



Global SME Ministerial Medellin, Colombia March 15, 2016



SBA Administrator, Maria Contreras-Sweet, a member of President Barack Obama's Cabinet, led the second Global Small and Medium-Sized Enterprises (SME) Ministerial in Medellin, Colombia on March 15, 2016. Administrator Contreras-Sweet launched the Ministerial last year in Milan, Italy, as part of the Global Entrepreneurship Congress (GEC) where thousands of delegates -- entrepreneurs, investors, researchers, policy-makers and more -- from more than 160 countries gather to examine effective policies and programs to promote entrepreneurial growth.

At the second Global SME Ministerial, Administrator Contreras-Sweet met with her foreign counterparts from other nations including Argentina, Chile, Colombia, Costa Rica, Côte d'Ivoire, Dominican Republic, Estonia, European Commission, Guatemala, Indonesia, Mexico, Poland, Madagascar, and Saudi Arabia as well as representatives from key multilateral organizations. They discussed four key topics: the overall state of the global SME ecosystem; innovations in government for supporting start-ups throughout the growth cycle; next generation financial policy; and best practices for internationalizing small businesses. The discussions also included the overarching theme of women's economic empowerment, the institutionalization of the Ministerial, and the inclusion of SME chapters in future trade agreements.

Administrator Contreras-Sweet recognized that many regions are grappling with slow or even stagnant economic growth in the wake of the global recession. To address these significant challenges, she highlighted that national policymakers are turning to the proven power of local SMEs and entrepreneurs—the “cornerstones” of civil society—to create new jobs, grow their economies, and boost productivity. Administrator Contreras-Sweet stressed that in the 21st century, SME policies must be as global, innovative, and entrepreneurial as the small businesses governments serve. She noted that SME policy-makers must be engaged on international cooperation, while also reforming institutions and processes domestically to develop environments in which SMEs can thrive.

Administrator Contreras-Sweet announced new global small business agenda programs instrumental to advancing small business entrepreneurship, trade, and investment.

- **Forward Outlook for Global SMEs:** With a view toward supporting the global SME ecosystem over the coming year, Administrator Contreras-Sweet delivered her Forward Outlook recommendations to the assembled ministers at the 2016 Global SME Ministerial on the importance of directing policy outcomes and choices toward those that will minimize negative impacts on SMEs and help protect the most vital, yet vulnerable, entrepreneurial elements of our civil society. The Administrator's Forward Outlook states, “It is vital for governments to develop new mechanisms for SME participation in public consultations and to consider more flexible tax and regulatory approaches.” The Administrator recommended creating effective procedures for recognizing and assessing the disproportionate impact of government actions (even the most well-meaning government actions) on small businesses and entrepreneurs to make it easier for SMEs to grow and scale. In order to foster an “oxygen-rich environment” in which entrepreneurs and small businesses may “breathe—innovate, and grow—beyond all borders,” the Administrator recommended working to ensure all persons have a meaningful chance to bring about change in government decision-making.



Ministers and other high-level government officials gather at the start of the 2016 Global SME Ministerial.

- **Strategic Alliance Memorandum:** Administrator Contreras-Sweet urged her foreign counterparts to work towards institutionalizing the Global SME Ministerial. She announced that the United States Small Business Administration (SBA) and the Global Entrepreneurship Network (GEN) signed a Strategic Alliance Memorandum (SAM) to develop and foster understanding and a working relationship between the SBA and GEN. The SAM aims to strengthen, expand, and internationalize entrepreneurship and small business development and provide support for convening and hosting the Global SME Ministerial at part of the annual Global Entrepreneurship Congress. The next Ministerial is scheduled to take place in South Africa in March, 2017.
- **Bilateral Meetings:** In Medellin, the Administrator held bilateral meetings with high-level government officials from Argentina, Côte d'Ivoire, Guatemala, Estonia, European Commission, Indonesia, and Saudi Arabia, to discuss her Forward Outlook for SMEs and ways to institutionalize the Global SME Ministerial as a key, annual policy dialogue.
- **Cooperation on the Advancement of Women Entrepreneurs:** Administrator Contreras-Sweet highlighted the importance of advancing women-owned SMEs as one of the best ways to achieve inclusive economic growth and meet vital social and economic goals. The Administrator announced that in support of President Obama's Women's Entrepreneurship in the Americas (WEAmericas) Initiative, the United States will provide all of Colombia's Small Business Development Centers (SBDCs) integrated within the Servicio Nacional de Aprendizaje (SENA) with training on DreamBuilder software, an important tool used by SBA's Women's Business Centers in the United States which helps women develop business plans by participating in an interactive course. The WEAmericas Initiative leverages public-private partnerships to increase women's economic participation and reduce key barriers women face when starting and growing small businesses. Administrator Contreras-Sweet underscored the importance of building partnerships through WEAmericas to give more women the training, tools, and opportunities they need to succeed as entrepreneurs.
- **SBDC Expansion to Colombia:** Administrator Contreras-Sweet praised the integration of SBA's SBDC program into Colombia's SENA. The University of Texas at San Antonio is a top performing SBDC in the United States, and has been tapped to transfer the SBDC methodology through SENA. SENA leadership has committed to integrating 117 SBDCs in their existing training centers across Colombia and will train 600 professional business advisors, all with SENA's own budgetary commitment of \$9 million annually for operations, in addition to a \$30 million seed capital fund called Fondo Emprender. This collaboration between the United States Government and the Government of Colombia integrates Colombia into President Obama's Small Business Network of the Americas (SBNA).

The United States is collaborating with the Government of Colombia on advancing the goals of a 2012 Memorandum of Understanding to promote small business growth and women's entrepreneurship through the SBNA and WEAmericas initiatives. SBNA and WEAmericas were established by President Obama during the Cartagena Summit of the Americas in 2012.



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