

CONSIDERATIONS FOR APEC MINING ECONOMIES  
**MICRO, SMALL, AND MEDIUM  
ENTERPRISES (MSME) AND SOCIAL  
ENTREPRENEURSHIP IN THE  
CONTEXT OF PERU**

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This research is a part of the **APEC-Canada Growing Business Partnership**, a four-year, C\$4.74M joint Global Affairs Canada – Asia Pacific Foundation of Canada (APF Canada) initiative that aims to foster economic growth and reduce poverty in APEC emerging economies through supporting micro, small, and medium-sized enterprises (MSMEs). The Partnership takes place over four years, beginning September 2016 and ending April 2020.

The Partnership offers best practice tools, ideas, knowledge and critical connections derived from Canadian experience, tailored to local APEC markets. The current economies of focus are: Indonesia, Peru, the Philippines, and Vietnam. The focus areas of the Partnership aim to address key challenges faced by MSMEs and aspiring entrepreneurs from APEC developing economies in the areas of technology and innovation, market access, human capital, and social entrepreneurship, with an emphasis on the crosscutting themes of women, youth, governance and the environment.

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# ABSTRACT

**THIS PAPER INVESTIGATES** how public policies regarding MSMEs in Peru enable a favourable environment for businesses in mining regions. Furthermore, it considers how MSME policies in Peru support social entrepreneurship (SE) in mining regions. In the process of investigating the main research questions, special attention was given to the role of women in MSMEs. The investigation also analyzed whether existing MSME policies take gender perspectives into account. To carry out this study, in addition to a literature review on the topic, the research team conducted a series of interviews with academics, government officials, and mining professionals with the objective of capturing their knowledge and experiences related to MSMEs and SE in mining regions in Peru. The results of the study show that despite the existence of MSME policies in Peru, entrepreneurial development is limited due to infrastructural challenges, lack of capacity at the regional levels, and the capacity of entrepreneurs. Mining companies (through their corporate social responsibility initiatives and programs) are addressing this gap by supporting local economic development programs.

# ACKNOWLEDGEMENTS

**THE RESEARCH TEAM WOULD LIKE** to thank each and all of the individuals who generously offered their time to contribute to this study.

We also acknowledge the invaluable assistance offered by Vanessa Trujillo and Lucia Chávez during different steps of this research.

Finally, we would like to thank the Asia Pacific Foundation of Canada for the opportunity to work on this important project.

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# INTRODUCTION

**SEVERAL ASIA-PACIFIC ECONOMIC COOPERATION (APEC) COUNTRIES** could fit the definition of a mining-dependent country put forth by the International Council on Mining and Metals. Within these APEC economies, either a) natural resource exploitation accounts for more than 20% of export earnings; or b) natural resource rents are more than 10% of gross domestic product (GDP).<sup>1</sup> In the context of the Asia Pacific region and according to the APEC Mining Task Force, “almost 70 per cent of all mining output is produced and consumed in APEC member economies.”<sup>2</sup> Although high-income countries such as Australia, Chile, Russia, the United States, and Canada are the biggest producers of minerals, they are not as economically dependent upon the extractive sector. In contrast, underdeveloped countries are increasingly dependent on this sector.<sup>3</sup>

It is well-documented in the literature<sup>4</sup> that economies in which growth is driven by the natural resource sector face a unique set of social, political, governmental, and economic challenges that are commonly referred to as the resource curse. In general terms, economies affected by the resource curse are likely to underperform in several development outcomes and socio-economic indicators, such as economic growth, inequality, social conflict, and environmental protection, as well as institutional development, social capital, and trade.<sup>5</sup> The impacts of the resource curse are felt differently at the local level and are particularly evident in single-industry towns.<sup>6</sup>

The establishment of large-scale mining projects in remote, less densely populated areas can result in local demand shock. This is particularly true during the construction and operation phases, as they require the hiring of a large number of specialized professionals, significantly increasing local employment rates and opportunities for establishing micro, small, and medium enterprises (MSMEs). However, the lack of a specialized labour force, infrastructure, strong governance systems, and adequate public policies limits the potential economic contributions that a mining operation can have at the local level. Furthermore, these factors can act as catalysts for social conflict and the interruption of operations.<sup>7</sup> Conflicts can cost up to C\$26M per week for projects with capital expenditures between C\$4B and C\$6.5B<sup>8</sup> (original study displays currency in US dollars). Without both a long-term strategy and short-term plans to support the development of enduring businesses, the expected economic growth and social contribution from the natural resources sector will continue to be limited.

