exploring the implications and factors driving de-dollarisation.

Countries pursuing de-dollarisation can benefit in several ways:

- **Economic Independence:** Greater control over monetary policies and financial decisions.
- **Exchange Rate Stability:** Promoting local and regional currencies helps stabilise exchange rates.
- **Risk Diversification:** Reducing reliance on a single currency mitigates financial risks.
- **Geopolitical Alliances:** Strengthening ties with regional partners through alternative currency use.
- **Regional Economic Cooperation:** Encouraging trade and financial integration among neighboring countries.
- **Protection from U.S. Economic Risks:** Shielding economies from the impact of U.S. Federal Reserve policies, banking crises, and recession concerns.

Several countries have already begun transitioning away from the dollar in trade settlements. For instance, Russia and other nations have opted to use the euro in energy transactions. Meanwhile,

1. https://www.crowe.com/ae/-/media/crowe/firms/middle-east-and-africa/ae/crowehorwathae/publications/dollarisation---dedollarisation--v1.pdf?rev=394fd5c3c2f74a9fa55f4e67d5e21ae3&hash=B5BFA75159423FBD79713E8750F57F7A

trade between Russia and China is now conducted in Chinese yuan (Renminbi, RMB) and Russian rubles (RUB). Similarly, India and Bangladesh have fully shifted to settling export trade in Indian rupees (INR) and Bangladeshi taka (BDT)[2].

Reasons behind a move towards de-dollarisation

- **Decline of U.S. Economic Share:** The U.S. share of global GDP has decreased from around 45% post-WWII to about 25% today, yet the U.S. dollar's global dominance continues to rise.
- **Sustainability Concerns:** It is being argued that the current dollar-dominated financial system, established after the 1971 Nixon shock, is unsustainable and must eventually be replaced.
- **Rising U.S. Debt:** The U.S. government's $31 trillion debt and debt ceiling issues undermine global confidence in the dollar.
- **Lack of Global Accountability:** The U.S. can make fiscal and monetary decisions with global implications without consulting other countries, exacerbating global economic risks.
- **Dollar's Exorbitant Advantage:** The U.S. benefits from the global demand for the dollar, allowing it to import goods at low costs while earning higher returns on U.S.-backed capital exports, such as interest income and equity positions.
- **Excess Return on U.S. Foreign Assets:** U.S. foreign liabilities are mostly in dollars, while assets are largely in foreign currencies. A depreciation of the dollar shifts wealth from the rest of the world to the U.S.
- **Transfer of Resources:** A 10% depreciation of the dollar can transfer around 5.9% of U.S. GDP from the rest of the world to the U.S. Developing countries, in particular, experience negative return differentials and resource transfers to the U.S.
- **Impact on Developing Countries:** From 2010-2019, developing economies experienced a total return differential of about -3%, leading to an annual average resource transfer of around $800 billion or 3.3% of their GDP.
- **Imbalance in Global Trade:** The U.S. can sustain trade deficits due to the dollar's global dominance, but this creates economic imbalances, with surplus countries accumulating dollars and weaker investment domestically.
- **Financial Imbalances and Risks:** The U.S. trade deficit results in more holdings of U.S. treasury bills by surplus countries, creating excess liquidity but contributing to financial instability.
- **Capital Market Volatility:** Fluctuations in U.S. dollar exchange rates and interest rates lead to capital market volatility, with developing countries facing capital outflows or short-term inflows in search of high returns.
- **Exorbitant Privileges:** The U.S. benefits from the dollar's global role, including:
  - Shielding from exchange risks
  - Lower interest rates due to foreign flows
  - Reduced transaction costs
  - Seigniorage, which helps reduce Treasury financing needs
  - Ability to run larger fiscal deficits at lower costs
  - Leverage to impose financial sanctions
  - Projection of U.S. economic power worldwide

- **Dollar's Reserve Currency Role:**
  - The U.S. faces persistent current account deficits due to global demand for the dollar

2. https://www.crowe.com/ae/-/media/crowe/firms/middle-east-and-africa/ae/crowehorwathae/publications/dollarisation---dedollarisation--v1.pdf?rev=394fd5c3c2f74a9fa55f4e67d5e21ae3&hash=B5BFA75159423FBD79713E8750F57F7A

- The capital account surplus and financial institution money creation usually offset this
- Trade surplus countries often purchase dollar-denominated assets, reinforcing the dollar's dominance

- **Exorbitant Duty:** The U.S. is expected to support global stability in times of crisis, as seen during the 2007-2009 financial crisis when it helped the Eurozone.
  - However, wealth transfers primarily benefit developed economies, leaving developing nations with limited support.
  - This reinforces the notion of the U.S. facing "exorbitant duty" during crises while enjoying privileges in normal times.

- **Weaponisation of the US Dollar:**
  - The U.S. has used its dollar dominance to further its foreign policy, exemplified by the freezing of $300bn in Russian central bank assets.
  - The imposition of sanctions has expanded, affecting not only governments but also businesses and individuals, freezing their overseas assets.
  - Over 40 countries have faced U.S. sanctions, including Cuba, which has been under sanctions for over 60 years.

- **Concerns About Dollar Neutrality:**
  - There is growing debate on whether the reserve currency should be neutral or used for political purposes.
  - BRICS foreign ministers have called for sanctions to be imposed only by the UN Security Council, not unilaterally by the country with the dominant reserve currency.

- **Response to Sanctions:**
  - The imposition of U.S. sanctions has led countries to diversify their foreign exchange holdings and increase gold reserves.

  - Many view the sanctions on Russia as accelerating the global push for de-dollarisation[3].

Disadvantages of De-Dollarisation:

- **Complicated Global Trade:**
  - The transition to a multi-currency system could fragment global trade, leading to increased currency risks, higher hedging requirements, and added transaction costs.
  - Countries might bypass the dollar in bilateral trade agreements, potentially leading to regional trade blocs and weakening the dollar's role in pricing key commodities like oil.
- **Challenges for Developing Nations:**
  - Countries would face the challenge of transitioning to alternative currencies or systems, requiring adjustments to their financial institutions and new economic alignments with dominant regional powers backing these currencies.
- **Market Volatility:**
  - Rapid de-dollarisation could cause major disruptions in foreign exchange markets, leading to sharp fluctuations in currency values and increased financial market volatility.

3. https://www.southcentre.int/wp-content/uploads/2023/08/RP181_Trends-Reasons-and-Prospects-of-De-dollarization_EN.pdf

- **Shift in Reserve Allocations:**
  - As countries diversify their reserves away from the dollar, central banks might increase holdings of gold, SDRs (Special Drawing Rights), or other currencies. This shift could affect global liquidity and alter demand dynamics, especially as the dollar's share of global reserves (currently around 58%) decreases.
- **Systemic Risks:**
  - Sudden and widespread changes in global payment systems and trade mechanisms could lead to economic misalignments, financial instability, and potential recessions as financial systems built around dollar liquidity face disruptions[4].

Emerging Trends in Efforts for De-Dollarisation

- **Currency Basket Settlements:** Currency basket settlements involve using a mix of currencies for financial transactions, reducing reliance on the U.S. dollar. This approach has gained traction as businesses and governments seek to mitigate risks tied to dollar volatility. By offering greater flexibility and stability, currency baskets contribute to the shift toward a multi-currency global economy, challenging the dollar's traditional dominance.

- **Central Bank Digital Currencies (CBDCs):** CBDCs are emerging as a key tool for de-dollarisation, with around 130 countries exploring digital versions of their national currencies. The IMF reports that 93% of central banks are considering CBDC adoption, partly in response to the rise of cryptocurrencies. These digital currencies aim to enhance cross-border payment efficiency, with initiatives like the mBridge project—linking China, UAE, Hong Kong, and Thailand—demonstrating their potential in wholesale financial transactions.
- **BRICS and the Push for De-Dollarisation:** The BRICS nations—Brazil, Russia, India, China, and South Africa—are leading efforts to reduce reliance on the U.S. dollar. Russia has aggressively pursued de-dollarisation, cutting its dollar reserves in favor of euros, yuan, and gold, while also launching a digital ruble for cross-border trade. China has similarly expanded the global use of the renminbi through clearing centers, currency swaps, and the development of the digital yuan. Collaboration between Russia and China is further challenging dollar dominance, with most of China's oil imports from Russia now settled in yuan. This shift has also extended to other Russian commodity exports, which saw a 52% year-on-year increase in 2022, signaling a broader move toward alternative financial systems.
- **BRICS Pay:** BRICS Pay is a digital financial platform designed to facilitate cross-border transactions among BRICS nations, promoting the use of local currencies over the U.S. dollar. In development since 2018, it leverages blockchain technology for secure, real-time transactions without being a CBDC or cryptocurrency. The platform aims to streamline international trade, enhance cross-border payments, support investments, and promote microfinance. Its implementation is progressing, with financial institutions like Standard Chartered Bank integrating it into their

4. https://www.wallex.asia/en-sg/resources/articles/how-could-de-dollarisation-disrupt-the-global-economy
5. https://paymentscmi.com/insights/global-de-dollarization-us/

payment systems[5].

- **East African Community:** The East African Community (EAC) is leading the charge for de-dollarisation, with Kenya's President encouraging African nations to adopt local currencies to boost cross-border trade within East Africa and across the continent. This push is primarily motivated by the economic challenges caused by the rapid depreciation of regional currencies against the U.S. dollar[6].

De-Dollarisation and SME sector

The impact of de-dollarisation on the SME sector can be significant, especially given the close relationship between the global financial system and the US dollar. While some may see de-dollarisation as a step towards reducing dependency on the dollar and boosting local currencies, the shift could present both challenges and opportunities for SMEs, particularly in emerging markets.

