

# Final Review of the Boracay Action Agenda: Building Global MSMEs

---

Dr. Francis Mark A. Quimba, *Senior Research Fellow*  
Sylwyn C. Calizo Jr., *Research Specialist*



Philippine Institute for Development Studies  
*Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas*

1

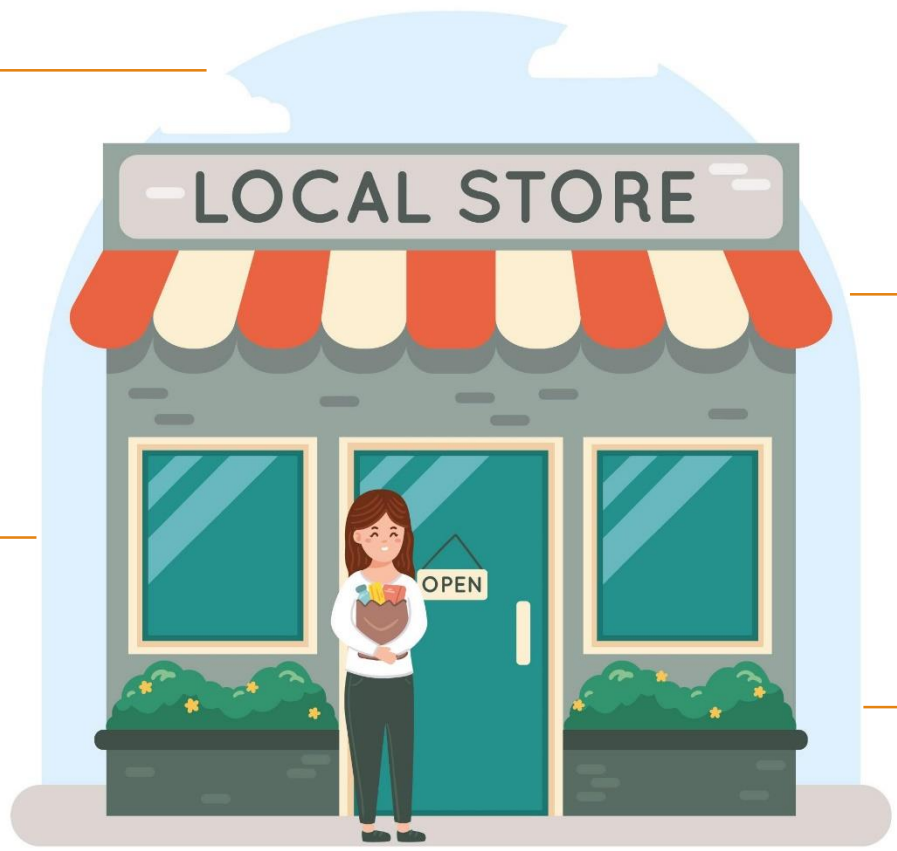
Key employers (73.8%)

MSME share of total employment

2

Economic contributors (40.0%-60.0%)

MSME share of total economic contribution



Entrepreneurship (51.0)

MSME density (per 1,000 people)

3

Backbone of local communities (99.8%)

