



National Consultation
Regional Trade Potential and Associated Non-Tariff Barriers, With Special Focus on Women-Owned/Led/Engaged Micro, Small and Medium Enterprises: The Case of India

Venue: The Metropolitan Hotel and Spa, Bangla Sahib Road, New Delhi
Wednesday, 11 February 2015

Background Note

South Asia is the second fastest growing region after East Asia; however, it is one of the least integrated regions in the world due to limited economic cooperation amongst the eight countries comprising the South Asian Association for Regional Cooperation (SAARC). Given the diminishing importance of tariff barriers in the trade liberalisation discourse, domestic constraints and non-tariff barriers are increasingly beginning to constitute some of the most important impediments to regional trade integration.

Against this background, CUTS International undertook a project that sought to look at the regional trade potential and related non-tariff barriers in South Asia associated with women-owned and managed micro, small and medium enterprises (WMSMEs). The project was carried out with support from the Asia-Pacific Regional Centre of the United Nations Development Programme (APRC-UNDP).

Micro, small and medium enterprises (MSMEs) are recognised as an important source of both formal and informal employment and poverty alleviation, especially for women across many developing countries. However, there exists a broad range of supply- and demand-side constraints, which limit the full potential of growth and development of MSMEs in general, and WMSMEs in particular.

With an estimated 48 million MSMEs, India has the second largest number of MSMEs in the world after China which has 50 million MSMEs. However, the average growth rate of WMSMEs is significantly lower than the average growth rate of MSMEs run by men. While the entrepreneurial process is the same for men and women, in practice however, the problems faced by women are of different dimensions and magnitudes.

Tackling these constraints requires a holistic approach that addresses and acknowledges the importance of both domestic constraints as well as related non-tariff barriers in hampering the creation of an enabling WMSME environment.

The purpose of this national consultation workshop is to share the findings of the study entitled **Regional Trade Potential and Associated Non-Tariff Barriers, With Special Focus on WMSMEs: The Case of India**. The project benefitted from a pan-India survey as well as focus group discussions and key informant interviews that elicited the specific views of women entrepreneurs working in the handloom, coir and wearing apparel sectors.