- **Increased Currency Volatility:** As the global use of the US dollar diminishes, SMEs that rely on imports or exports may face increased currency volatility. This could lead to higher risks in cross-border transactions, especially in countries transitioning to new reserve currencies or trade mechanisms.
- **Hedging Costs:** SMEs might be forced to use more expensive hedging strategies against fluctuating exchange rates if they are forced to transact in new currencies with less liquidity and stability compared to the US dollar. This would increase operational costs, particularly for SMEs engaged in international trade.
- **Trade Complexities:** The shift away from the dollar could lead to a fragmentation of global trade systems. SMEs in countries that traditionally rely on the US dollar for trade invoicing may find it difficult to adjust to new systems of payment or currencies, reducing their ability to compete in the global market.
- **New Trade Barriers:** As regional trade blocs and alternative currency arrangements develop, SMEs may find themselves locked out of key markets or facing increased tariffs and non-tariff barriers. Smaller firms, lacking the resources to navigate complex trade systems, could suffer disproportionately from these changes.
- **Diminished Access to Capital:** SMEs often rely on dollar-denominated loans for their financing, given the dollar's status as a global reserve currency. A shift away from the dollar could reduce access to affordable financing, as alternative currencies may not provide the same level of liquidity and global acceptance. This could lead to higher borrowing costs for SMEs, limiting their growth prospects.
- **Increased Borrowing Costs:** If de-dollarisation leads to a decrease in demand for US Treasury securities, SMEs could face rising interest rates globally, increasing the cost of borrowing. As a result, capital-intensive SMEs might experience difficulty expanding or securing funds for innovation.
- **Disruptions in Supply Chain Payments:** As the global financial system shifts to accommodate new currencies, SMEs that depend on imports may experience delays and complications in payments to foreign suppliers, particularly if they are in countries that are transitioning away from the US dollar. This could disrupt supply chains, especially in industries with low profit margins or high reliance on timely international transactions.

6. https://kippra.or.ke/de-dollarization-for-enhanced-trade-in-the-eac-opportunities-and-gaps/

- **Increased Transaction Costs:** SMEs with cross-border supply chains might incur additional costs due to the need to convert currencies or deal with fluctuating exchange rates. These added expenses can erode the profitability of small firms, which are less equipped to absorb such costs compared to larger corporations.
- **Economic and Geopolitical Instability:** As countries move away from the dollar, those involved in de-dollarisation efforts may face geopolitical instability or economic isolation, especially in regions where the US has significant influence. SMEs in these regions could be disproportionately affected by this instability, experiencing reduced access to markets, financing, and international trade partners.
- **Financial Sanctions and Global Policy Shifts:** As countries increasingly move away from the dollar, there is a risk that financial sanctions might be applied by the US or other economic powers, targeting businesses or countries that participate in de-dollarization. SMEs could find themselves caught in the middle of these geopolitical tensions, with limited access to international markets or funding sources.

Opportunities for SMEs

- **Diversified Currency Options:** While the risks are evident, de-dollarisation also offers opportunities for SMEs, particularly in emerging markets, to take advantage of local currencies or regional trade agreements that might better suit their needs. For instance, SMEs could benefit from lower transaction costs and currency risks by operating within a regional trade bloc that uses a common currency or payment system.
- **Access to New Markets:** De-dollarisation could enable SMEs to tap into markets that are increasingly trading in currencies other than the dollar, such as the Chinese yuan or the euro. This could offer new business opportunities for SMEs looking to expand their international trade relationships.
- **Increased Autonomy for SMEs:** If SMEs are able to navigate new financial systems with alternative currencies, they could benefit from greater autonomy in managing their foreign exchange risks. This could help SMEs better weather global economic shocks, as they will no longer be as tightly tied to fluctuations in the US dollar or the US economy.
- **Regional Economic Integration:** For SMEs in emerging economies, regional economic integration through local currencies or trade mechanisms could reduce dependency on global supply chains dominated by the dollar. This might present an opportunity for SMEs to strengthen local or regional market positions.

Conclusion

De-dollarisation presents both challenges and opportunities. While it introduces risks like currency volatility and increased borrowing costs, it also offers opportunities for greater economic independence, access to new markets, and reduced reliance on global financial systems. SMEs must adapt strategically to thrive in this evolving landscape.

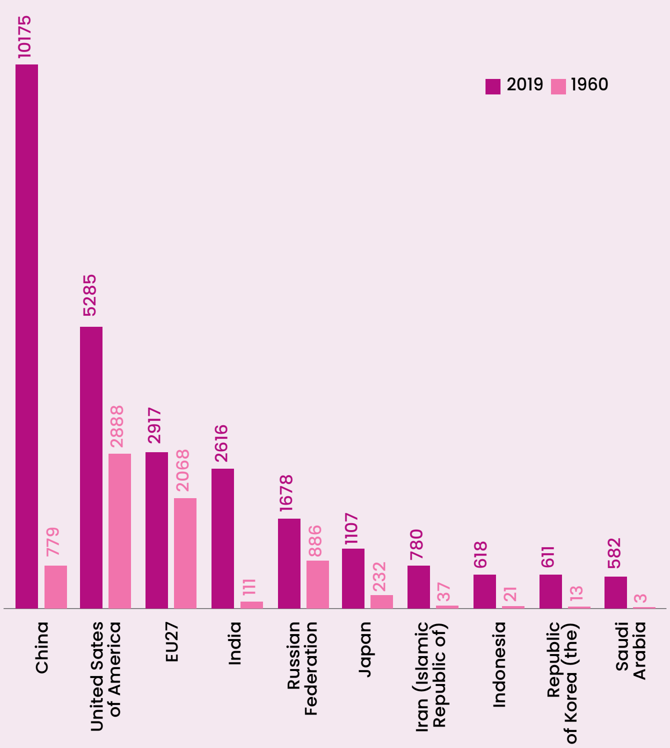
POLICY BRIEF

Carbon Border Adjustment Mechanism and African SMEs: Navigating the New Carbon Trade Barriers

Introduction

As of June 2023, the United Nations reports that 195 parties have signed the Paris Agreement, committing to reducing greenhouse gas (GHG) emissions. However, the agreement allows each country to determine its own emission reduction targets within a set framework (NSC). As a result, some regions and nations have adopted more aggressive timelines and stricter policies to curb carbon emissions, while others progress at a slower pace based on their economic priorities and capacities[7].

Yearly emissions in million Mt CO2, 1960 and 2019, top ten global emitters in 2019



Note: Territorial CO2 emissions from fossil fuels.

Source: UNCTAD bassed on data from Global Carbon Project http://www.globalcarbonatlas.org/en/CO2-emissions

From Climate Commitments to Carbon Compliance: The Road to CBAM Regulation

As a global leader in climate action, Europe has positioned itself at the forefront of environmental policy, aiming to become the world's first climate-neutral continent by 2050. To achieve this goal, the European Green Deal—introduced in 2019 and adopted in 2020—outlines a comprehensive set of tax and non-tax policy measures. In September 2020, the EU reinforced its commitment by setting a target to reduce emissions by 55% by 2030 compared to 1990 levels. To accelerate progress, the European Commission launched the "Fit for 55" package in July 2021, a series of legislative initiatives designed to align climate, energy, transport, land use, and taxation policies with the EU's ambitious emissions reduction targets.

The Fit for 55 package includes a significant overhaul of the EU's Emissions Trading System (ETS), expanding its scope to new sectors, lowering the total emissions cap, and phasing out the free allocation of allowances. While these changes accelerate industrial decarbonisation, they also drive up carbon prices, increasing the risk of carbon leakage—where businesses shift production to countries with weaker emission regulations or consumers opt for cheaper, high-emission imports from non-EU markets.

Recognising this challenge, the EU is taking steps to mitigate carbon leakage while maintaining its climate leadership. Although the bloc has been successful in reducing greenhouse gas (GHG) emissions, many

7. https://kpmg.com/xx/en/our-insights/esg/carbon-border-adjustment-mechanism-cbam.html

other nations are still lagging or even increasing their emissions. To address this imbalance and reinforce global climate action, the EU introduced the Carbon Border Adjustment Mechanism (CBAM)—first proposed in the European Green Deal of 2019 and a core pillar of the Fit for 55 framework.

The CBAM Regulation, which came into force on May 17, 2023, and began its transitional phase on October 1, 2023, is designed to equalise carbon costs between domestic and imported goods. It imposes a levy on the embedded carbon content of select imports, mirroring the cost EU producers bear under the ETS. Adjustments are made based on any carbon pricing mechanisms already in place in the exporting country. Additionally, CBAM will phase out free ETS allowances previously granted to EU manufacturers at high risk of carbon leakage. By aligning the carbon price for both EU producers and importers, the mechanism ensures fair competition while encouraging partner countries to decarbonise their industries[8].

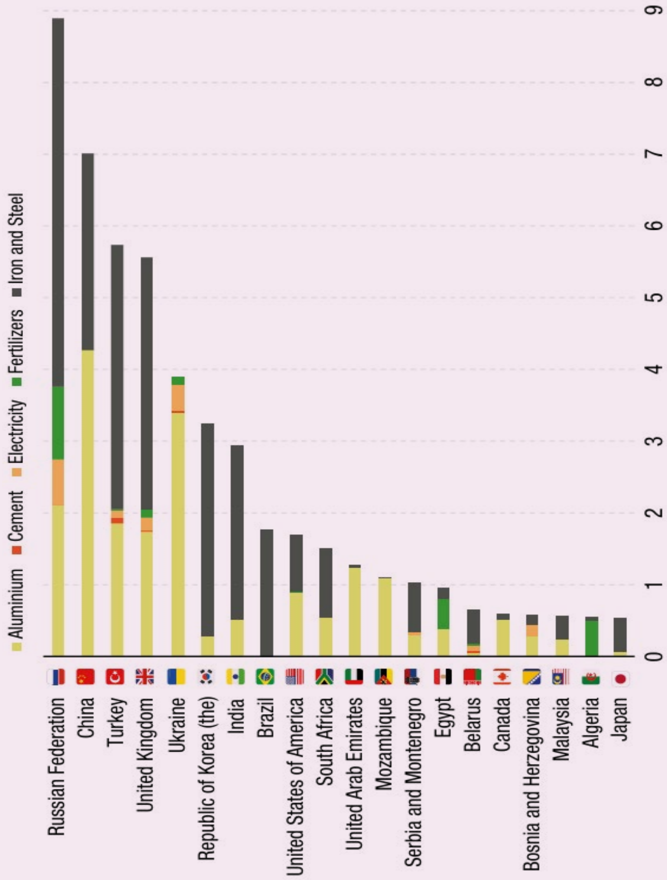
Product and Geographical Coverage Under CBAM

In its initial phase, the Carbon Border Adjustment Mechanism will apply to imports of carbon-intensive goods from non-EU countries, specifically covering sectors such as cement, electricity, fertilisers, aluminium, iron, steel, and hydrogen, along with certain upstream & downstream products, primarily within the iron, steel, and aluminium industries.

