

TACKLING CORONAVIRUS (COVID-19)
CONTRIBUTING TO A GLOBAL EFFORT

TRADE & SMES



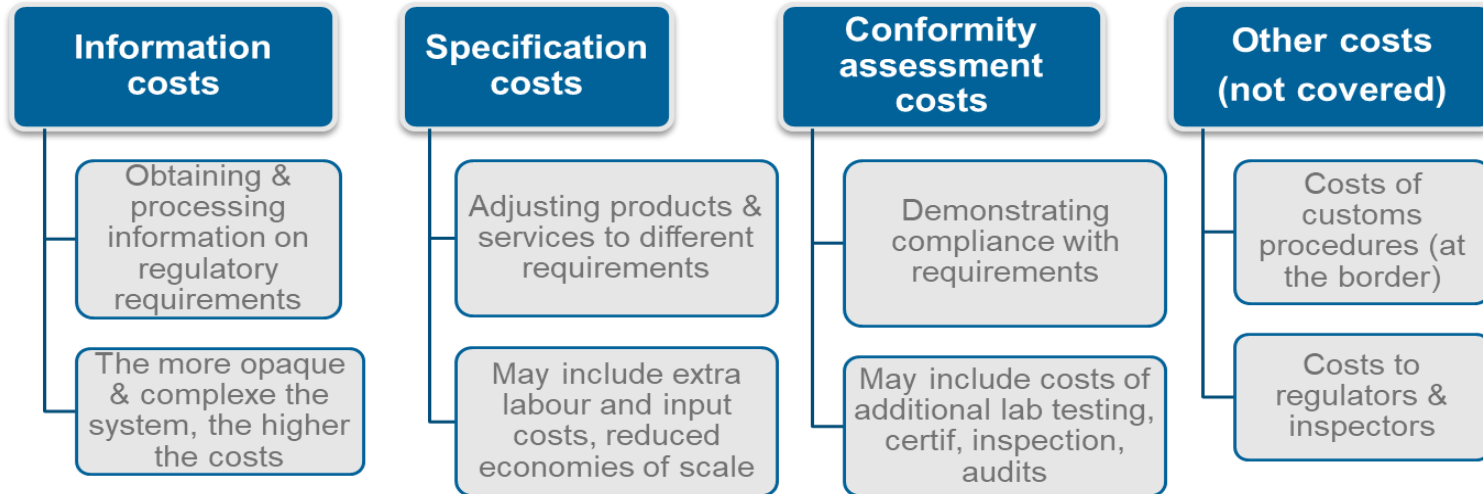
18TH MEETING OF THE COMCEC TRADE WORKING GROUP
11 May 2022

Céline Kauffmann

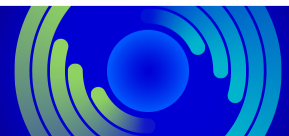
Head, Entrepreneurship, SME and Tourism Division

OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE)

Non-tariff trade costs incurred by traders



Source: OECD (2017), *International Regulatory Co-operation and Trade: Understanding the Trade Costs of Regulatory Divergence and the Remedies*, OECD Publishing, Paris



Trade support in SME policy responses to COVID-19

Emergency liquidity and trade finance

(export credit, insurance, guarantees)

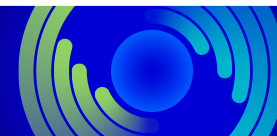
- **South Africa – Resilience Facility.** Working capital, equity support, bridging finance, order finance, and equipment finance for companies that face disruptions in their supply chain
- **Spain – Export insurance.** Extension of existing insurance programme with an additional budget of EUR 2 billion
- **Korea – Trade finance.** Additional funds and extended maturity of trade insurance and guarantees. Emergency liquidity to help companies expand overseas activity

Trade cost reduction or deferrals and trade facilitation

- **Argentina** – Export tax removal for MSMEs
- **Italy** – Reimbursement costs for trade events
- **Switzerland** – Compensation for reduced export promotion activities
- **Canada** - Extension of timeframes for payment of customs duties
- **EU** - Guidance on Customs issues related to the COVID-19 emergency

Help SMEs find alternative markets

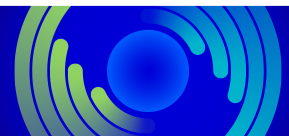
- **Costa Rica** - Business development services
- **New Zealand** - International market intelligence to help SMEs diversify export and import markets
- **Indonesia** – Virtual match-making events
- **Canada** – Virtual trade missions
- **Malaysia** - E-commerce support and on-boarding training
- **France** – E-commerce recovery plan



