Integrated Services for MSMEs in International Trade (ISMIT)

Opening the Global Economy to MSMEs

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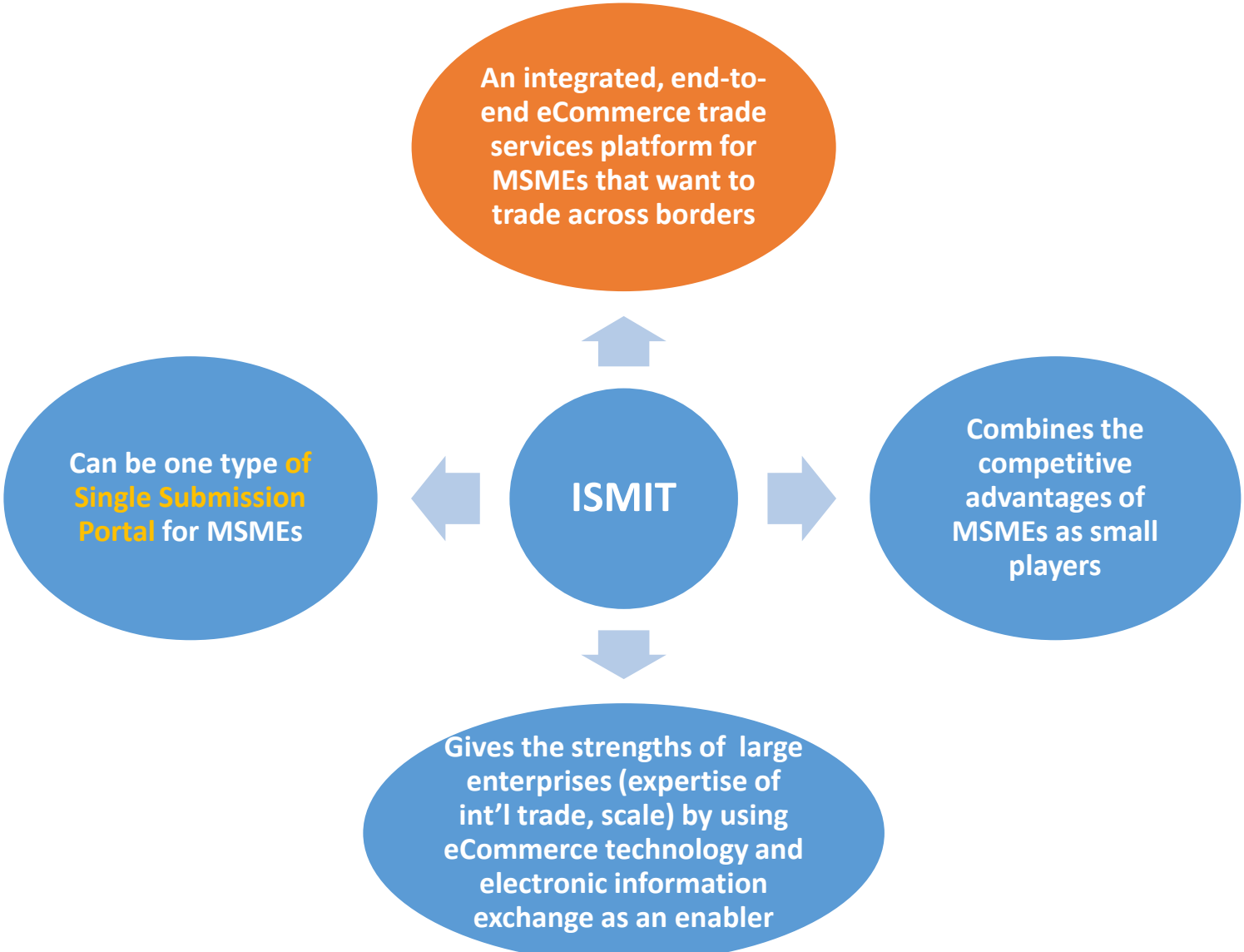
MSMEs and International Trade

- MSMEs: huge economic importance: stimulation of growth, employment, poverty reduction
- HOWEVER their access to International markets is limited
  - On average MSMEs account for 95% of all firms in a country, BUT their share in direct exports is 7,6% (World Trade Report 2016, WTO)