CBAM regulations will apply to imports from nations outside the EU Emissions Trading System (ETS), with exceptions for countries that either participate in or are linked to the ETS—such as Iceland, Norway, Liechtenstein, Switzerland, and a few smaller territories. The European Commission intends to gradually expand CBAM's scope, ensuring that by 2030, all sectors covered under the EU ETS are also subject to the mechanism[8].

Earlier discussions around the CBAM considered an exemption for Least Developed Countries (LDCs) and small island developing states (SIDS), as these countries posed minimal risks for carbon leakage. This would have reduced the impact on 33 African LDCs. However, by May 2022, the LDC exemption was dropped from the EU's CBAM regulation. Instead, the European Parliament proposed that the EU provide financial support equivalent to the revenue generated by CBAM certificates, aimed at assisting LDCs in decarbonising their industries. In February 2023, the EU highlighted that such support could involve technical and financial aid for climate mitigation and adaptation[10].

20 most exposed countries in terms of aggregated value of exports (billion $)



Source: UNCTAD based on UN COMTRADE. The list does not include Iceland, Norway and Switzerland because they participate in, or are linked to, the ETS. Therefore, it is likely that these countries are exempt from the mechanism.

8. https://kpmg.com/xx/en/our-insights/esg/carbon-border-adjustment-mechanism-cbam.html
9. https://kpmg.com/xx/en/our-insights/esg/carbon-border-adjustment-mechanism-cbam.html
10. AFC-and-LSE-Report-Implications-for-Africa-of-a-CBAM-in-the-EU.pdf

CBAM Implementation Timeline & Key Requirements

Transitional Phase (Oct 1, 2023 – Dec 31, 2025)

- **Reporting Obligation:** Importers must document direct and indirect emissions from the production of imported goods.
- **Quarterly Reports:** Required for CBAM goods, detailing quantities, emissions, and any carbon taxes paid in the country of production.

Mandatory Registration (From Jan 1, 2026)

- Only registered declarants can import CBAM goods.
- Customs authorities will enforce compliance and deny imports from non-registered declarants.
- Registration applications open from Jan 1, 2025.

Certificate Trading (From Jan 1, 2026)

- Importers must purchase and surrender emission allowances for embedded emissions in imported goods.
- Annual CBAM Declaration (due May 31 each year) compares imported emissions with acquired allowances.
- Financial Penalties for non-compliance if insufficient allowances are acquired.

Key Compliance Requirements

- Measure direct and indirect CO2e emissions in CBAM goods.
- Use actual values (verified by a certified body) or default values (electricity only).
- Acquire CBAM certificates for emissions from the relevant authority.
- Submit an annual declaration aligning emissions with allowances acquired[11].

EU-Africa Trade Partnership

The EU and Africa share a strong trade partnership, with trade totaling €280 billion in 2019. The EU is Africa's largest foreign direct investor (FDI), with

investments exceeding €212 billion in 2018. Africa ranks as the EU's fourth-largest trading partner, following the US, China, and the UK, and the EU is Africa's largest export destination, absorbing 28% of Africa's total exports in 2019.

Trade between the EU and Africa is becoming more diversified. While historically, Africa's exports to the EU consisted mostly of primary products like crude oil, agricultural commodities, and minerals, today, manufactured goods such as textiles, processed food, and machinery are increasingly part of the mix. For example, 31% of South African exports to the EU are cars, and 30% of Madagascar's exports to the EU are clothing and textiles.

Given the EU's major role in Africa's trade, changes in EU policies like the CBAM could have significant economic impacts on Africa, particularly since the EU accounts for a large portion of exports in key sectors like agriculture (27.5%), fertilizers (25.6%), iron and steel (15.7%), energy (35.7%), manufacturing (33.1%), and transport (30.7%). However, the EU's market is less crucial for exports like electricity and cement compared to intra-Africa destinations[12].

Implications of CBAM on Africa's Export Economy

The African Continental Free Trade Area (AfCFTA), launched in 2020, aims to create the world's largest

11. https://kpmg.com/xx/en/our-insights/esg/carbon-border-adjustment-mechanism-cbam.html
12. https://www.lse.ac.uk/africa/assets/Documents/AFC-and-LSE-Report-Implications-for-Africa-of-a-CBAM-in-the-EU.pdf

free trade zone, with the potential to boost Africa's income by $450bn by 2035 and lift 30 million people out of extreme poverty. In line with this, the Nairobi Declaration, signed by all African nations at the 2023 Africa Climate Summit, calls for the design of global and regional trade mechanisms that allow African products to compete on fair and equitable terms. It also advocates for trade-related environmental tariffs and non-tariff barriers to be addressed through multilateral discussions rather than unilateral actions. Despite these initiatives, Africa still plays a minor role in global trade. Although the continent holds 30% of the world's mineral deposits, 70% of its mined materials are currently exported to Europe and Asia for further refinement, limiting its control over the value chain of its own resources[13]. Africa remains a small player in global trade[14].

Value of exports in Africa versus top ten global exporters in 2022 ($bn)

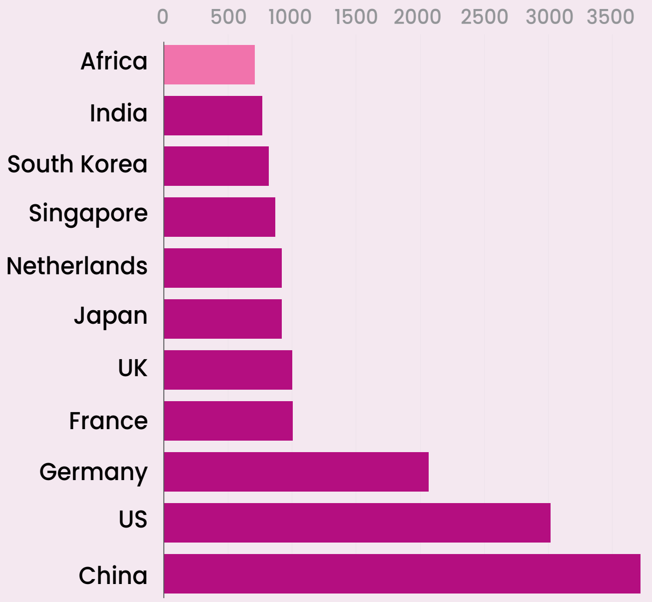


Chart: Nick Ferris/Energy Monitor **Source:** The World Bank

1. **Africa's Trade Vulnerability to CBAM-Adopting Markets:** Over $11 billion worth of African exports could be subject to carbon border taxes if CBAMs are applied across the five identified sectors and markets.

Major Markets Affected:

- The EU accounts for the largest share, with $7.2 billion of African exports exposed, mainly in the iron and steel sector.
- The US follows, with approximately $2.4 billion in exposed exports, also dominated by iron and steel.
- The UK absorbs around $668 million, with aluminium being the most impacted, making up nearly 75% of affected exports.

Sectoral Impact

- Iron and steel will be the most impacted sector, making up 45% of Africa's total export revenue from the five sectors covered by CBAMs.
- Countries heavily reliant on iron and steel exports for GDP and export revenue will face significant economic consequences.

Country-Specific Impact:

- Mozambique is the most affected, with 18.9% of its total exports linked to CBAM sectors, primarily aluminium exports to the EU and UK.
- Egypt follows, with 6.31% of total exports exposed.
- Other affected countries include Morocco (4.36%), Algeria (3.70%), and Tunisia (2.95%).
- South Africa has the highest export value at risk, with $3.4 billion exposed, though it represents a smaller share (2.7%) of its overall exports.
- Egypt ($2.6 billion) and Morocco ($1.6 billion) also face significant export exposure.

2. **Effects of Carbon Pricing on Africa:** The impact of CBAMs on African exports is influenced not only by exposure but also by carbon prices in implementing regions.

- In 2022, global carbon prices hit record highs, with Uruguay reaching US$ 137 per tonne of CO_2.

13. https://www.energymonitor.ai/carbon-markets/how-cbam-threatens-africas-sustainable-development/
14. https://www.tradeeconomics.com/wp-content/uploads/Designing-an-African-response-to-Carbon-Border-Adjustment-Mechanisms.pdf

- Among CBAM-implementing countries, the UK had the highest carbon price at US$ 99/tCO_2e, followed by the EU at US$ 87/tCO_2e.
- South Africa is the only African country with a carbon tax, set at US$ 10/tCO_2e, making the rest of the continent highly vulnerable.
- Africa's CO_2 emissions have surged, from 93.45 million tonnes in 1950 to 1.33 billion tonnes in 2020, increasing its global emissions share from 1.6% to 3.8%.
- African exports are highly emissions-intensive, with a 1% increase in exports leading to a 7.2% rise in CO_2 emissions.
- Industries targeted by CBAMs, such as iron & steel, cement, aluminium, and fertilisers, are among the most polluting sectors.
- Iron & steel production emits 2.6 gigatonnes of CO_2 annually, and could contribute 65 gigatonnes from 2020-2060 if no changes occur.
- Cement production contributes 8% of global CO_2 emissions, equivalent to 2.8 gigatonnes per year, and accounts for 32% of Africa's manufacturing emissions.
- Aluminium and fertiliser production also generate high emissions, with fertilisers contributing at both the production and usage stages.
- CBAM tariffs of US$ 10/tCO_2e could reduce South Africa's exports to the EU by US$ 20 million for iron & steel, US$ 10 million for aluminium, and US$ 120,000 for fertilisers.
- At US$ 90/tCO_2e, the decline would be severe, with iron & steel exports dropping by US$ 148 million, aluminium by US$ 133 million, and cement exports nearly eliminated.
- Morocco's cement exports to the EU could drop by 92.1% under a US$ 90/tCO_2e tariff, while fertiliser, iron & steel, and aluminium exports would also face substantial declines.
- Africa needs US$ 1.3-1.6 trillion to meet climate goals, with an annual shortfall of US$ 100-127 billion in climate finance until 2030.
- Transitioning to a low-emission economy is hindered by high technology costs and limited access to green investments, requiring US$ 600 billion to decarbonise existing industries.

3. **Emissions Reporting for Sectors Affected by CBAM:**

- Increased Trade Costs: The implementation of CBAM will introduce several administrative and documentation requirements, adding to the cost burden for African exporters.
- Compliance Burden and Cost Risks:
- The complex reporting and verification process could significantly increase the cost of African exports.
- Many African exporters may struggle to meet these administrative and regulatory demands.
- If importers fail to provide accurate emissions data, the EU will assign default values based on the highest-emitting 10% of EU producers, potentially making African products more expensive.

