



International Workshop on Strengthening National Capacities for Enhancing the Resilience of Micro-, Small, and Medium-Sized Enterprises (MSMEs) and Accelerating Sustainable Development in Times of Multiple Crises

United Nations Conference Center • Addis Ababa • Ethiopia
11-13 November 2024

I. Background

Micro-, small and medium-sized enterprises (MSMEs) are a critical subsector in the economy of both developing and developed countries. Collectively, they represent the main part of the private sector and serve as an incubator for entrepreneurial skills and innovations, contributing to critical areas relating to the achievement of the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs), encompassing inclusive economic growth, poverty eradication, decent job creation, the empowerment of women and youth, and inequality reduction, among others. MSMEs also promote social and economic inclusion by providing access to employment and income generating opportunities for groups in vulnerable situations that for various reasons are unable to access the formal economy.

Despite the above, MSMEs generally face several challenges, some of which have been exacerbated by multiple global crises that includes the impact of the COVID 19 pandemic on supply chains and access to markets, a cost-of-living crisis fueled by rising inflation and cost of fuel. These challenges have further constrained access of MSMEs to finance, making it more expensive to invest in their businesses and to access new and existing market. MSMEs often lack sufficient credit history or collateral to access credit, and because most MSMEs have low equity ratio, they are also more vulnerable to external influences like interest rate hikes. Strengthening capacities of MSMEs and providing MSMEs with enabling policy environment for growth and formalization will enhance their resilience towards uncertainties emanating from the cost-of-living crisis, conflicts, climate challenges and the Covid-19 pandemic.

The confluence of crises has brought to light not only the systemic interdependence of countries, but also the socioeconomic fragility of economies at global, regional and national levels. An important finding from several studies on the impact of such crises on MSMEs is that they are not homogenous. As a result, there is considerable diversity across economic sectors and countries in the damages resulting from the confluence of crises, and hence significant differences in the interventions required for MSMEs in different sectors or countries. Building the resilience of MSMEs is therefore crucial for enhancing their contributions and accelerating sustainable development in times of multiple crises.

To help support countries in their own efforts to strengthen the resilience of micro-, small and medium-sized enterprises, the Division for Sustainable Development Goals of the United Nations Department of Economic and Social Affairs (DSDG/DESA) is implementing two projects. The first project is on “Strengthening national capacities for enhancing MSME resilience and building forward better to accelerate the implementation of the 2030 Agenda in developing countries” funded by the United Nations Peace and Development Trust Fund. The second project is on “*Strengthened Resilience of MSMEs in Africa and Asia*” funded by the United Nations Development Account. Both projects aim to strengthen national capacities and optimize policy environment conducive for MSME resilience to accelerate the implementation of the 2030 Agenda for Sustainable Development in nine countries in Africa and Asia.¹

II. Objectives and Expected Outcomes

The workshop is expected to identify gaps, challenges, opportunities, good practices and facilitate innovative partnerships for enhancing MSME business climate, competitiveness and resilience; inform and make recommendations to United Nations intergovernmental processes and meetings on expanding MSME contributions to accelerating sustainable development and reinforcing the 2030 Agenda.

It is expected that deliberations of the workshop will contribute to:

- Strengthening national capacities, by enhancing the capabilities of participating countries to provide technical assistance and capacity building support to MSMEs and to exchange knowledge on good practices.
- Building enabling policy environments, by supporting the design and implementation of coherent policies, regulations, and institutional frameworks that foster an enabling environment for MSMEs to thrive in times of multiple crises.
- Increasing the capacity of MSME entrepreneurs to withstand challenges posed by the cost-of-living crisis, rising inflationary pressures, a debt crisis, interrupted supply chains, and the continued aftereffects of COVID-19 crisis.
- Expanding access to high-value market opportunities, by supporting the integration of MSMEs into regional mechanisms such as the African Continental Free Trade Area (AfCFTA) and the Asia-Pacific Regional Comprehensive Economic Partnership (RCEP).
- Strengthening MSME resilience and expanding MSME contributions to accelerating the achievement of the 2030 Agenda for Sustainable Development and its SDGs.

In addition, the meeting will also produce the following outputs:

- i. A knowledge product composed of written submissions/papers by project countries and invited experts.
- ii. A workshop report, summarizing the deliberations and key recommendations from the workshop, to be shared with the project countries and critical stakeholder groups.

¹ Target countries of PDF MSME project: Cambodia, Ethiopia, Kenya, Lao PDR, Madagascar, Philippines, The Gambia, Sri Lanka and Zimbabwe

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III. Participation

The Division for Sustainable Development Goals of UNDESA (DSDG/DESA) will invite policymakers and MSME entrepreneurs from project target countries, with priorities given to women, youth and groups in vulnerable situations. DSDG/DESA will also invite about resource persons from the academic, public and private sectors, taking into consideration gender and geographical balance. Invited resource persons will set the stage for the meeting by making presentations on the impact of the multiple crises on MSMEs and international good practices on policy responses enacted by national governments and development partners to protect MSMEs, with a particular focus on the need to protect jobs and livelihoods linked to the MSME sector. The interaction will foster the identification of concrete social and economic policies as well as encourage greater collaboration among the project countries in sharing knowledge and strategies that boost MSME resilience to economic shocks, promoting policy dialogue, facilitating synergies, and providing technical assistance in key policy areas underlying the overarching objective of the 2030 Agenda of poverty eradication, employment creation and reduction of inequalities.

IV. Facilitators and Speakers

The Division for Sustainable Development Goals, United Nations Department of Economic and Social Affairs (DSDG/DESA) will invite participants, facilitators and speakers from project countries, and resource persons from intergovernmental organizations, the private sector, and academia.

V. Organizational and administrative matters

The workshop will be held in a hybrid approach with both in-person and virtual participation, and the working language will be English. DSDG/DESA will cover the costs related to the participation (travel and per diem) of all participants from project target countries and resource persons from outside the United Nations system.

Invited participants from pilot countries are encouraged to provide DSDG/DESA with brief papers and/or presentations, addressing challenges, opportunities and potential solutions to enhance MSME resilience in respective countries. Moreover, invited resource persons are encouraged to provide brief background papers (approximately 5-10 pages, in English) to DSDG/DESA by 31 October 2024 for distribution to other participants. Each background paper should address a specific agenda item and include a summary of the resource person's own research and evidence from other sources, as well as references to relevant parts of the 2030 Agenda for Sustainable Development. All sessions of the meeting will be in plenary. Invited participants from target countries and resource persons will lead-off discussions. They will deliver presentations which will then be followed by in-depth plenary discussions. During the wrap up session of the meeting, participants and resource persons will outline the major conclusions and recommendations of the meeting. DSDG/DESA will prepare a final report summarizing the discussions and key conclusions of the meeting.

With participants' permission, the papers and presentations will be posted on the website of DSDG/DESA.

Participants and resource persons are encouraged to prepare PowerPoint presentations and to share them in advance with the organizers, if possible. All papers and presentations should be sent to Ms. Meseret Arega (arega@un.org) and to Mr. Clark Liu (ke.liu@un.org). Participants are expected to arrive in Addis Ababa, Ethiopia on 10 November 2024 and to stay throughout the duration of the workshop.

VI. Date and Venue

The international workshop will be held from 11 to 13 *November 2024*, at the United Nations Conference Center, Economic Commission for Africa (ECA) in Addis Ababa, Ethiopia.

VII. Documentation and the Language of the meeting

The documentation of the meeting will be comprised of relevant publications, documents and materials related to the theme of the meeting. The working language of the meeting will be English and French. Documentation for the meeting will be provided in English.

VIII. Contacts

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