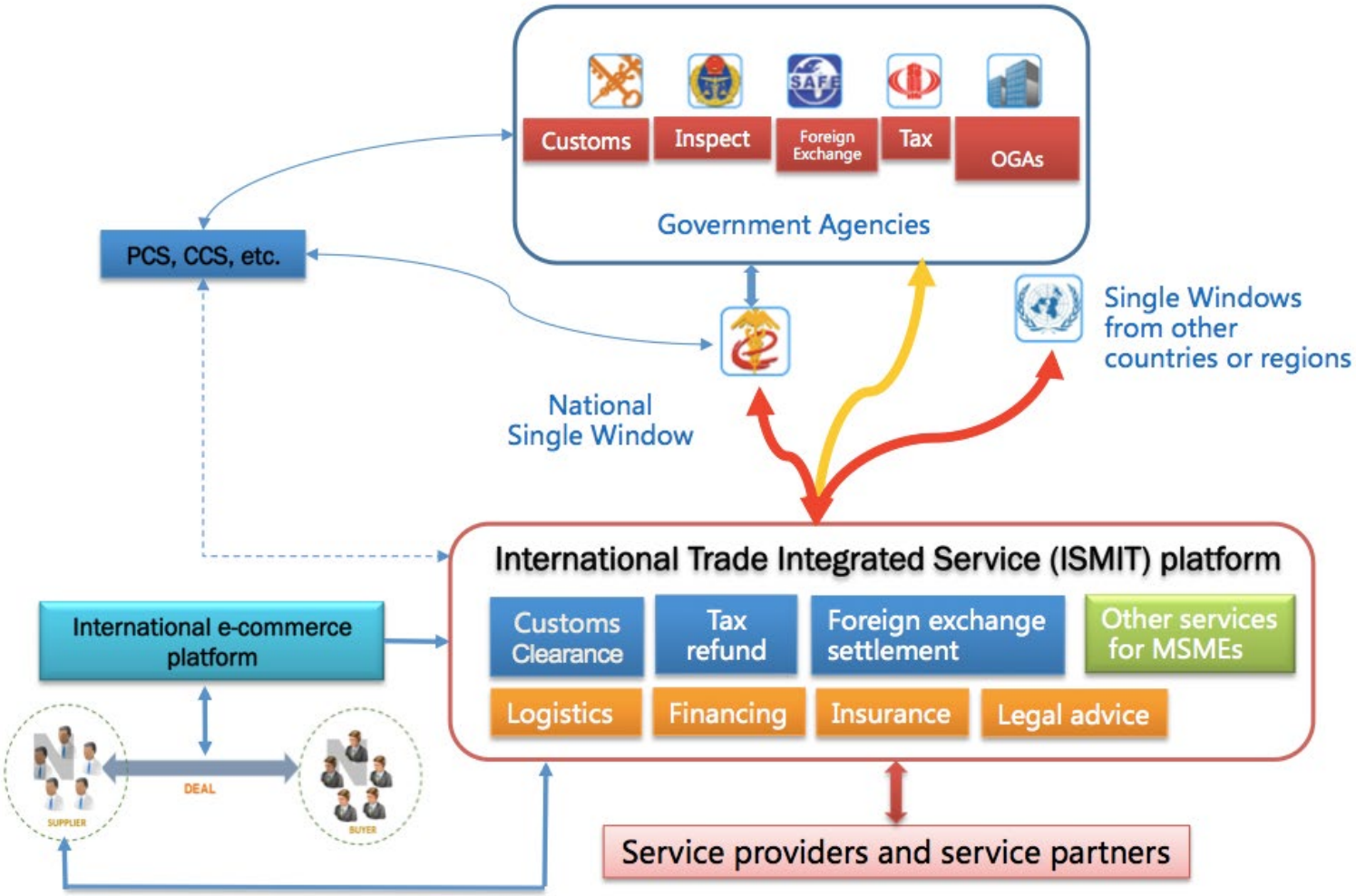
- eCommerce: One of the solutions and new trading opportunities for MSMEs

International Trade Barriers faced by MSMEs

Integrated Services for MSMEs in International Trade (ISMIT)- What is it?