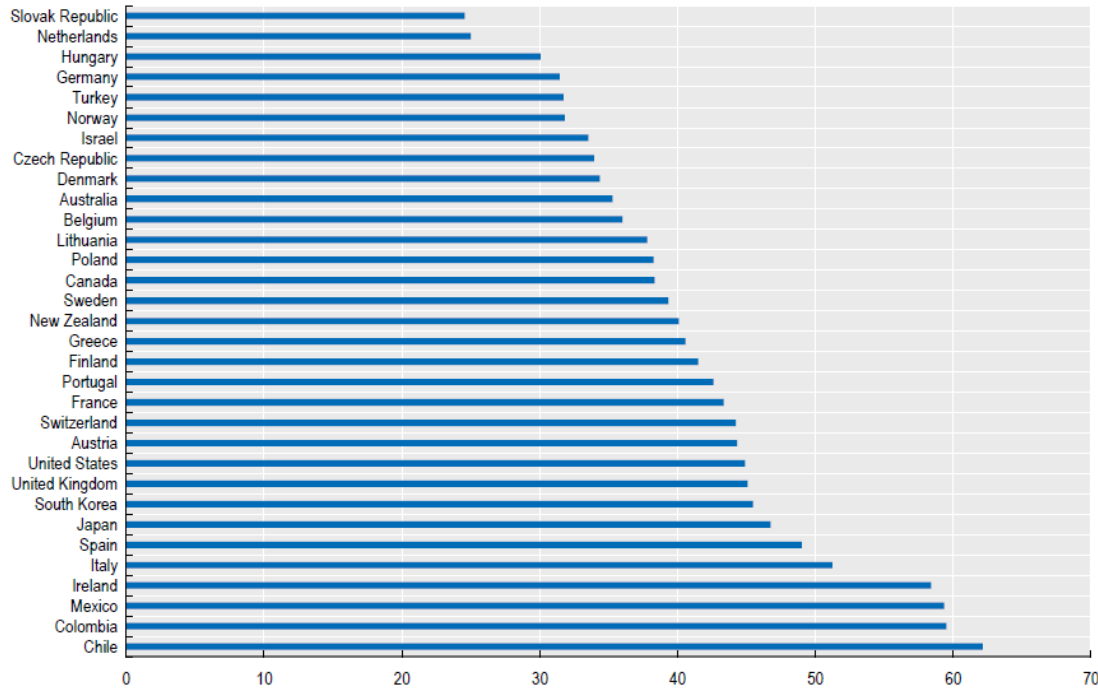
Government services to SMEs through digital portals

Service types	37 OECD countries		13 Non-OECD countries	
	Number	%	Number	%
Tax declarations and VAT	35	95%	9	69%
Business registration	33	89%	11	85%
Finance & funding	34	92%	8	62%
Business development	31	84%	10	77%
Public procurement	32	86%	7	54%
License systems	29	78%	9	69%
Human resources	31	84%	6	46%
Intellectual property (patents, trademarks, designs)	30	81%	7	54%
Foreign trade assistance	31	84%	5	38%
Legal requirements	29	78%	4	31%

Source: (OECD, forthcoming), Improving government to business services through digitalisation: one stop shop platforms and single digital portals for SMEs



During COVID-19, SMEs have gone digital

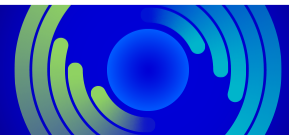


Source: OECD SME and Entrepreneurship Outlook 2021, based on Facebook/OECD/World Bank survey Dec. 2020.

Between 25 and 60% of SMEs have increased their uptake of digital tools

The higher the share of online sales, the lower the activity decline.

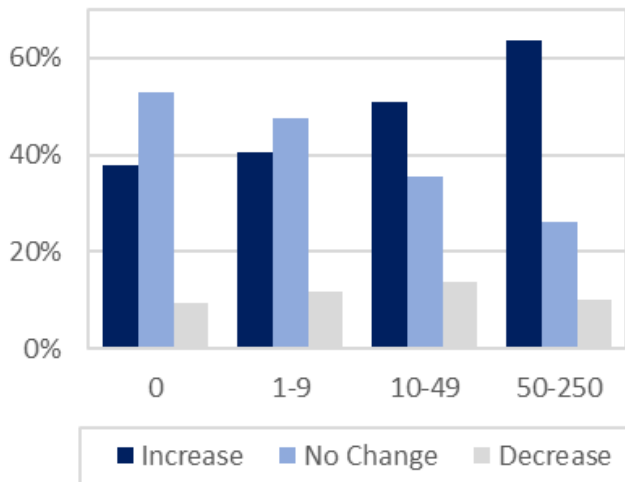
SMEs that used platforms before increased their use during the crisis (only 5% started during).



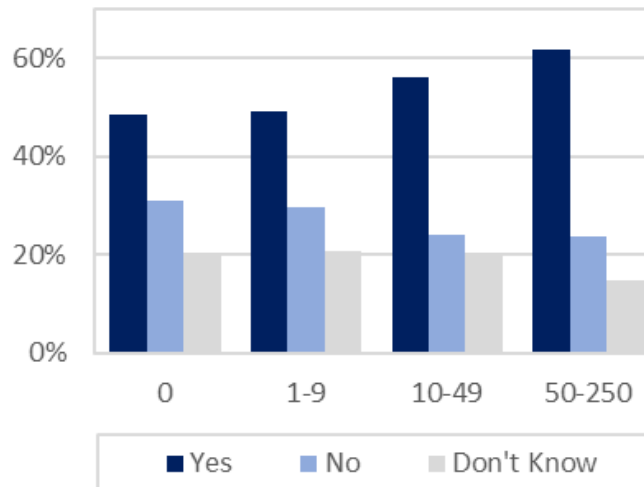
The changes in digital use seem poised to last for a large share of firms, but not for all

Share of SMEs with a Facebook page respondents (%)

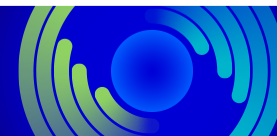
Has the use of digital technologies in your firm increased since the pandemic?



Will COVID permanently change the use of digital technologies in your business?



Source: OECD SME and Entrepreneurship Outlook 2021, based on Facebook/OECD/World Bank survey Dec. 2020.



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Thank you

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