Impact on Supply Chains:

- Importers may reconsider sourcing from Africa, preferring suppliers that can more efficiently

15. https://www.tradeeconomics.com/wp-content/uploads/Designing-an-African-response-to-Carbon-Border-Adjustment-Mechanisms.pdf

comply with CBAM regulations while maintaining competitive pricing.

Diverging Regulatory Requirements:

- CBAM policies remain unilateral, with different countries likely imposing varying emissions calculation and reporting standards.
- African exporters selling to multiple markets may face higher costs due to the need to comply with multiple regulatory frameworks and hire different accredited verifiers[15].

Recommendations:

1. **Explore Carbon Pricing Mechanisms:** Implementing carbon taxes can mitigate CBAM risks and generate revenue for green transitions. Aligning pricing with global standards ensures compatibility and reduces trade barriers.
2. **Assess Feasibility of African CBAMs:** Countries must evaluate whether imposing carbon tariffs is viable based on their CO2 trade balance while ensuring WTO compliance.
3. **Adopt CO_2 Reporting Standards:** Aligning with international guidelines streamlines emissions tracking and reporting, easing compliance with CBAMs.
4. **Strengthen Private Sector Capacity:** Businesses, especially SMEs, need technical support to measure and report emissions effectively.
5. **Phase Out Fossil Fuel Investments:** Prioritising renewable energy enhances sustainability and secures global funding opportunities.
6. **Attract Green Investments:** Improving regulatory frameworks can unlock Africa's $3 trillion green investment potential.
7. **Leverage Trade Platforms:** Africa should push for multilateral climate policies and negotiate preferential CBAM terms through trade agreements.

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GLOBAL INDUSTRY SECTOR

Innovation in Agro-Processing: A New Era for SMEs

Introduction

Agro-processing refers to the activities involved in transforming agricultural commodities into usable products such as food, feed, fiber, fuel, or industrial raw materials. The agro-processing value chain includes all steps after harvest until the product reaches the final consumer in the desired form, packaging, quality, and price. These activities are divided into two categories: primary and secondary processing.

- Primary Processing: This includes basic operations like drying, shelling, threshing, cleaning, grading, and packaging, usually performed at the farm. It prepares the commodity for storage, marketing, or further processing.
- Secondary Processing: This involves more complex transformations that add value, such as milling grain into flour, grinding nuts into peanut butter, or making juice from fruits. Secondary processing significantly alters the physical form or appearance of the commodity and typically requires different equipment compared to primary processing[16].

Growth Projections in Global Food and Agro-Processing Industry

The agro-processing sector is a $5 trillion global industry that continues to grow. If current trends persist, by 2050, global caloric demand is expected to rise by 70%, and the demand for crops for both human consumption and animal feed will double. However, meeting this growing demand presents significant challenges, including the fact that 40% of water demand by 2030 may go unmet, and over 20% of arable land is already degraded[17].

Agro-Processing in the SME Sector

Recent evidence highlights the critical role agro-processing SMEs play in rural transformation and linking farmers to markets, especially those involved in processing, logistics, and distribution. These SMEs are key investors in creating markets for farmers in Africa and will continue to drive this growth over the next 10–20 years. Rural non-farm employment, particularly in sub-Saharan Africa, is largely driven by agro-processing SMEs, with 40% of rural employment generated by these businesses, contributing significantly to job creation, especially for vulnerable groups like women and youth.

Food processors in Africa handle 95% of the small farm supply, making the food processing sector strategically important for economic development, export earnings, and dietary improvement. Processed food availability also enables women to engage in non-farm work, enhancing household welfare. With growing opportunities in both domestic and foreign markets, agro-processing businesses are positioned for significant growth, supported by urbanization, dietary shifts, farm-level intensification, and trade liberalisation. These changes, along with policy shifts, have spurred the growth of SMEs in the agricultural value chain[18].

16. https://academicjournals.org/article/article1381130550_Mhazo%20et%20al.pdf/1000
17. https://www.mckinsey.com/~/media/McKinsey/Industries/Private%20Equity%20and%20Principal%20Investors/Our%20Insights/Global%20agricultures%20many%20opportunities/Global%20agricultures%20many%20opportunities.ashx
18. https://openknowledge.fao.org/server/api/core/bitstreams/81a56c13-2c86-4b64-ac96-545f513bc1fa/content

Key Benefits of Agro-Processing SMEs

- Empowerment of Women Groups: Increased throughput can empower women groups by creating more collective business opportunities, fostering collaboration and economic growth.
- **Decentralisation and Employment Creation:** The decentralisation of industries promotes local businesses and creates job opportunities, especially in rural areas, enhancing regional economic activity.
- **Adherence to Manufacturing Regulations:** Decentralised processing units are more likely to meet industry standards and manufacturing regulations, ensuring better product quality and safety.
- **Relief from Equipment Maintenance:** Service processing facilities relieve small-scale processors from the burden of operating and maintaining costly equipment, making agro-processing more accessible.
- **Standardisation of Equipment:** Introducing standardised equipment improves consistency and quality across production units, leading to more reliable products.
- **Improved Planning & Time Management:** Using service processing facilities allows better time management for processors, as they no longer need to allocate resources for equipment upkeep.
- **Access to Custom Processing for the Poor:** Custom processing services enable low-income households to process small quantities of raw materials, promoting local consumption without high capital investment.
- **Creation of Local Markets:** Local processing facilities stimulate demand for raw materials, encouraging local production and contributing to rural economic development.
- **Formalisation and Increased Competition:** The growth and competition among processors can lead to greater formalisation of businesses, better tax compliance, increased government revenue, and lower consumer prices[19].

Key Challenges facing the Agro-Processing SMEs:

1. **Untapped Economic Potential:**
   - The agro-processing sector holds significant potential for national growth and job creation, which remains underutilized in many regions.
2. **Limited SME Involvement:**
   - Small and medium enterprises (SMEs) are underrepresented in the agro-processing value chain, limiting innovation and growth.
3. **Supply Chain Integration Issues:**
   - Poor integration across production, processing, and distribution stages results in inefficiencies and reduced competitiveness.
4. **Supply-Side Constraints:**
   - Challenges related to technology, skilled labor, and infrastructure hinder scaling and competitiveness.
5. **Raw Material Instability:**
   - Inconsistent supply of raw materials disrupts production and limits market reach.
6. **Demand-Side Barriers:**
   - Market competition, regulatory hurdles, and fluctuating demand complicate growth and profitability.
7. **Limited Value Addition:**
   - SME farmers often lack the means to process raw products into higher-value goods, missing out on economic opportunities.
8. **Restricted Market Access:**
   - SMEs face barriers to accessing broader domestic and international markets due to infrastructure and regulatory challenges.
9. **Land Access Issues:**
   - Limited availability of land for agro-processing restricts industry expansion and facility development.
10. **Private Sector Complications:**
    - Varying standards, taxes, and non-tariff barriers imposed by large corporations add complexity and costs for SMEs[20].

19. https://academicjournals.org/article/article1381130550_Mhazo%20et%20al.pdf/1000

Emerging Trends Shaping the Future of Agro-Processing

1. **Food Safety and Traceability:**

- **Smart Food:** Utilises technology to ensure safety, enhance nutritional value, and align with consumer needs.
- **Traceability Benefits:** Drives product improvements, stock management, and standardises processes.
- **Technologies Enhancing Safety:**
  - Barcodes, RFID, sensors, and chips.
  - Advanced diagnostics like PCR, bacteriophages, & single-domain antibodies.
  - IoT devices, robotics, cloud computing, and SaaS solutions.

2. **Automation in the Food Industry:**

- **Industry 4.0 Goals:** Optimising resource efficiency, waste use, and cold chain distribution.
- **Trends:**
- Automation reduces manual handling, labor costs, and human error.
- IoT and big data analytics streamline production and enhance decision-making.
- Personalisation of orders and predictive quality control.
- **Future Outlook:** Increased adoption of semi-automated and fully automated equipment.

3. **Investment in Technology:**

- **Key Drivers:** Robotics, AI, and advanced management systems improve production speed, cost efficiency, and hygiene.
- **Technological Impact:**
  - AI enhances manufacturing, supply chain, and marketing strategies.
  - Robotics minimises contamination by reducing human contact.

4. **Emerging Technologies:**

- **Synthetic Biology:** Creates disease-resistant crops and safer foods.

- **Artificial Intelligence:** Optimises supply chains, product classification, and marketing.
- **Blockchain:** Enhances transparency in food safety and fraud prevention.
- **Point-of-Care Devices:** Allows real-time contamination checks and waste reduction.
- **Printed Electronics:** Enables smart labels for IoT applications.
- **Thermosonication:** Combines ultrasound and heat for efficient and safe agro-processing.

5. **Cross-Industry Technological Influence:**

- **Key Innovations:**
  - Biosensors, genomics, and enzyme engineering for food quality and safety.
  - 3D printing for food products and machinery.
  - Big data analytics for predictive maintenance and safety.
  - Digital Twins and 5G for remote monitoring and enhanced production flexibility.

6. **Trends in Smart Packaging:**

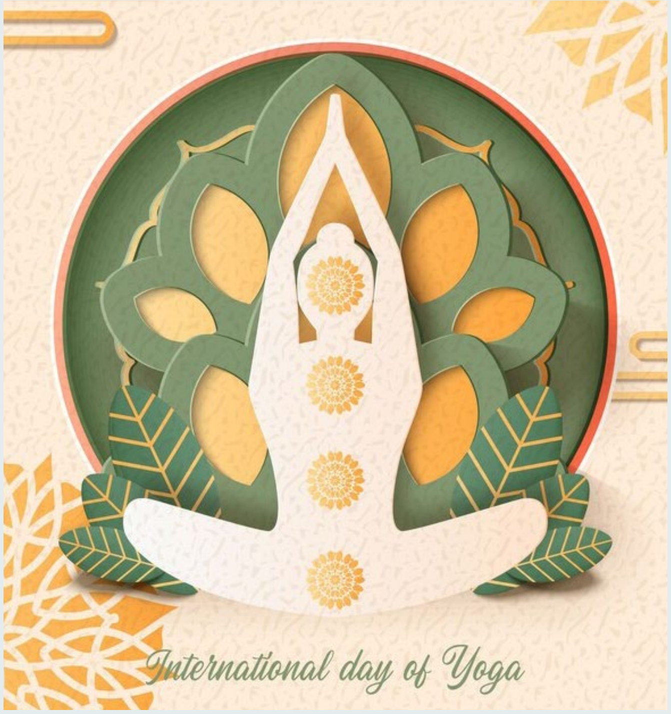
- **Emerging Solutions:**
  - Eco-friendly, recyclable materials such as bioplastics and hybrid materials.
  - Active, connected, and edible packaging technologies.
  - Nanotechnology for extended product lifespans and reduced waste.
- **Consumer Influence:** Growing demand for sustainable alternatives to plastics[21].

