

# WUSME - WORLD UNION OF SMALL AND MEDIUM ENTERPRISES (In Special Consultative Status at UN ECOSOC since 2013)

## Statement: 54th Session of the United Nations Commission for Social Development (CSocD54)

Submission by the World Union of Small & Medium Enterprises (WUSME), co-authored by Prof. Dr. Norbert W. Knoll von Dornhoff, General Secretary of WUSME along with guidance from President Dr. Gian Franco Terenzi and other WUSME Board, Commissions and Staff Members.

San Marino, October 23rd 2015

### SMALL AND MEDIUM ENTERPRISES AND CRAFTS (SMEs) AS ENGINES FOR SOCIAL DEVELOPMENT

#### Introduction

At its fifty-third regular session, held on 21 February 2014 and from 4 to 13 February 2015, the Commission for Social Development emphasized that sustainable development must integrate the social, economic and environmental aspects of development — the vision and principles of the World Summit for Social Development that are gaining renewed recognition today.

WUSME in this statement will focus on issues that have a direct impact on social development now and in the future, where SMEs and Crafts play an important role, such as health care, technical innovations, environment protection, education of entrepreneurs and their employees, gender equalization and Repatriation of Refugees and services for the civil society and communities.

#### **Objective and Purpose of Statement**

The objective and purpose of this statement is to contribute to a better awareness of the significance of SMEs and Crafts development worldwide to improve social development, particularly in less privileged Countries.

Empirical studies have shown that SMEs contribute over 55 percent of gross domestic product (GDP) and over 65 percent of total employment in high-income countries. The SME growth is assessed by SME contribution to the three (3) main sectors of the economy; manufacturing, services and agriculture.

#### "WORLD UNION OF SMALL AND MEDIUM ENTERPRISES"

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### Overview of the issue as it relates to the work of WUSME Igniting Innovations

Innovation and translation of scientific innovations into marketable and profitable products is increasingly becoming a challenging task since globalization has intensified competition in innovation, with a significant increase in R&D spending in BRIC (Brazil, Russia, India and China) countries.

Recent University studies estimated that since the end of World War II more than 50% of all innovations and even 95% of all "radical" innovations, e.g. in electronics, medicine techniques and genetic engineering originated from single inventors and SMEs.

WUSME in its regular workshops presents innovative SMEs to the general public and assists them identifying business partners and access to research institutions and investors.

#### Women entrepreneurs - Gender Equality

WORLD BANK estimated that 200 million enterprises are been owned by women.

In WUSME's written statement DECLARATIONS SUBMITTED TO THE UNITED NATIONS for UN 59th CSW 2015 we formulated three imperatives for Inter-gender collaboration and empowerment

The First Imperative: For an exchange – or commerce, if you prefer - of any kind to take place, be it the sale of merchandise, the procurement of a service, up to and including something such as enrolling in college, inter-gender contact will occur and the parties may be made up of any diverse population, male and female being a baseline combination.

The Second Imperative: With the First Imperative as a given, we must all make every effort to interpret, as accurately as possible, what is said and done – a verbal exchange, a written communiqué or something as subtle as body language - when inter-gender communication take place.

The Third Imperative: Once something is communicated between and/or among individuals of different genders, and within genders, we must know, with a realistic degree of certainty, that we have an accord upon which appropriate action can be taken

#### **Health Care**

The contribution of health to economic development is considered to be high. Studies that have been made in the UK show that 30% of economic growth can be related to improved health and some scientists believe that the improved health of the population has a greater impact on the economic growth than education. Regarding new products in the biotech, SMEs traditionally play a crucial role. Because of their quick adaptability, ability to identify market niches and considerable innovative potential, these firms form an important component of the healthcare industry worldwide

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#### **Environment Protection - Waste to Energy**

SMEs and Crafts supporting Associations like WUSME are since decades aware that "WASTE" as a by-product of economic activity by bigger and smaller businesses is an integral part of the global economy. SMEs and Crafts are significantly contributing to new sustainable technologies for waste recycling and the production of energy (e.g. oil, gas, electricity, building materials, and organic fertilizers) from waste, such generating new business activities for smaller companies.

#### (3)

#### Education and Training Program for Entrepreneurs and their Employees

WUSME has developed a Program aiming at: Encouraging education and professional training, working closely with academic institutions in the different countries, to implement appropriate training programs and create effective international network of intellectual resources for the benefit of entrepreneurs and their employees around the world. WUSME is already active in developing and implementing important partnerships worldwide with public and private partners organizations, to foster education and training, with important social impact on local communities.

For example, in July 2014, he signed an agreement with the Secretariat of State for Labour of the Republic of San Marino and with the UNAS, National Union of Craftsmen of San Marino to the promotion and development of vocational training programs and crafts in collaboration with the Vocational Training Centre of the Republic of San technicians. Co-operation agreements have also been signed with EuCham European Chamber of Commerce and with the Chinese-Hungarian Chamber of Commerce.

#### **Repatriation of Refugees**

WUSME in cooperation with the WUSME Federation in the Democratic Republic of Congo has elaborated a Repatriation Program, known as TU TUMIKE, submitted to the UNHCR in Geneva for funding. Meaning of TU TUMIKE: Swahili word, one of the national languages "Sustainable Development".

WUSME has been appointed Official Representative of the Government of the DRC for this project with the mandate is t present to UNHCR the further development of the programme, such as the Cooperation Agreement signed on June 30th 201 5between WUSME - DRC and the Ministry for Professional Training and Technical Education.

By 2017, the socio-economic reintegration of 200,000 returnees shall be facilitated through the technical capacity and management, as well as funding for their businesses in the regions of origin in the Democratic Republic of Congo.

#### A way forward: Expectations, specific recommendations

In unrestricted appreciation of the valuable contributions of the Distinguished Delegates to the subject themes in the past, WUSME would expect that a "New



Architecture" for preserving the right, interests and competitiveness of Small and Medium Enterprises (SMEs) and Crafts will stronger be supported by recommending reforms of existing Institutions on national and international level. Such reforms and new innovative Institutions should aim at removing constraints of development, such as corruption, lack of access to land and electricity and enhance e.g. better access to finance and more favorable tax rates and custom and trade regulations, being aware that SMEs and Crafts are the engines for successful social developments

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#### Repatriation

The Commission may recommend His Excellency The High Commissioner for Refugees (UNHCR), to give the Tu TUMIKE program for the repatriation of refugees from the Democratic Republic Congo favorable consideration and priority which could also be an innovative approach for handling "refugee crises" in other Countries.

#### **Closing Sentence**

WUSME is committed to attend UN ECOSOC conferences where SMEs and Crafts supporting NGOs are been invited to contribute with their experience in regard to foster economic and social development. WUSME would highly appreciate any feedback from the distinguished Delegates to the 54th Session, being always available for further information if so requested.

Dr. Gian Franco Terenzi President of WUSME