

I/R/18/015
December 4, 2018

To
Secretary General
United Nation Global Compact
685 Third Avenue, FL 12,
New York, NY 10017
USA

Dear Mr. Secretary General,

Warm greetings from ISSME!

At the outset, I extend to you my sincere thanks for the important initiatives taken by UNGC to put sustainability in practice among business community. I am pleased to confirm that International Society for Small and Medium Enterprises (ISSME) supports the ten principles of the UN Global Compact with respect to human rights, labour, environment and anti-corruption. With this commitment, we provide herewith **Communication on Engagement (CoE)** report covering the work progress for the period April 2015 to March 2018 in implementing the ten principles.

We fully understand that responsible business practices among Micro, Small and Medium Enterprises (MSMEs) would bring far reaching benefits in terms of prospering economies, alleviating poverty, generating employment opportunities, reducing rural-urban disparities, enhancing quality of life, bringing social harmony and above all, mitigating environmental challenges.

Keeping these things in mind, we plan our activities and have accordingly embedded the UNGC's principles in our work. We, through our communications, activities and events, also educate the MSMEs and their support institutions worldwide to take into account the principles of UNGC in their works.

The ten principles of UNGC fall under four important aspects of business operations, i.e. human rights, labour, environment and anti-corruption. These four aspects are the building blocks for sustainability of an enterprise of any shape and size. We are, thus, firm in our commitment in imbibing these principles among MSMEs and in encouraging to develop their strategies, plans and actions taking into account these principles. We assure you that we will continue in our sincere efforts to make the principles and initiatives of UNGC going forward, and engage closely with and support the UNGC in our work.

Warm regards,



Sincerely Yours,


Sunil D Sharma
Secretary General

Communication on Engagement (CoE) Quadrennial Report for 2015-2018

The **International Society for Small and Medium Enterprises (ISSME)** has been putting in its best efforts to enhancing the state of MSMEs worldwide since its inception in 2010. As part of our international relationship, it is a great privilege to have the association with UNGC. In line with the UNGC's decision for the non-business participants to submit the Communication on Engagement (CoE), we are happy to provide the following brief report of our works and activities for the period 2015-2018 in support of the works of the United Nations.

It is a well-known fact now that the contribution of MSMEs is significantly greater than that of large enterprises when it comes to innovations, employment generation, exports, industrial growth and optimum utilization of latent resources. However, MSMEs suffer from weaknesses largely because of its inability to furnish suitable security for obtaining adequate credit, lack of managerial skills and skilled manpower, low level of ICT adoption, use of obsolete technologies, knowledge gap, etc. ISSME identifies such constraints and finds appropriate solutions to address these issues. It plays a pivotal role in fostering international cooperation among SME stakeholders in different countries and synergizing their effort in the larger interest of SME sector.

Recognizing the needs of MSMEs, ISSME has outlined the focus areas (Skill Development & Entrepreneurship; Innovation and Technology Transfer; Information & Communication Technology; Policy, Advocacy & Networking; Green Business; Financial Inclusion; Trade & Investment; Informality; and Corporate Social Responsibility) which directly or indirectly match with the UN Sustainable Development Goals. ISSME has adopted various ways and means to achieve its objectives, vision and mission - all targeted towards the development of MSMEs and indirectly help economies of countries grow sustainably. The major driving force behind our efforts are our intentions to enable MSMEs to contribute towards eradicating the twin problems of poverty and unemployment as well as reducing the disparities between rich and poor, thus, creating social harmony and a just world.

During these years 2015-2018, ISSME undertook various activities such as articulating the concerns of SMEs at all relevant forums; dissemination of knowledge & information; organization of tailor-made training programmes, conferences, workshops and seminars to create better understanding of topical issues that SMEs face; business matchmaking and networking opportunities; lobbying for pro-SME policies & programmes; catalyzing international cooperation for reinforcing SMEs; supporting entrepreneurs in business tie-ups, joint ventures & penetration to overseas markets; providing a platform for policy makers, experts, academics, researchers and SME entrepreneurs from around the world to share their experience, knowledge and expertise in their respective fields; building synergies between the activities of SMEs support institutions, governments and NGOs working for the promotion of SMEs; enhancing the capacity of local SME support agencies and enabling them to render quality services to their members; highlighting the core issues of SMEs in different industry segment across countries through its publications and digital platforms; supporting SMEs in finding niche markets for their products & services; ensuring business cooperation among enterprises in different countries by helping with technology transfer and trade

promotion; identifying centres for training of entrepreneurs and their employees; providing adequate marketing opportunities to small businesses by enabling their participation in global events; undertaking studies and research on various aspects which are crucial for small businesses; etc.

ISSME has been bringing out the monthly magazine, titled “SME Voice” and fortnightly e-bulletin “Global SME Watch” that covers the latest developments in SME sector across the globe and suggesting tips for small business owners on how to improve their business operations. We also bring out a journal on SMEs. ISSME organized three international conferences, 20 seminars, 15 workshops, 50 webinars, 20 training programmes, 10 exposure visits and business match making meets, took delegations to important business events such as CES, USA, Hannover Messie, Germany, Canton Fair, China, ITTF, India, National Hardware Show, USA, etc. During the period, ISSME’s activities expanded in manifold and reached to around 100 countries across Asia, Africa, Middle-East, North America and Latin America. We helped around 200 local, provincial and national industry associations in upgrading their service menus and around 2000 small entrepreneurs in establishing their companies, taking advantage of Government’s schemes & programmes, doing international trade, entering into joint ventures, brand building & marketing as well as overseas penetration and technology upgradation.