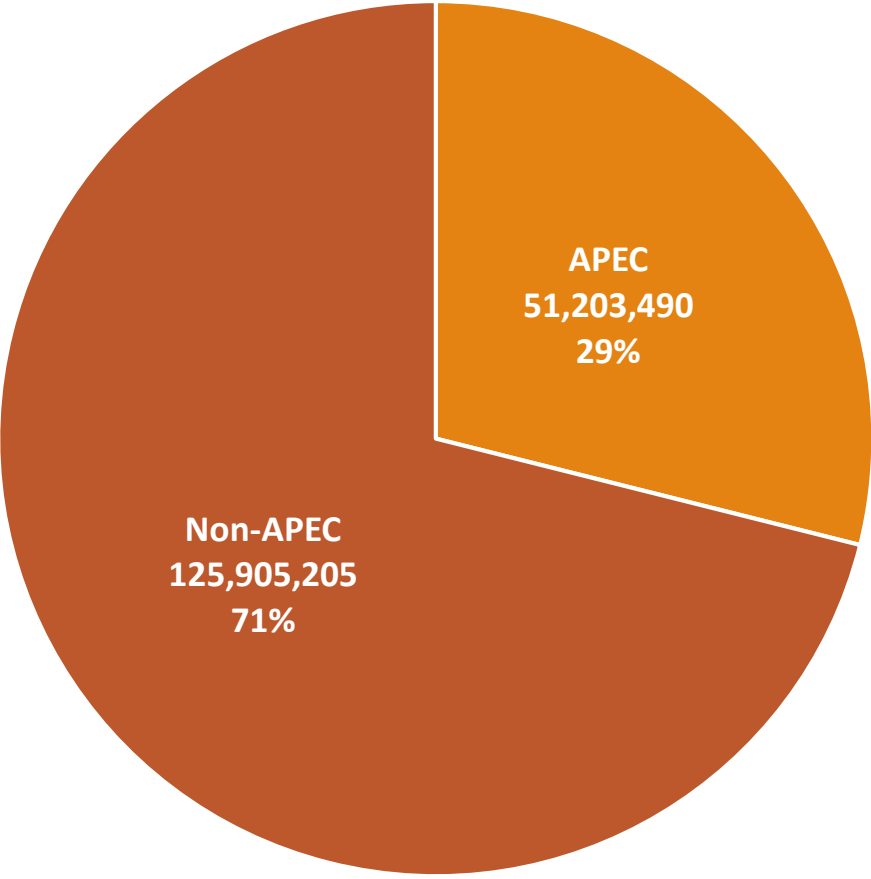
MSME share of total enterprises

4

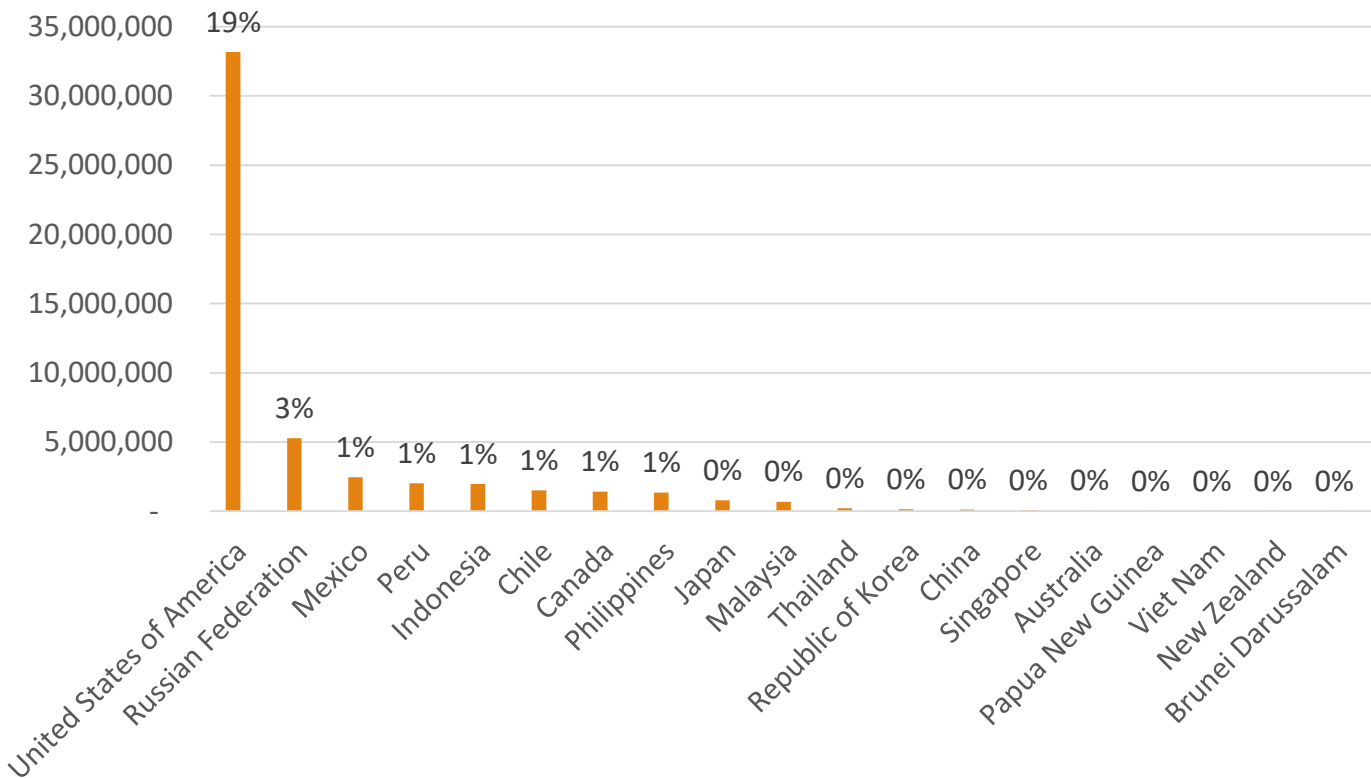
How important are MSMEs in APEC?

