



## Op-ed: Building an MSME Ecosystem

Opinion of: Lisa McAuley and Alexander R Malaket

A recurring challenge in deliberations related to MSME engagement in international markets, including in the context of global supply chain ecosystems and in deliberations related to policy solutions aimed at enabling such engagement is, in the first instance, to understand what qualifies as an MSME.

The definition of an MSME varies significantly across jurisdictions, to the extent that a medium-sized enterprise in one market could include companies generating multiple hundreds of millions in annual turnover, whilst in another market, is likely to be a fraction of that in size and economic value.

To the extent that a common reference point can be achieved – even an agreed range for each category, based on annual revenue or number of employees, could assist in focusing efforts and solution-development in local, national and regional economies, where the greatest positive (and most needed) impact can be generated.

It is axiomatic that MSMEs account for significant portions of GDP and employment in most economies around the world, and collectively, on a global level as well. Whilst businesses in some parts of the world are driven to look outward, MSMEs in other regions are run as “lifestyle companies” with little desire for growth beyond funding a comfortable life for founders and their families. Some leverage extensive international diaspora to develop networks around the globe, whilst others wrestle to generate the commitment necessary to venture internationally.

Initiatives by international organisations, by policymakers and political leadership can enable and support international aspirations but cannot (in most cases) successfully impose or mandate them, thus a targeted approach may warrant consideration in attempts to generate the greatest value and impact.

Programmes that foster the growth of MSMEs to engage successfully in international trade not only drive job growth but provide broad economic benefit and value.

MSMEs engaged in global trade either through customer or supply channels, are often more innovative due to their exposure to global competition and new concepts and this was recently highlighted in Australia's 2030 national innovation report.

Given the capacity of MSMEs to drive economic development and job creation, as well as to foster innovation, assisting them to expand through global trade should be a top priority for policy-makers and those organisations that support and service trade.

### Common Challenges Faced by MSMEs include:

- Leadership
- Capacity & Competency
- Access to Information
- Access to Finance
- Engage more MSMEs in Global Markets



Much of the foregoing is at minimum familiar to policymakers, researchers and advocates supporting MSMEs, including international development practitioners who recognise the critical role that MSMEs play in driving development, inclusion and prosperity.

The importance of the role of international institutions, including rulemaking bodies, development finance institutions, multilaterals and their private sector development units and others cannot be overstated.

Even with the existing infrastructure aimed at supporting MSME success in international markets however, it is clear that core challenges remain and more must be done. Very few economies around the world have achieved the unique success of the German mittelstand segment – largely family-owned MSMEs whose collective export success helped Germany to successfully weather the global financial crisis.

A global, trusted alliance like the recently launched [Global Trade Professionals Alliance \(GTPA\)](#) that crosses private and public-sector boundaries, combines professional development and certification with research, analysis, advocacy and the development of enabling tools and practices to help MSMEs succeed internationally can add significantly to the effective championing of MSME global success.

## About the authors

### **Lisa McAuley, Executive Director of the Global Trade Professionals Alliance**

Lisa McAuley was the former Chief Executive Officer of the Export Council of Australia (ECA) for 5 years and has worked in international trade for over 12 years. As CEO for the ECA Lisa drove the organisations focus on ground-breaking research and advocacy projects that place the global competitiveness of Australian SMEs at the heart of all the ECA's projects.

Lisa's passion for international trade and respected voice in the industry puts her on the AmCham Trade Advisory Group and the Board of Yuluma Holdings.

In the last four years alone Lisa has passionately overseen the development of the ECA leading research and product development initiatives that have benefited Australian companies engaged in International Business.

Prior to joining the ECA, Lisa worked in various Financial Services companies both in London and Australia in marketing and communications and business development roles.

### **Alexander R. Malaket, CITP, CTFP**

Alexander R. Malaket, CITP, CTFP, is President of OPUS Advisory Services International Inc., established in 2001, focusing on international business, trade and investment with a specialism in trade finance/supply chain finance. Alexander has undertaken a range of consultancy assignments, from operational and tactical to technology, to global strategy, and delivered various training programs for clients around the world.

Alexander has researched and authored thought leadership reports, program assessments and reviews, public and international policy reports and has participated in or chaired numerous international initiatives for industry bodies and other institutions.



**GTPA**  
GLOBAL TRADE PROFESSIONALS ALLIANCE

Global Trade Professionals Alliance Ltd  
ACN 619 558 306  
gtpalliance.com

Mr. Malaket is an internationally recognized expert, contributing regularly to industry publications like Trade Finance Magazine, Trade & Forfeiting Review, Global Trade Review, Cash & Trade Magazine and Trade and Export Finance. Alexander speaks and chairs panels at top-tier conferences and events around the world, and is the author of “Financing Trade and International Supply Chains”, Gower/Ashgate Publishing, UK 2014 (now Taylor & Francis, UK).

Alexander holds the designations of Certified International Trade Professional (FITT, Ottawa) and Certified Trade Finance Professional (ICC Academy, Singapore).

THE PEAK INTERNATIONAL BODY FOR GLOBAL TRADE PROFESSIONALS (GTP) *Trusted in Trade*

Dubai Level 41 Emirates Towers, Sheikh Zayed Road, Dubai United Arab Emirates | London Level 17 Dashwood House, 69 Old Broad Street, London United Kingdom  
New York 1330 Avenue of the Americas, Midtown Suite 23A, New York 10019 USA | Singapore PSA Building, Level 26, 460 Alexandra Road, Singapore 119963 |  
Sydney MLC Centre, Level 57, 19-29 Martin Place, Sydney Australia 2000