20. https://rwandatrade.rw/media/2014-20%20MINICOM%20Agro-Processing%20Industrial%20Masterplan.pdf

Key Consumer Trends and Innovations in Food Industry

1. **Consumers as Catalysts for Innovation:**

- Shift from health to holistic wellness (physical, mental, and spiritual).
- Awareness of the environmental and social impact of purchasing decisions.



2. **Emerging Trends in Consumer Preferences:**

- **Alternative Proteins:** Plant-based, cell-based, and mycoprotein innovations.
- **Diversity:** Demand for varied food options due to increased awareness.
- **Functionality and Health:** Preference for minimally processed, low-salt/sugar, gluten-free, and plant-based foods.
- **Transparent Labelling:** Clear and easy-to-understand packaging details.
- **E-commerce and Personalisation:** Online platforms enabling tailored orders and direct producer-consumer interactions.

3. **Boom in Functional Foods:**

- Demand for foods that improve health or reduce disease risk.
- Innovations include natural bioactive ingredients, elimination of harmful components, and ingredient enhancement.

4. **Advancements in Personalised Nutrition:**

- Nutrigenomics and nutrigenetics enabling diets tailored to individual genetic and metabolic profiles.
- Collaboration between industries, healthcare, and technology sectors to develop affordable precision nutrition solutions.

5. **Freedom Foods: A Growing Trend:**

- Foods that are safe, healthy, green, ethical, and inclusive (organic, sustainable, allergen-free, kosher/halal).
- Increasing willingness to pay for premium, health-focused options.

6. **Combating Food Waste:**

- **Strategies to reduce waste across the food supply chain include:**
- Preventative actions like matching production to demand.
- Corrective mechanisms like discount sales and donations.
- Innovative solutions like apps promoting discounted near-expiry products.

7. **Local and Organic Production:**

- **Rising interest in local organic markets supported by:**
- Improved distribution networks.
- Shared infrastructures for small producers.
- Strategic initiatives.

8. **Innovative Gastronomy and Culinary Revival**

- Focus on local biodiversity, traditional diets, and sustainable practices.
- Projects to revive heritage crop varieties and support local producers[22].

21. https://thecollider.tech/app/uploads/sites/11/2022/02/THE-COLLIDER-INFORME-AgroFood-ENG-digital-4.pdf

How Innovative SMEs are Transforming the Agro-Processing Sector

Sorghum Innovation (Uganda)

When Nile Breweries sought to create a competitively priced beer for the Ugandan market, it discovered a new variety of sorghum that provided the right flavor profile and cost. This innovation sparked a market for small and medium agro-processors to collect and prepare the grain for brewing. Additionally, around 20,000 smallholder farmers now sell 12,000 tons of specialty sorghum annually, generating approximately $4 million in revenue. Nile Breweries' parent company is now replicating this successful model in other countries where it operates[23].

Olam International (Côte d'Ivoire)

Olam International, a global agri-business, implemented a project in Côte d'Ivoire to support local cashew farmers. The initiative focused on improving quality and sustainability through training and infrastructure development, creating a reliable supply chain for cashew processing SMEs and enhancing farmers' livelihoods[24].

Green Gold Burundi (Burundi)

Green Gold Burundi, a cooperative representing 200,000 farmers, has facilitated better market access for avocado farmers in Burundi. Through collective bargaining and government support, farmers have secured fairer prices for their avocados, increasing their income from 10 cents to approximately 70 cents per kilogram[25].

Conclusion

Innovative agro-processing SMEs are playing a pivotal role in transforming agricultural sectors across the globe, particularly in rural areas. By fostering local value chains, empowering smallholder farmers, and creating jobs, these SMEs are driving economic growth, especially in developing economies. From Nile Breweries' successful sorghum innovation in Uganda to Olam International's cashew farming initiative in Côte d'Ivoire and Green Gold Burundi's avocado market improvements, these examples underscore the potential of agro-processing businesses to enhance livelihoods, promote sustainability, and contribute to rural development. With continued innovation, strategic partnerships, and support, the future of agro-processing SMEs is set to contribute significantly to both local and global economies.

23. https://thecollider.tech/app/uploads/sites/11/2022/02/THE-COLLIDER-INFORME-AgroFood-ENG-digital-4.pdf
24. https://openknowledge.worldbank.org/server/api/core/bitstreams/e7dd1c28-4f27-5b48-b735-f1594bd78a95/content
25. https://apnews.com/article/burundi-avocado-farmers-prices-57d3a81861c814df23c0ba1a7c1cdc64

COUNTRY FOCUS

Colombia

Population
Total - 52.3 million (2024) (UNDP); Urban - 82%, Rural - 18%; (2023) (ILO)

Ethnic groups
- Mestizo (58%)
- White (20%)
- Mulatto (14%)
- Black (4%)
- Black Amerindian (3%)
- Amerindian (1%)

(2006) (Encyclopædia Britannica, Inc.)

Youth unemployment rate (ages 15-24)
Total - 19.3%; Male - 16.2% , Female - 23.7%; (2023) (International Labour Organisation)

GDP - composition, by sector of origin
- Agriculture - 7.2%
- Industry - 30.8%
- Services - 62.1% (2023) (2017) (The World Factbook)

Industries
- Agribusiness And Food Production
- Agrochemicals
- Energy
- Fashion
- Healthcare And Life Sciences
- Hospitality & Tourism Infrastructure
- Infrastructure
- It And Creative Industries
- Logistics
- Manufacturing

(2024) (Invest in Colombia)

Country profile

Colombia, in northwestern South America, has 1,000 miles of Caribbean coastline to the north and 800 miles of Pacific coastline to the west, separated by Panama. It borders Venezuela and Brazil to the east and Peru and Ecuador to the south. More than twice the size of France, Colombia includes the San Andrés y Providencia archipelago in the Caribbean, 400 miles off Nicaragua's coast. Its population is mainly concentrated in the mountainous interior, where Bogotá, the capital, sits on a high plateau in the northern Andes.

Colombia is a land of contrasts in geography and society. Its snow-capped cordilleras rise above equatorial forests and savannas, home to indigenous groups preserving ancestral traditions. In the cooler mountains, modern cities coexist with rural mestizo farmers growing coffee, maize, and other crops. The Atlantic lowlands, characterised by large livestock haciendas and a diverse tri-ethnic population, offer a distinct cultural landscape[26].

Economic profile

Colombia, an upper-middle-income country and the fourth-largest economy in Latin America and the Caribbean, joined the OECD in 2020. The 2016 peace deal with FARC aimed to stabilise the nation after decades of conflict. Colombia's strong macroeconomic framework—built on fiscal rules, a flexible exchange rate, and inflation targeting—has ensured stability, but economic growth has slowed. Boosting productivity, diversifying exports, improving infrastructure, education, and institutions are key to accelerating development[27].

Post-pandemic imbalances are correcting, with falling inflation and deficits. The economy grew 0.6% in 2023, affected by policy shifts and investment uncertainty, but is projected to expand 1.5% in 2024 and exceed 2.9% in subsequent

26. https://www.britannica.com/place/Colombia
27. https://www.ulandssekretariatet.dk/wp-content/uploads/2023/06/LMP-Colombia-2023-final.pdf

years. Poverty rates declined due to higher labor earnings. Social and regional inequalities persist, requiring labor market reforms, social security improvements, and stronger local governance to ensure equitable access to public services. Growth is expected to recover gradually in 2024, with inflation easing and the current account deficit stabilizing around 4% of GDP, supported by foreign direct investment[28].

Colombia's economy relies heavily on natural resources, with key exports including petroleum, coal, gold, and coffee. While the service sector dominates at 58% of GDP (2021), its value-added remains below the regional average. Industry, once a strong contributor, has declined over the past decade, worsened by the COVID-19 pandemic, which led to job losses and income reductions. The agricultural sector remains modest, contributing 7.4% of GDP with minimal growth. On the 2020 Doing Business Index, Colombia ranked 67th out of 190 countries, excelling in credit access (11th), investor protection (13th), and insolvency resolution (32nd). However, challenges persist in contract enforcement (177th), tax compliance (148th), and trade logistics (133rd), indicating high costs and inefficiencies in these areas[29].