ISMIT – Conceptual Framework



What is a Single Submission Portal (SSP)

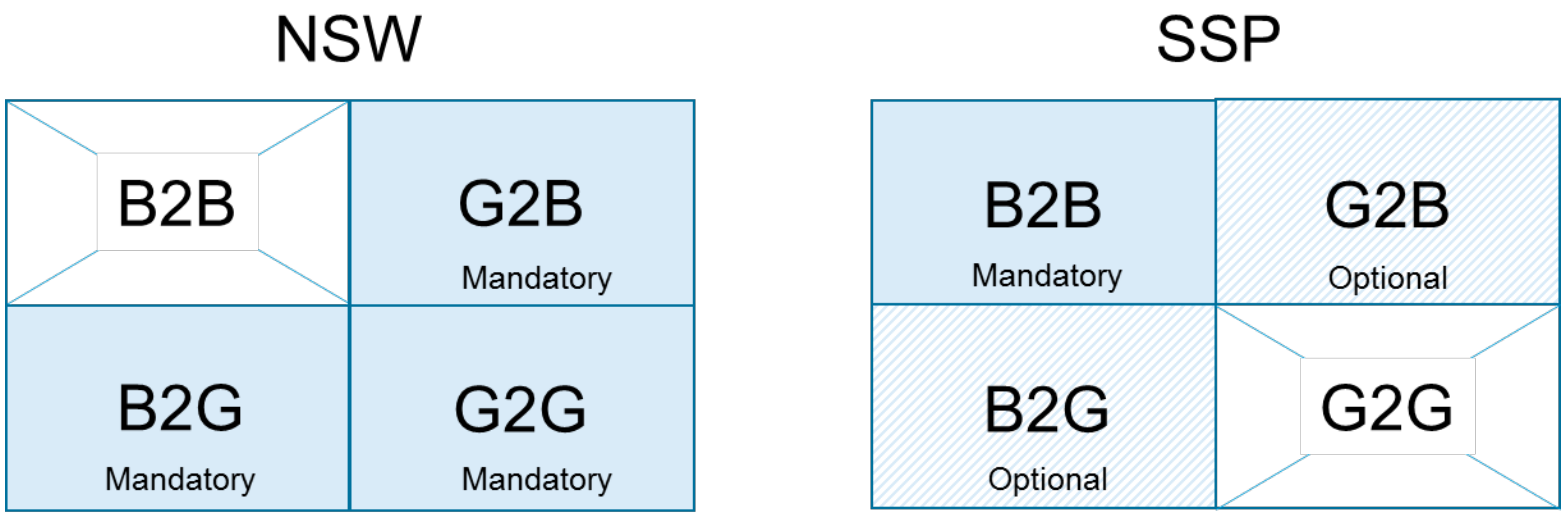
SSP is an access point that allows traders to exchange information, in a standard format and related to a specific activity, with relevant parties and relevant government agencies

SSPs covers Business to Business (B2B) processes such as contracting for transport, logistics and financial services.