When managed responsibly and collaboratively, mineral resources have the potential to bring about economic and social benefits at the local level, which

can be further enhanced by developing the industry's upstream and downstream linkages.<sup>9</sup>

Over the past 20 years, Peru has demonstrated steady economic growth, doubling its GDP since 1990, and the extractive sector has played an important role in this growth. An assessment of the impact of mining on Peru's national economy reveals that, although it generates at least 11% of the GDP and 60% of the total country's exports,<sup>10</sup> it also generates 60% of social conflicts. Most of these conflicts are related to the distribution of benefits of extractive operations at the local level. The majority of large-scale mines in Peru operate in remote regions above 2,000 metres in altitude where mining is the main economic activity. Because these regions have significant limitations with respect to institutional, infrastructural, and human capacities, they are limited in how they can take advantage of the opportunities that the extractive sector can create.

Although the 2014 Peruvian National Plan for Productive Diversification seeks to promote MSMEs, the challenge of equitable economic growth persists.<sup>11</sup> Creating formal businesses and diversifying the economy has proven particularly challenging for micro and small enterprises. It was estimated that in 2014, there were 3,637,720 enterprises in Peru. Of these, only 43.9% were formal businesses, while 56.1% were informal.<sup>12</sup> Furthermore, 80% of the Peruvian economically active population businesses were informal, and MSMEs in Peru were responsible for 87.8% of the total employment in the country.<sup>13</sup>

Additionally, the way in which women contribute to the Peruvian economy has been under-explored for a variety of reasons.<sup>14</sup> In the APEC countries, there are approximately 600 million women in the labour force, and over 60% of these are in the formal sector.<sup>15</sup> In Peru, 32.3% of women do not have an income, and this number is exacerbated at subnational levels. For instance, in Cajamarca, San Martin, and Apurimac (mining regions), 39% of women are still economically dependent on men.

This research aligns with the vision statement outlined in the 2017-2020 Small and Medium Enterprises Working Group Strategic Plan under the APEC Mining Task Force, which highlights the need to promote the development of gender-inclusive and enduring MSMEs that are well-prepared to meet the challenges of the 21st century.

With the above in mind, this research investigates how public policies regarding MSMEs in Peru enable a favourable environment for businesses in mining



*Peru has demonstrated steady growth, doubling its GDP since 1990*

*Source: Photo by Christian Vincas on Getty Images*

regions. Furthermore, it considers how MSME policies in Peru support social entrepreneurship (SE) in mining regions. In the process of investigating the main research questions, special attention was given to the role of women in MSMEs. The investigation also analyzed whether existing MSME policies take gender perspectives into account.

The first section of this report presents a literature review on MSMEs, conducted to develop an analytical framework of five indicators for comparing MSME public policies and programs within five APEC economies. The second part describes the methodology designed by the research team to undertake the study. This methodology consists of four steps, all of which employ a gender lens in the analysis. The third and fourth steps of the study focus their efforts on analyzing MSMEs and SE in Peru. Later, the results from each step of the study are presented, accompanied by a critical analysis. Finally, an overall summary and conclusions of the research are presented, followed by limitations and recommendations to further expand this study.

# METHODOLOGY

**THE RESEARCH PRESENTED** in this paper is divided into four steps, with a gender lens applied to each (see Figure 1).

**FIGURE 1**  
**Methodology**



In Step I (literature review), a comparative analysis of the existing policies that aim to support MSMEs in five mining countries (Australia, Canada, Chile, Mexico, and Peru) from the APEC community was conducted. A tailored framework for the assessment of MSME policies was developed encompassing five indicators: social entrepreneurship, taxation, gender equality, funding, and institutional capacity.