Economic Growth

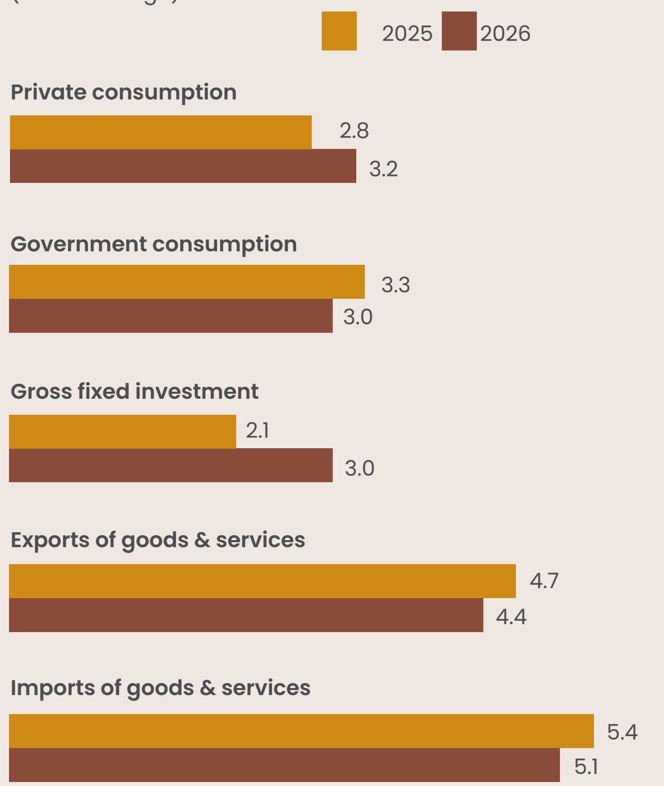
(% unless otherwise indicated)

	2024	2025	2026
US GDP	2.4	1.4	1.9
Developed economies GDP	1.6	1.5	1.6
World GDP	2.5	1.5	1.6
World trade	2.6	3.3	3.0

Source: The Economist Intelligence Unit

Expenditure on GDP

(% real change)



Source: The Economist Intelligence Unit

Employment profile

Colombia's population is shifting, with 23% under 14, 67% of working age (15-64), and 11% aged 65 and older. The youth segment's growth has slowed due to a declining birth rate over three decades. As of 2021, 20.7 million Colombians were employed, with a 57% employment-to-population ratio, slightly below the 60% average for upper-middle-income countries. Employment peaked in 2019 before the COVID-19 pandemic led to an 11% drop, costing five million jobs at its worst point. Recovery began in 2021 with a 9% rebound, mainly driven by adults (25+), while youth employment (15-24) declined by 7%, partly due to higher school enrollment. Men dominate employment (61%), while women hold 39% of jobs. The private sector employs 96% of workers, with only 4.2% in the public sector[30].

28. https://www.worldbank.org/en/country/colombia/overview
29. https://www.ulandssekretariatet.dk/wp-content/uploads/2023/06/LMP-Colombia-2023-final.pdf
30. https://www.ulandssekretariatet.dk/wp-content/uploads/2023/06/LMP-Colombia-2023-final.pdf

Key labour market indicators in Colombia (2021)

Types	%
Labour force participation rate	1.9
Employment rate	1.6
Employees *Self-employed*	1.6
Public sector Private sector	3.0

Source: Colombia, Gran Encuesta Integrada de Hogares, 2021.

SME Classification in Colombia

Colombia's MSME Law (Law 590 of 2000) laid the foundation for micro, small, and medium enterprise (MSME) development. It defines MSME sector[31]:

Classification	No. of employees	Total assets
Microenterprise	up to 10	up to 501 LMW*
Small enterprise	11 to 50	501 to 5,001 LMW
Medium enterprise	51 to 200	5,001 to 15,000 LMW

***:** Legal minimum wage (Salarios Minimos Mensuales Legales Vigentes).

Source: Authors, based on Article 2, Law 590 (2000).

SME Composition and Contribution in Colombia's Economy

Colombia has approximately 1.7 million registered businesses, with micro, small, and medium enterprises (MSMEs) making up 99.5% of all formal companies. These businesses play a crucial role in the economy, providing around 79% of total employment and contributing nearly 40% to the country's annual GDP[32]. In Colombia's agricultural sector, small and medium enterprises (SMEs) provide 90% of total employment. Among them, micro-enterprises hold the largest share, accounting for 86% of jobs[33].

Challenges faced by SME sector in Colombia

Colombia's SME sector, which forms the backbone of the national economy, faces several challenges that hinder its growth and sustainability. While SMEs contribute significantly to employment and GDP, a variety of structural, financial, and operational barriers continue to impede their full potential. Below are some of the key challenges as seen by experts:

1. High Levels of Informality:

A significant portion of Colombia's SMEs operate informally, contributing 35%-44% of GDP. This limits access to formal financing, legal protections, and business development programs, hindering growth and market integration.

2. Limited Access to Finance:

SMEs face challenges in securing loans due to high interest rates, collateral requirements, and short repayment terms. Many turn to informal lending sources, which come with high costs. Additionally, long-term financing for innovation and modernisation is difficult to obtain.

3. Regulatory and Administrative Barriers:

Complex tax regimes and bureaucratic processes impose high costs and delays for SMEs trying to formalise their businesses. This discourages formalization and forces many to remain informal.

4. Market Access and Export Barriers:

SMEs struggle to access larger markets due to limited infrastructure, high costs, and a lack of resources for

31. https://www.ilo.org/media/446916/download
32. https://www.bbvaresearch.com/en/publicaciones/colombia-a-review-to-micro-and-smes-in-colombia/
33. https://mneguidelines.oecd.org/RBC-LAC-country-fact-sheet-Colombia.pdf

international expansion. Export challenges include complex procedures and insufficient knowledge of foreign market requirements.

5. Technological and Innovation Gaps:

Many SMEs are slow to adopt new technologies and digital tools, limiting their productivity and competitiveness. Additionally, limited resources prevent SMEs from investing in R&D, stalling innovation.

6. Human Capital and Skills Gap:

There is a mismatch between the skills SMEs need and those available in the labor market. High youth unemployment and limited access to training programs make it difficult for SMEs to attract skilled workers.

7. Vulnerability to External Shocks:

SMEs are highly sensitive to economic volatility and supply chain disruptions, making it harder to maintain stable operations, especially during global crises like COVID-19 or geopolitical instability.

8. Lack of Business Support and Networking Opportunities:

Weak business networks and limited access to support services (e.g., market research, strategic planning) prevent SMEs from growing and accessing valuable business opportunities[34].

Government Initiatives to Strengthen Colombia's SME Sector

- **Law 590 (2000):** First law on micro, small, and medium-sized enterprises (SMEs) in Colombia, establishing the foundation for SME policies and defining the categories.
- **Advisory Councils:** Creation of the Consejo Superior de Microempresa and Consejo Superior de Pequeña y Mediana Empresas, which contribute to the formulation and execution of SME policies.

- **SME Fund:** Introduction of the Fondo Colombiano de Modernización y Desarrollo Tecnológico to support SME modernisation and technical development.
- **MSME Directorate:** Established in 2003 under the Ministry of Commerce, Industry, and Tourism to promote policies, plans, and financial/non-financial programs for SME development.
- **National Development Plan 2018–2022:** Focused on equality, entrepreneurship, and legality, with specific goals for SME support, including reducing commercial registration fees, improving credit access, and enhancing financing tools.
- **Plan Nacional de Desarrollo 2022–2026:** In the drafting phase, continuing the support for SMEs and business formalization.
- **Business Formalisation Policy (2019):** Encourages business formalisation by lowering costs, enhancing benefits, and improving information availability (e.g., through an economic census).

Key Support Institutions:

- **Ministry of Commerce, Industry, and Tourism:** Main authority responsible for MSME development.

34. https://www.intracen.org/resources/publications/sme-competitiveness-in-Colombia
35. https://www.intracen.org/file/promotingsmecompetitivenessincolombiapdf

- **Bancóldex:** A state-owned bank focusing on SME growth and foreign trade, with most of its credit schemes targeting SMEs.

- **National Guarantee Fund:** A government fund aimed at easing access to credit for SMEs[35].

Way Forward

For Colombia's SME sector to thrive and contribute more effectively to the economy, a multi-faceted approach is essential. Reducing the barriers to formalisation would help SMEs transition from the informal to the formal economy, unlocking greater access to financing and public support programs. Collaborating with financial institutions to create flexible, SME-friendly credit products is crucial to addressing their long-standing access to finance challenges. Investing in education and skills development will bridge the gap between the needs of SMEs and the available workforce, driving productivity and fostering innovation. Additionally, supporting SMEs in adopting advanced technologies through incentives for R&D will position them for long-term success. Finally, improvements to Colombia's infrastructure, especially in transportation and logistics, will allow SMEs to reduce costs and expand their market reach both domestically and globally. By focusing on these key areas, Colombia can unlock the full potential of its SME sector, driving sustainable growth and economic development.

SME resources for entrepreneurs in Colombia

MSME finance providers	Details
Incubators	◆ HubBOG; headquarters - Bogotá, Colombia ◆ Parque E; headquarters - Medellín, Colombia ◆ MacondoLab; headquarters - Barranquilla, Colombia
Banks	◆ Bancóldex; headquarters - Bogotá, Colombia ◆ Banco de Bogotá; headquarters - Bogotá, Colombia ◆ Banco Davivienda; headquarters - Bogotá, Colombia
MFI	◆ Banco Mundo Mujer (BMM); headquarters - Popayán, Colombia ◆ Bancamía S.A.; headquarters - Bogotá, Colombia ◆ ECLOF Colombia.; headquarters - Bogotá, Colombia
PE/VC	◆ MassChallenge Colombia; headquarters - Bogotá, Colombia ◆ Rockstart Colombia; headquarters - Bogotá, Colombia ◆ Bonsai Venture Capital; headquarters - Bogotá, Colombia
Government	◆ Financiera de Desarrollo Territorial (Findeter); headquarters - Bogotá, Colombia ◆ Cooperativa Financiera de Antioquia (CFA); headquarters - Bogotá, Colombia ◆ SENA (Servicio Nacional de Aprendizaje); headquarters - Bogotá, Colombia

30. https://www.oecd-ilibrary.org/docserver/56ed6f3f-en.pdf?expires=1734086755&id=id&accname=guest&checksum=A3997525260C672D7CA28EA705816D44

WASME CORNER

From global to local, unleashing potential of SMEs in Africa and other countries by nominating **WASME Permanent Representatives**

WASME is extending its extensive experience and expertise in the key areas such as technology transfer, skill development, quality control, packaging, market access, export, research and development to enhance the sustainability, competitiveness, and growth of SMEs in different countries in technical trades like aerospace, mechanical, electrical, electronics, chemical, textile, food processing, ceramic, and wooden industries etc.

With special focus on SME development in African Sub-continent along with other countries across the globe, WASME has identified and nominated Permanent Representative (PR) that will partner with WASME in implementing SME development and promotion activities. It includes:

Skill Development & EDP programmes, end to end support for business/ enterprise development by facilitating through consultancy, technology transfer, trade facilitation, incubation support, market, export development and research & development activities to SMEs.

Training of the Trainers (TOT) programme for Skill Development project in all technical trades.

Extending support to SMEs in the area of Digital Infrastructure, E-Commerce, Artificial Intelligence, Machine Learning, Robotics, Electric Vehicle (EV), Renewable Energy (RE), Software Development & Hardware etc.

GAP study in various fields and expert consultations for incubation including programmes on enhancing export and marketing.

Access to credit and market by preparing sample Detailed Project Report (DPR) by including cost effective & right technology.