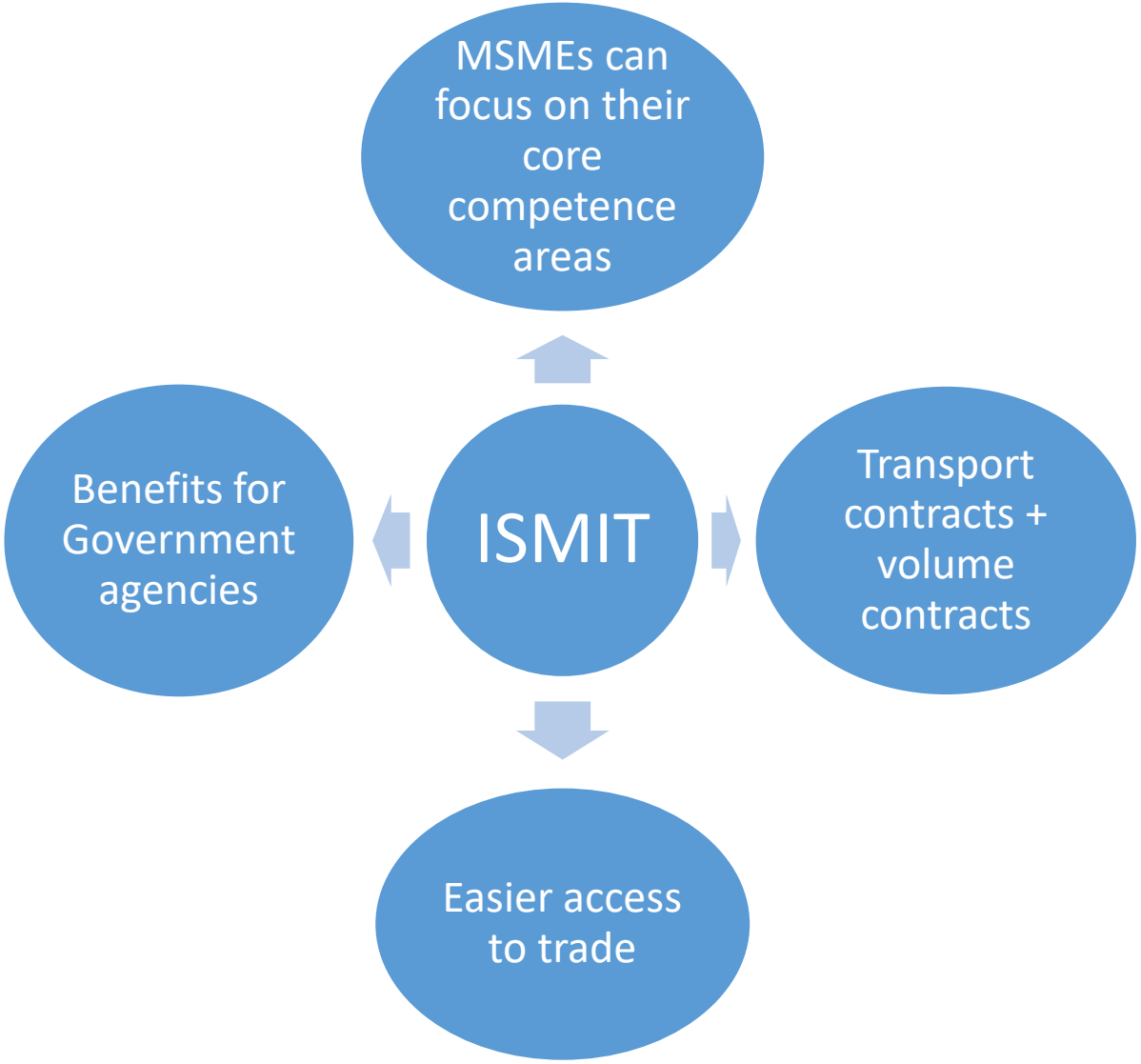
SSPs will often also facilitate regulatory processes through Business to Government (B2G) information exchange, in cooperation with or within the context of a Single Window. There are a variety of types of SSPs e.g. PCS, CCS

In all SSPs, regardless of the type, economic operators are, ultimately, the main 'clients' to whom the offered trade facilitation services are targeted.