# APEC comprised a large chunk of global reported cases (29%) from 03 Jan 2020 – 18 Jun 2021

**Figure 1. Global reported cases, by area**



**Figure 2. Reported cases in APEC and percentage share to global**



Source: WHO COVID-19 Dashboard  
 Note: The WHO does not provide separate statistics for Chinese Taipei and Hong Kong, China.

# MSMEs throughout APEC were badly affected



## Australia

41.0% experienced at least a 50.0% drop in income within two months since COVID-19 started



## Canada

81.0% experienced difficulties  
78.0% of small businesses reported a 47.0% drop in sales



## Japan

92.0% felt the pandemic's impact  
39.0% felt supply chain disruptions  
26.0% decrease in orders and sales



## Republic of Korea

61.0% felt the pandemic's impact  
71.8% of MSMEs failed to meet delivery due dates due to factory closures in China



## Thailand

90.0% expect extreme revenue loss



## United States of America

70.0% experience supply chain disruptions  
52.0% laid off employees  
34.0% halved the number of their staff members  
43.0% of businesses temporarily closed

Source: Coronavirus (COVID-19): SME Policy Responses, OECD

# Fortunately, APEC initiated the Boracay Action Agenda in 2015, which can help MSMEs recover

---



## **Asia-Pacific Economic Cooperation**

Boracay Action Agenda to Globalize MSMEs  
(2016-2020)



Trade Facilitation (Priority Actions 1-4)



Financing (Priority Action 5)



Digital Economy (Priority Action 6)



Institutional Support (Priority Action 7)



Women-led MSMEs (Priority Action 8)

# APEC's active support to realize the BAA's goals strengthened MSMEs' capacity to internationalize

**76.5%**

Project Completion Rate (101 of 132 BAA Projects)  
\*as of 08 June 2021

**40.2%**

of BAA projects are related to institutional support (PA7), followed by projects on the digital economy (PA6, 35.6%) and women-led MSMEs (PA8, 23.5%)

**USD28,085,841**

Total funding invested into BAA projects, of which 44.7% are contributions from self-funded projects



**Asia-Pacific  
Economic Cooperation**

**7.6%**

of BAA projects were proposed collaboratively by multiple economies.