Exposure of the global expertise and experience of WASME to SMEs, through B2B meetings, exhibitions/trade fairs, outreach programmes, buyer-seller meetings and activities with other member countries of WASME.

Advising, formulating and implementing schemes and programmes for enterprises at regional and national level.

WASME is open for collaborating with organizations in different countries and work closely to identify critical issues and problems faced by SMEs and draft an action plan to empower and nurture the growth of SMEs in respective country. Please send your interest or query at **dg@wasmeinfo.org** and **directorpnd@waseminfo.org.**

WASME CORNER

WASME catalysing the growth of Zambian MSMEs in Agriculture and Food Processing Sector through Transfer of Technology and Export Promotion with Indian MSMEs

WASME has been in the forefront of promoting and developing MSMEs in African continent and Midle East by offering comprehensive support for exporting technical know-how, skills, machines and technology. The countries like Nigeria, Tanzania, Uganda, Botswana, Eswatini, Ethiopia, Zambia, Cameroon, Malawi, Ghana, and many more have hosted numerous business-to-business meetings, industrial tours, and trade discussions led by WASME.

WASME recently led a Zambian business delegation to India for the INTEXT Expo, which took place in Ludhiana and Delhi/Noida from January 31 to February 3, 2025, and in which the following MSMEs of Zambia participated:

- Mr. Obrian Mwandawamufu, CEO, Partial Tech Agro and General Dealers, AGAPE College of Agriculture
- Ms Patience Maluza, Director, Partial Tech Agro and General Dealers,
- Ms Mary Tembo, Director, Thema General suppliers Ltd
- Mr. George Siame, Director, Goshen Farms & Agro Dealers Limited

From January 31 to February 1, 2025, the delegation was led by Ms. Archana Sharma, Director, Planning and Development, WASME to the INTEXT EXPO in Ludhiana, where they met with more than 300 exhibitors/MSMEs in the areas of Water Management, Roofing & Cladding, Plumbing, Pipes & Fittings, Marble & Stones, Steel rod and products, Water Management, Landscaping &

Gardens Tools, Building Materials, Kitchen & Modular Accessories, Architectural & Decorative Lighting, Home & Office Automation, Air Conditioning, Solar Systems & Lightings, Furniture & Fixtures, Switches & Switchgear, Safety & Surveillance, Lighting & LEDs, Wood, Veneer, Doors & Windows, Home Furnishings, Glass, etc. The Zambian delegation's visit to INTEXT EXPO was particularly beneficial in terms of getting an understanding of the latest developments in building and architectural technology.

Mr. Obrian, the CEO of AGAPE institution of Agriculture, Zambia has indicated interest in working with WASME to establish the Advanced Skill Development Training Center (ASDTC) in the field of agriculture and food processing at his institution. On February 1st, the delegation also visited Central Tool Room (CTR) Ludhiana, a technical institute of the Ministry of MSME, Government of India, which helps Small-Scale Enterprises in engineering and related fields and offers diploma and certificate courses, as well as short-term and part-time courses on advanced technologies like CNC programming and machining, CAD/CAM, and others, using state-of-the-art technology and quality laboratories. This was done to broaden their understanding of technical operations, training methodology, and infrastructure development, including the need for various testing and quality control labs.

After the visit, WASME and AGAPE College of Agriculture, Zambia, signed a Memorandum of Understanding to help with technical consulting for the establishment of the ASDTC. This includes technology transfer, machine and equipment installation, preparation of training course material, other need-based skill training, consultancy, and more. In Zambia and the surrounding nations like Angola, Namibia, Zimbabwe, the ASDTC will serve as a center of excellence for skill training, incubation, manufacturing, and job creation.

Additionally, from February 2–4, Mr. Vijay Kumar, Director General WASME, led business-to-business (B2B) meetings of Zambian delegates with over 30 prominent Indian MSMEs that manufacture state-of-the-art machines and equipment in the area of agricultural machinery, food processing, dairy products, packaging, Juice and drinking water plants, and renewable energy. These also include farming implements, milling machines, animal feed mixers, bottling facilities, honey processing, bakery plants, Bread making, Snacks & potato chips, packaging machines, leather, textile, wheat and millet flour plants, and solar power systems, among other things.

The objective of their visit to India was to identify and select best-in-class technology, machines and equipment, testing and quality control equipment, energy-saving production technologies, finished and semi-finished products from Indian MSMEs leading in Agricultural Machinery, Dairy Technology & Food Processing Sector.

The B2B meetings were held followed by the industry visit to the selected Indian manufacturing MSMEs in the following areas;

- Farming equipment including push tractors, irrigation systems, pest control sprayers systems, livestock products, maize sledging machine etc
- Animal Feed mixing machine/plant
- Food drying machines
- Milling Machines for processing grains into flour or meal
- Oil extractions machines
- Juice making/Energy Drinks
- Bakery machines for bread and cookies
- Honey & Honey wax processing plant
- Chili grinding machine
- Noodles/ Vermicelli making machine
- Bottling plants/ Packaging machines
- Packaging and printing machines/ plant
- Solar Power Plants of capacity 10 KW to 500KW

Director General (DG), lead the entire business-to-business (B2B) exchange between Zambian MSMEs and selected Indian MSMEs for the above machines and equipment. The Zambian MSMEs have also signed 10 MOU with the Indian selected MSMEs for becoming Dealer/ Distributor of their machines, equipment and products in Zambia including 4 with WASME for setting up of production and skill development center in Zambia.

Following are the Indian MSMEs with whom the Zambian MSMEs have discussed in detail the business plan and Signed MOU with them:

- Shakti Agro Pvt Ltd, Ludhiana, Punjab
- BCS India Pvt Ltd, Ludhiana, Punjab
- Foodis Groups , New Delhi
- Goodlife Technologies, Noida
- Elegant Engineering, Noida
- Bajaj Power Pack Process, Noida
- ADM Solar Power & Infrastructure PVt. Ltd, Faridabad
- Sunrise Chemtek Industries, Gurgaon
- Bhardwaj Enterprises Faridabad
- Proxy Ideas Pvt Ltd, Gurgaon
- Verma Process and Pack, Delhi
- SP Global India, Noida
- Khan International , Agra
- Core and Pure Essential Oils, Noida

Further, the Zambian Business Delegation Visited the Bakery plant, Printing and Packaging Plant, Water Bottling Plant, Juice Making Plant, Peanut Butter Making Plant, Honey Processing Plant etc. for understanding the use of machines and technologies while in full operations and production. During the visit, WASME has assured all handholding support for the technical and financial cooperation for export of finished product/machines and transfer of technology including skills, and technical know-how for the selected machines and equipment made by the Zambian companies.

Finally based on the success of the entire business meetings, Zambian delegation shown their interest to visit again in India to participate in upcoming AAHAR– Food & Beverage Exhibition in 1st week of March 2025. It was also discussed and agreed by WASME to lead a Business Delegation of Indian MSMEs to Zambia in April 2025.

India’s Largest Corporate Governance Excellence Summit & Awards 2025

The Corporate Governance Excellence Summit & Awards 2025, held on January 18, 2025, at JW Marriott, Pune, was a landmark event in corporate governance and sustainability. Organised by the World Development Corporation (WDC) and WASME, the summit attracted over 1,000 participants, including global leaders, policymakers, and industry experts. The event fostered collaborations, showcased best governance practices, and aligned with the United Nations Sustainable Development Goals (SDGs).

Key Highlights:

- Inauguration Ceremony: Dignitaries including Shri Suresh Prabhu, Mr. M. Damodaran, and global ambassadors participated in the lamp-lighting ceremony, marking the beginning of a transformative dialogue on governance excellence.
- Keynote Addresses: Mr. Zeeshaan Pathan (WDC) emphasised corporate governance's role in resilient economies, while Dr. Sanjiv Layek (WASME) linked governance to SDGs, stressing transparency, accountability, and sustainability.

- Launch of Lawtech & BoardSearch.ai: Mr. Ayub Sheikh introduced these AI-driven platforms to streamline compliance and improve board member selection.
- Panel Discussions: Experts including H.E. Fernando Bucheli (Ecuador), H.E. Jacqueline Mukangira (Rwanda), and Mr. Rajesh Batra (Indian Institute of Corporate Affairs) discussed fostering future-ready boards, sustainability, and governance innovations.
- Awards & Recognitions: The summit honored 30+ individuals and organisations excelling in ESG and corporate governance.
- Networking & Collaborations: The event facilitated high-level discussions, international partnerships, and a gala dinner for meaningful engagements.

Union Budget 2025-26: Key Takeaways for MSMEs

The World Association for Small and Medium Enterprises (WASME) on February 1, 2025, hosted an exclusive discussion on the Union Budget 2025-26, bringing together policymakers, financial experts, and MSME stakeholders to analyse its impact on the sector. The session focused on budgetary allocations, policy reforms, and strategies for sustainable MSME growth.

A major highlight was the ₹50,000 crore boost to the Credit Guarantee Fund (CGTMSE), improving access to finance. Additionally, a 5% interest subvention for green manufacturing and increased capital infusion under the MUDRA Loan Scheme aim to strengthen small businesses. Tax reforms included raising the corporate tax exemption limit from ₹2 crore to ₹5 crore and simplifying GST filing for MSMEs with turnover up to ₹10 crore.

To drive digital adoption, ₹10,000 crore was allocated for the Digital MSME 2.0 Scheme, focusing on AI, blockchain, and cybersecurity. Incentives such as a 50% subsidy on ERP solutions and a dedicated e-commerce enablement fund will further enhance competitiveness. On the global front, extending the RoDTEP scheme and allocating ₹5,000 crore for international trade fairs will support MSME exports.

While these measures were welcomed, experts highlighted challenges such as slow implementation, high loan interest rates, and lack of clarity on ESG compliance support. The delayed payment issue from large corporations to MSMEs also remains unresolved.

WASME put forth key recommendations, including increasing credit guarantee coverage, reducing GST compliance for micro-businesses, introducing tax benefits for AI and green tech investments, and ensuring timely execution of policy measures.

The budget sets a progressive path for MSMEs, emphasising financial inclusion, tax simplification, digital transformation, and global market access. However, effective implementation will be critical. WASME remains committed to advocating for MSME interests and collaborating with policymakers to maximise the impact of these initiatives.