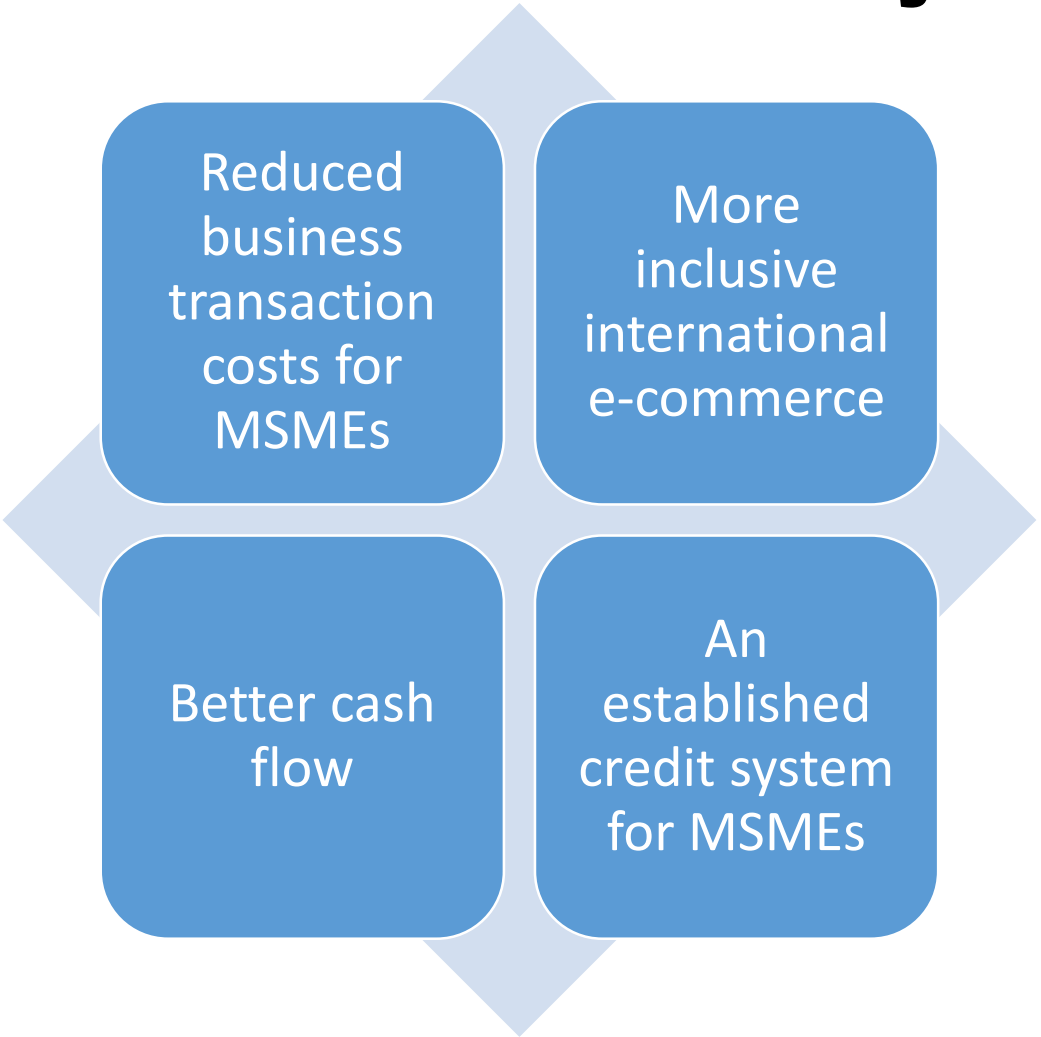
Single Window and Single Submission Portal