**USD107,215 (55.9%)**

Average APEC funding  
(% share of average APEC funding to average project value)

**Chinese Taipei (40.2%)**

supported the most number of BAA projects  
(this is followed by the Philippines, Korea, and Malaysia)

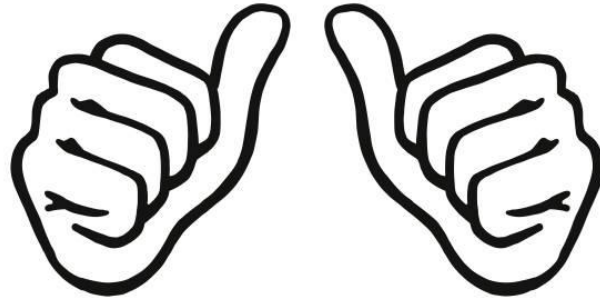
# Some BAA projects emerged to specifically support MSMEs in overcoming the pandemic

---

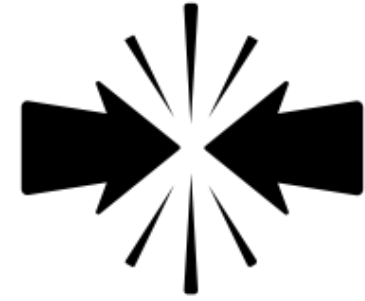
Trade Promotion Organizations can help:



Mitigate structural and attitudinal barriers faced by women in trade



Promote the adoption of best practices based on successful case studies and lessons learned in APEC



Soften the disproportionate impact of COVID-19 on women-led MSMEs

Source: Based on BAA Projects SME 03 2020S and SME 04 2020S

# But we can also learn from BAA projects that came even before the pandemic started

---

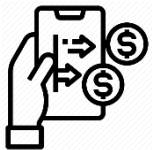
## Digitization



Promote MSMEs' digitization (SME 03 2016T) and use of e-commerce (CTI 24 2016)



Improve ICT and digital infrastructure to support MSMEs' internationalization (SME 03 2016T; SME 08 2016A; SME 09 2016A; TEL 08 2017S)



Maximize MSMEs' use of FinTech (SME 05 2018A) and digital financing platforms (SME 06 2017A)

## Internationalization (GVC participation)



Increase MSMEs' GVC participation by developing an efficient innovation system, linking MSMEs with lead firms, and improving the investment climate



Support policies that encourage MSMEs' participation in services trade



Promote strategies that can help MSMEs participate in GVCs, such as brand development (CTI 12 2016A), BCP (CTI 31 2016A), among others.



# The BAA has even produced/identified a number of tools that can help MSMEs internationalize

---

## Singapore's Tariff Finder

<https://www.enterprisesg.gov.sg/non-financial-assistance/for-singapore-companies/free-trade-agreements/ftas/tariff-finder>

## Useful Documents / Publications

Compendium of Good Practice in the Regulation of Services Trade (GOS 01 2016S)

Guidelines on the Best Licensing Practices of Collective Management Organizations to MSMEs (CTI 33 2017A)

