

**STATEMENT TO UNITED NATIONS GLOBAL COMPACT
Part of the COMMUNICATION ON ENGAGEMENT**

*I/R/21/019
1st December 2021*

To
Secretary General
United Nation Global Compact
New York, NY 10017
USA

Dear Mr Secretary General,

Warm greetings from ISSME!

Hereby I am pleased to confirm that, since its early foundation, **ISSME - International Society for Small and Medium Enterprises** (in Special Consultative Status with UN ECOSOC) has been constantly supporting, with much conviction and determination, the ten principles of the UN Global Compact concerning human rights, labor, environment, and anti-corruption.

The UN Secretary General declared 2020 to be the year to mobilise for a “decade of action” to deliver the UN Sustainable Development Goals (SDGs) by 2030. ISSME is contributing to this global ambition by publishing its commitments to the delivery of the SDGs.

Six years since the adoption of the Sustainable Development Goals, the COVID-19 pandemic has unleashed an unprecedented crisis, affecting economies and livelihoods of millions in ways that will make progress on the Goals even more difficult.

The last two years were marked by business operations in the emergency circumstances induced by the COVID-19 pandemic, during which ISSME has continuously supported the economy. In this period, we particularly single out the activities of the Info-Service for providing the economy with support and reliable information on key issues, decisions, measures, and recommendations of the National Governments, as well as their impact on individual industries, the establishment of special crisis response groups for certain sectors (trade, pharmaceutical and chemical industry, hospitality, and banking), the publication of the Code of Conduct – recommendations to companies, to take measures to prevent the spread of the infectious disease, etc. We actively participated in the work of the Crisis Response Team for eliminating the adverse effects on the economy, initiated the establishment of a team for the implementation of the governmental measures, proposed support programs according to realistic needs of member companies and assisted them to take maximum advantages of the state aid.

In ISSME, we focused our efforts in the last two years to ensure that the UN Global Compact Principles and the Global Agenda for 2030 would become the catalyst for a smooth recovery from the pandemic as societies and economies move to the "new normal".

ISSME recognises the importance of all 17 interconnected SDGs and asserts that its commitments demonstrate that ISSME and its fraternity can make the most significant contribution towards nine of them. Setting out our commitments is an important and necessary step in ensuring ISSME and its fraternity plays a key role in the transformational change business and society needs to see over the next decade.

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 the quality of life, bringing social harmony, and above all, mitigating environmental challenges.

With this commitment, we express our intent to support the Global Compact in advancing these principles and will continue to make a clear statement of this commitment to our stakeholders and the general public.

We also pledge to participate in and engage with the UN Global Compact in (among others) the following way(s):

- Explaining our member organizations and individual members the principals of the UN Global Compact, encouraging them to participate;
- Referring to UN Global Compact in our Magazines, Journals, Annual Reports, Newsletter and other communications;
- Specializing our Workshops on environmental issues, e.g. Waste to Energy;
- Cooperating with the UN Commission for Social Development;
- Supporting useful initiatives;
- Encouraging our SMEs and Organizations Members as well as and any other partner we are cooperating with, to act responsibly and report their stakeholders and communities on their actions and efforts to make a positive impact;
- Take part in the activities of the UNGC where appropriate and feasible – through, for instance, participation in-country/local networks, involvement in special initiatives and workstreams, engagement in partnership projects.

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.

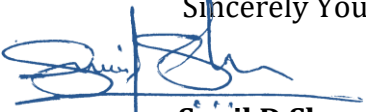
The ten principles of UNGC fall under four important aspects of business operations, i.e. human rights, labour, environment and anti-corruption. These four aspects are the building blocks for the sustainability of an enterprise of any shape and size. We are, thus, firm in our commitment to imbibing these principles among MSMEs and in encouraging them 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.

We herewith submit the Communication on Engagement (COE) that describes our organization's efforts to support the implementation of the ten principles and to engage with the Global Compact for the period April 2018 to March 2021.

We support public accountability and transparency, and therefore commit to report now and again on progress within the next years of joining the Global Compact and every two years thereafter according to the Global Compact COE policy.

Warm regards,

Sincerely Yours,



Sunil D Sharma
Secretary General

Communication on Engagement (CoE) Quadrennial Report for 2018-2021

The **International Society for Small and Medium Enterprises (ISSME)** has been putting in its best efforts to enhance the state of MSMEs the world over since its inception in 2010. As part of our international relationship, it is a great privilege to have an 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 2018-2021 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 their 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 the 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 helping economies of countries grow sustainably. The major driving force behind our efforts is 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 2018-2021, 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 the SME sector across the globe and suggests tips for small business owners on how to improve their business operations. We also bring out a journal on SMEs. ISSME organized international conferences, seminars, workshops, webinars, training programs, exposure visits and business matchmaking meets, took delegations to important business events such as CES, USA, Hannover Messe, Germany, Canton Fair, China, ITTF, India, National Hardware Show, USA, etc. During the period, ISSME’s activities expanded manifold and reached around 100 countries across Asia, Africa, the Middle East, North America, and Latin America. We helped around 479 local, provincial, and national industry associations in upgrading their service menus and around 3500 small entrepreneurs in establishing their companies, taking advantage of the Government’s schemes & programs, doing international trade, entering into joint ventures, brand building & marketing as well as overseas penetration and technology upgradation.