Benefits of ISMIT



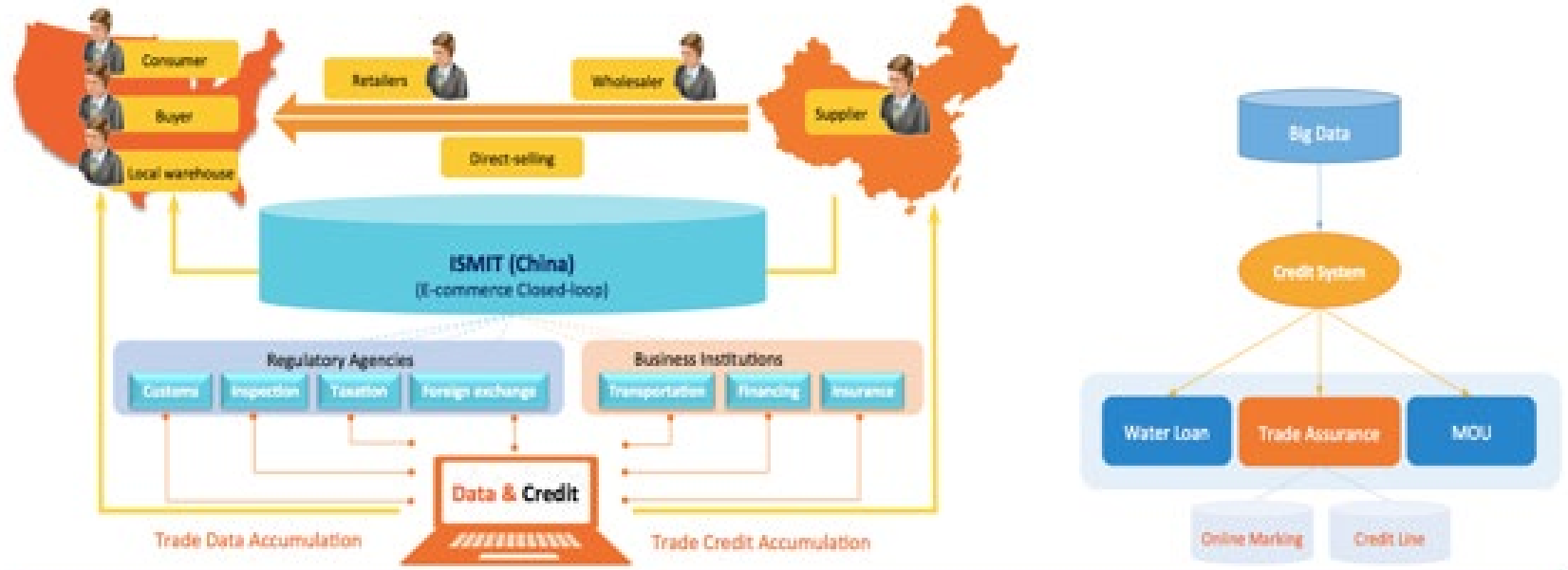
How ISMITs address the international trade barriers faced by MSMEs?



Implementation Guidelines: Recommended best practices when establishing ISMIT

- ISMIT platforms can be operated by Private Sector or a Public Private partnership
- ISMIT platforms can assemble the service providers and service partners of cross-border trade
- MSMEs in a country should have access to ISMIT platforms that facilitate their access to foreign markets
- ISMIT service providers should support national eGovernment strategies, for example by proposing an entry point into the national Single Window and other relevant systems of Government agencies.
- ISMIT platforms should support both exports and imports in order to provide equal export opportunities to MSMEs from all countries and to support the ability of domestic MSMEs to participate in global value chains which, in the manufacturing sector, often requires the use of imported components