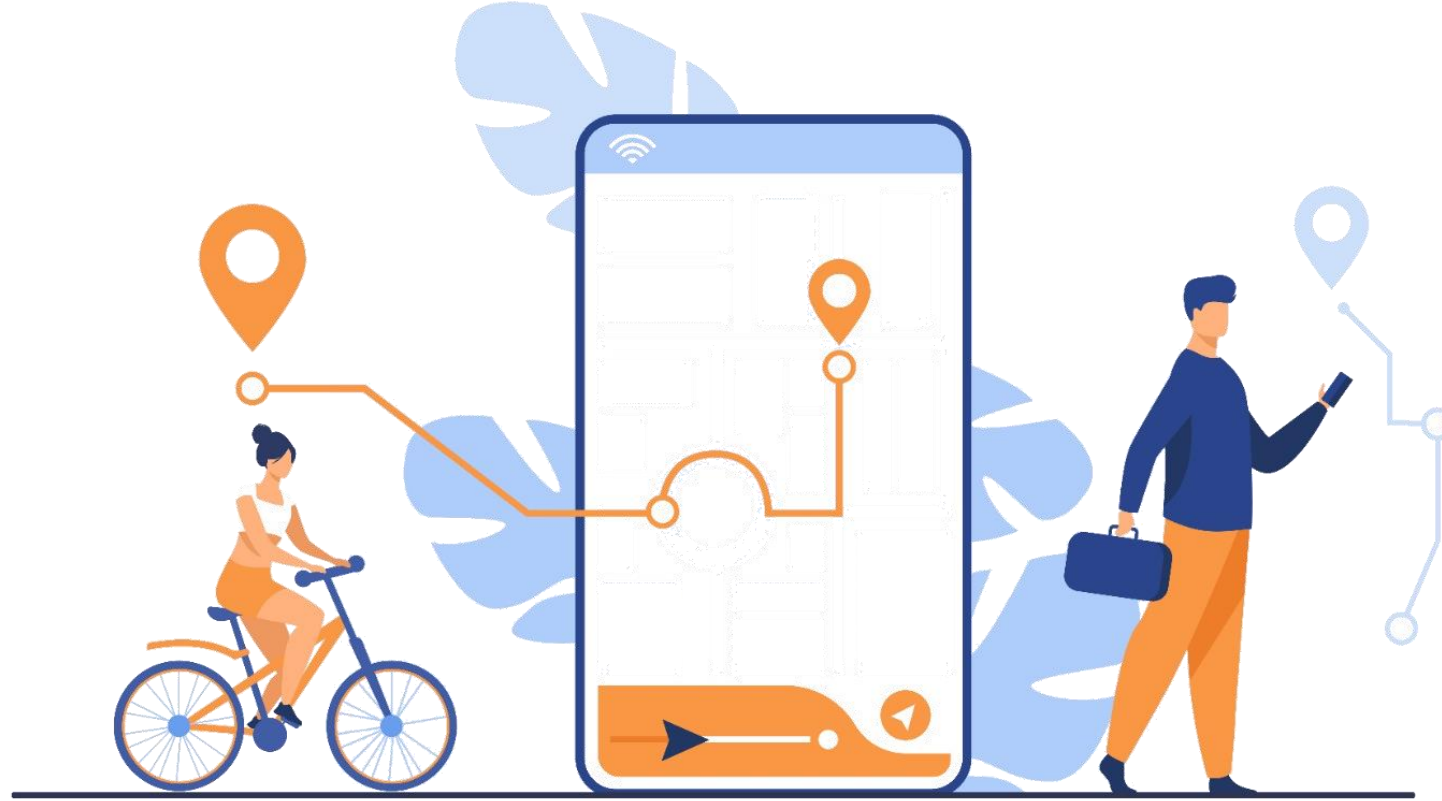


## WCO's Mercator Programme

<https://academy.wcoomd.org/courses/wto-trade-facilitation-agreement>

## ITC's Trade Portal

<http://www.macmap.org>



MSMEs can utilize the BAA's accomplishments on digitization and internationalization in order to navigate the new normal!



Philippine Institute for Development Studies  
*Surian sa mga Pag-aaral Pangkaunlaran ng Pilipinas*

Service through  
policy research

# Thank you

---



/PIDS.PH



@PIDS\_PH

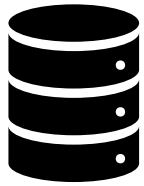


<http://www.pids.gov.ph>

EMAIL: [fquimba@mail.pids.gov.ph](mailto:fquimba@mail.pids.gov.ph)  
[scalizo@mail.pids.gov.ph](mailto:scalizo@mail.pids.gov.ph)

# Appendix: Sources of Data

---



## (1) APEC Project Database

- ✓ 891 APEC-approved projects from 2016-2020
- ✓ Contains basic information on project title, project number, year, status, expected start and completion dates, sponsoring APEC forum, proposing economies, and project value)
- ✓ Extended information on fund and sub-fund accounts, APEC funding and co-funding values.
- ✓ Relevant description about topic, committee and fora involvement.
- ✓ Official project summaries.



## (2) Project Completion Report (PCR) Database

- ✓ 36 PCRs reviewed
- ✓ Contains information on reported accomplishments that enable quantifying outputs and outcomes
- ✓ Also includes data about the number of workshops held, number of participants, speakers, participating economies, and participating organizations.
- ✓ Assessments of participants' learning are included
- ✓ However, not all projects have a PCR. Self-funded projects do not have this report.