UN SCAN

UNDP reaffirms strategic partnership with MSMEDA in 2025

January 5, 2025

Bassel Rahmy, CEO of the Micro, Small, and Medium Enterprise Development Authority (MSMEDA), emphasised the organisation's commitment to continuing collaboration with development partners to share expertise and international best practices in developing micro, small, and medium enterprises (MSMEs), in line with directives from Egypt's Prime Minister and Chairperson of MSMEDA, Mostafa Madbouly. Rahmy also reaffirmed ongoing cooperation with the Ministry of Planning, Economic Development, and International Cooperation to expand MSMEDA's network of international development partners, thereby enhancing its performance.

"The United Nations Development Programme (UNDP) has been a key strategic partner for MSMEDA since its inception, providing essential support and expertise to enable MSMEDA to develop MSMEs and contribute to the State's efforts for sustainable development," Rahmy stated.

These comments were made during a meeting with a UNDP delegation at MSMEDA's headquarters. Rahmy expressed MSMEDA's eagerness to continue its partnership with UNDP to support Egypt's MSME sector in line with the government's vision to maximise its contribution to the national economy.

During the meeting, Rahmy reviewed MSMEDA's significant achievements through joint efforts in areas such as digital transformation, job creation, innovation, and expanding MSME financing. He also highlighted MSMEDA's future plans, which focus on improving the business environment, forging more strategic partnerships, implementing Law 152/2020 for MSME development, boosting start-ups, encouraging financial inclusion, advancing the green economy, and furthering digital transformation. Rahmy also presented MSMEDA's vision for upgrading plans and mechanisms aimed at enhancing the MSME sector, alongside a review of 2024 achievements in improving services for youth and the wider MSME sector. He underscored MSMEDA's role in financing human and community development projects, recognising their importance in fostering an environment conducive to MSME growth.

He highlighted MSMEDA's ongoing efforts to implement Law 152/2020, which seeks to formalise informal MSMEs, granting them access to Enterprise Classification/Privilege Certificates and the benefits of the Law. Rahmy added that MSMEDA is closely coordinating with relevant ministries and authorities to facilitate this process. Furthermore, Rahmy expressed appreciation for UNDP's participation as a strategic partner in the 2024 Turathna Exhibition, which showcased Egypt's handicraft sector and promoted Egyptian craftsmanship in remote governorates, reflecting the nation's rich heritage.

"UNDP remains committed to strengthening its cooperation with MSMEDA, recognising the development of the MSME sector as vital for economic growth, entrepreneurship, and sustainable job creation. By focusing on innovation, digitalisation, and green development, we aim to provide technical support to enhance MSMEDA's ability to foster MSME competitiveness and long-term sustainability," said Mr. Ghimar Deeb, UNDP Deputy Resident Representative in Egypt.

UNDP Egypt's Assistant Resident Representative and Inclusive Growth and Innovation Team Leader, Abeer Shakweer, praised MSMEDA's achievements in 2024 and its vision for future development. She highlighted the positive impact of UNDP-MSMEDA cooperation in creating a favorable business environment and emphasised the importance of fostering an ecosystem that supports MSMEs, with a focus on green economy, digitalisation, and innovation.

In this context, Advisor Sherif Rabie from the Ministry of Foreign Affairs commended MSMEDA's efforts to empower MSMEs and promote entrepreneurship during this critical period of institutional transformation. He noted that MSMEs play a crucial role in driving economic growth and community development, underscoring MSMEDA's role in enhancing Egypt's competitiveness and export potential. He also expressed appreciation for UNDP's support in advancing projects that align with Egypt Vision 2030.

The meeting was attended by MSMEDA's Deputy CEO Raafat Abbas, Deputy CEO Mohamed Medhat, and Head of MSMEDA's Human Resource Central Sector, Sherif Metwaly.

Source: https://www.dailynewsegypt.com/2025/01/05/undp-reaffirms-strategic-partnership-with-msmeda-in-2025/

Developing Tourism Enterprises in Kurdistan Region of Iraq

The United Nations Development Programme (UNDP) in Iraq, with funding from the United States Agency for International Development (USAID), in collaboration with the Ministry of Municipality and Tourism - Board of Tourism of the Kurdistan Regional Government (KRG), om January 25, 2025, proudly announced the successful completion of the Tourism Enterprise Development Program for women and youth aimed at developing the Tourism sector and empowering women and youth across the Kurdistan Region of Iraq (KRI).

H.E. Mr. Qubad Talabani, Kurdistan Regional Government's Deputy Prime Minister, said: "The tourism sector holds immense potential for economic growth and sustainable development in the Kurdistan Region. Through our partnership with UNDP and USAID, we have taken a significant step towards harnessing this potential by empowering our youth and equipping them with the necessary skills to thrive in this sector."

The training program, conducted across 9 locations in KRI including Erbil, Sulaymaniyah, Dohuk, Halabja, Garmian, Soran, Rapareen, Zakho, and Akre, helped 170 female and youth participants access learning opportunities to improve their livelihoods. Sessions focused on enabling women and youth to create tourism handicraft products reflecting on Kurdistan culture and heritage.

Auke Lootsma, the resident representative of UNDP Iraq, said: "This collaboration exemplifies our commitment to supporting inclusive and sustainable development in Iraq. By investing in the capacity building of women and youth, we are not only fostering economic empowerment, but also contributing to the overall advancement of the tourism sector in the KRI. This wouldn't have been possible without the generous contribution of our steadfast partner, USAID."

Ms. Erin Mone-Marquez, Mission Director, USAID Iraq, said: "The successful completion of these trainings underscores the importance of partnerships in driving positive change. By working together, we can create opportunities for women and youth to play a transformative role in the tourism sector, ultimately contributing to job creation and economic diversification and prosperity in the KRI."

The program's emphasis on producing diverse tourism handicraft products, tailored to local market demands, reflects a holistic approach to strengthening the tourism product of KRI. Participants were trained on creating different tourism handicrafts made of Kurdish textiles, ceramic and pyrography art.

Through these trainings, the KRG, UNDP, and USAID aim to enable women and youth to not only enter the tourism industry but also to establish their own micro-enterprises, thereby fostering sustainable livelihoods and contributing to the region's economic growth.

Source: https://www.iraq-businessnews.com/2025/01/20/developing-tourism-enterprises-in-kurdistan-region-of-iraq/

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

WASME has members in different countries across the world. Member constituents represent industrial promotional organizations of various types and come from highly industrialized, developing and transition economies, as well as least developed countries. WASME has a broad membership spectrum that includes:

Categories

General Members

- Ministries/ Government Departments
- Public Sector Undertakings/Semi Government Organization
- Export Promotion Councils/ Trade Councils
- Financial Institutions/ Banks/ NBFCs
- SME Promotion Organization/Enterprise Development Organization

Chambers/ Industry Associations/ SME Associations

International & Regional Federations/ Associations

Associate Members

- Corporations, Consulting Firms
- Partnership/ Proprietorship/ LLP etc
- Research Institutes/ Technical Institutes/ Universities
- Individual Consultants/ Experts/ Students
- NGOs/ SMEs etc.

Associate Membership-Indian Chapter

Any General Member or Associate Member who is willing to be Permanent Member of WASME

Benefits to Members

Collaborating with other members on issues of common interest to enable local SMEs gain access to a variety of advantages, such as:

- Making advantage of a vast network of WASME to create new alliances
- Building a global network and making your voice heard
- Globally promoting your company using WASME marketing platforms
- Possessing the chance to organise or present at WASME Global Conferences, Seminars, Exhibitions, events, and programmes
- Having your interests represented at multilateral organizations including UN organizations, national and international forums etc.
- Sharing your opinions and ideas in WASME publications
- Get access to WASME Resource Centre of Knowledge, Experts, Technology, Trade Facilitation, Financial Assistance, Market Linkage etc.
- Get tailor made services and support

For more information visit our

Website: www.wasmeinfo.org

Contact: membership@wasmeinfo.org

WARNING

We don't entertain cash for any membership activity / event / sponsorship / Exhibitions or other related activities. Cheque in favour of **"World Association for Small and Medium Enterprises"** payable at Noida / Delhi or NEFT/RTGS.

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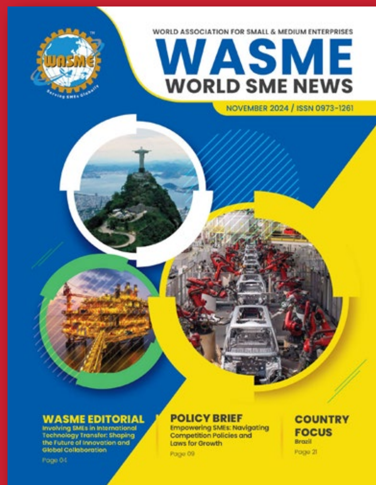

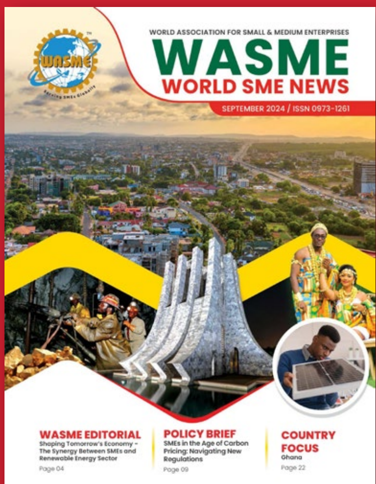

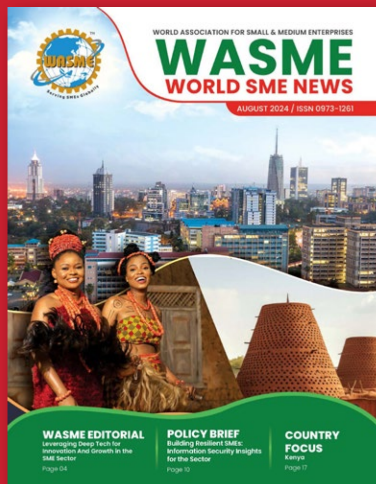

WORLD ASSOCIATION FOR SMALL AND MEDIUM ENTERPRISES

WASME House, Plot No. 4, Sector- 16/A, Institutional Area,
Film City, Noida– 201301, Uttar Pradesh, India
Call us: +91 120 4216283 / 4216284, Fax: +91 120 4216283

Email: wasme@wasmeinfo.org • Website: www.wasmeinfo.org