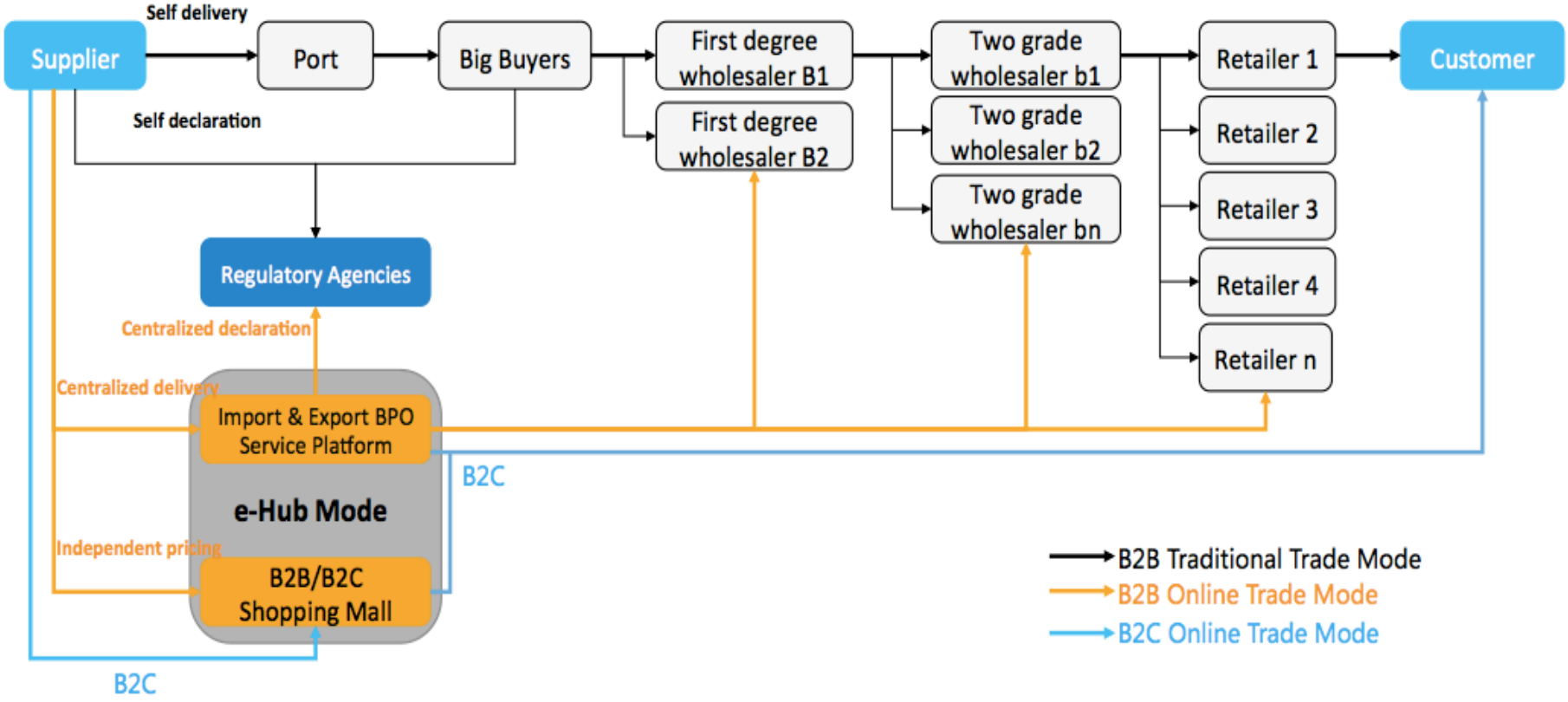
Case Studies: ISMIT in China



ISMIT model in China

- ISMIT model, called Import & Export BPO Service Platform, started around 2010 as an integrated supply chain service platform offering services such as finance, logistics, customs clearance and tax refunds
- It led to rapid growth in more than 10 cities in China due to its reliable data, credits to traders, and the use of big data for both commercial and regulatory applications

Case Studies: ISMIT in China



ISMIT in China provides multiple trade modes in parallel for MSMEs

Case Studies: ISMIT in Singapore

- Singapore's TradeXchange (launched in 2007) is a secure and neutral IT platform which enables exchanges of trade and logistics documents as well as data among private sector companies, as well as with the Government
- The original intention of the TradeXchange platform was to:
  - Increase SME competitiveness and capabilities
  - Provide a low-cost community platform for trade and logistics
  - Facilitate logistics hubbing for MNCs
  - Promote a vibrant trade software provider industry
- The expected outcomes of the platform include
  - A global logistics hub
  - Spin-off industries

Services provided by the TradeXchange platform include:

Based on the visions and targeted values, TradeXchange launched 6 core service at the early stage of the operation.

Service	Intended functionality
Integrated Multimodal Solutions	Linkages to Cargo Community Network (CCN) and PortNet for air/sea schedule and cargo tracking
Shipping Line Linkages	Cargo space booking, enquiries and other relevant messages to be sent and received from the shipping lines electronically. Shipping lines include GT Nexus and INTTRA
Overseas Highway Manifest	Submission of advanced manifest data to the relevant regulatory authorities in Australia, Canada, the United States and more
Overseas Highway Customs	Enables trade declaration data to be reused and sent online conveniently for customs clearance in Australia, as well as the Pan-Asia Alliance (PAA) Network: China, Chinese Taipei, Hong Kong SAR, Indonesia, Japan, Korea, Macau SAR, Malaysia and Thailand
RosettaNet Automated	Connects industry players to their customers & suppliers for exchange of commercial documents (purchase order, packing list, invoice using the RAE framework)
Title Registry	Enables end users and VAS providers to have a secure creation, transfer, surrender and access of title of goods (Bill of Lading) electronically across various parties for Letter of Credit payment processing

Thank you

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