For Step II, existing methodologies, leading global practices, and programs that





*This report consists of policy recommendations, especially for mining regions*

promote MSMEs and SE were mapped by consulting the academic and grey literature on the topic, as well as the internet.

In Step III (Voices from Peru), the objective was to collect the perceptions and feedback of Peruvian experts on existing MSME policies, as well as the challenges and opportunities for SE. A series of in-depth interviews were conducted with entrepreneurs, civil society, academics in the area of entrepreneurship, representatives of mining corporations, and government officials involved in the implementation of MSME policies (see Appendix 2). In addition, high-level workshops were carried out in Lima at the Ministry of Foreign Affairs. These workshops gathered representatives from a wide array of organizations, including the Presidency of the Council of Ministers; the Ministry of Production (PRODUCE); the National Society of Mining, Petroleum and Energy (SNMPE); the Peruvian Chamber of Commerce; relevant universities; and MSME advocacy organizations. The workshops aimed to socialize the research, collect key information through a five-question survey, and conduct an in-depth, hour and a half long discussion on topics related to the focus of this study.

Upon completion of the aforementioned activities and an in-depth analysis of MSMEs in Peru, Step IV consisted of proposing policy recommendations with the objective of promoting a more robust MSME and SE policy implementation in Peru, especially in mining regions.

*Source: Photo by David Hellmann on Unsplash*

# LITERATURE REVIEW AND MSME POLICY CONTEXT IN PERU

**STRATEGIES AND PLANS** aimed at developing the micro, small, and medium sectors are based on the premise that MSMEs can function as the engine that propels economic and social development to alleviate poverty.<sup>16</sup> However, despite this goal, it has proven difficult for countries to successfully develop and promote policies and programs that create the conditions for MSMEs to thrive over the long term. The issues found in the literature were mostly related to taxation, funding, and capacity development (including both technical/individual capacities and institutional development).<sup>17</sup>

Informed by the literature review, an analytical framework of five indicators that functioned as a guide to the entire study was built. The analytical framework was used to compare the information collected and to analyze the five APEC economies, the main public policies in Step I, the programs and leading practices in Step II, and the primary gaps in implementation identified throughout the interviews and workshops of Step III.

## KEY INDICATORS FOR ANALYTICAL FRAMEWORK

### SOCIAL ENTREPRENEURSHIP

There are multiple definitions of social entrepreneurship. However, using profitable initiatives to enact systemic change, with the aim of solving pressing social and environmental issues and achieving sustainable development, is common to all of them.<sup>18</sup> Social enterprises operate to generate profit to sustain themselves while creating a positive impact on society.<sup>19</sup> Like any business, social enterprises face diverse obstacles, such as market access, legal and regulatory frameworks, and lack of funding and business development, among others.<sup>20</sup> Thus, it is imperative for public policies to support and facilitate the right business environment for these social enterprises to consolidate and succeed.<sup>21</sup>

Social enterprises signify potential for positive impact in Peru, as they can address the imperfect social and infrastructural conditions still faced by the country. Peru is becoming increasingly familiar with the concept of SE; however, knowledge on the topic remains limited. Most social enterprises are micro and small enterprises (they have been labelled an “MSME subgroup”), and it is assumed that most are located in Lima, although there is no national inventory of SE initiatives.<sup>22</sup> Nevertheless, the mining sector appears aware of this emerging trend and has targeted this sector for future actions. For instance, the largest gathering of the mining sector in Peru will give visibility to the social innovation topic in PERUMIN 34 in 2019. After a series of

prizes dedicated to technological innovations, PERUMIN Inspira will award the first prize for social entrepreneurship to the best initiative contributing to the sustainable development of mining communities in the Sierra of Peru.

## **GENDER**

Gender issues have been discussed in extractive/mining contexts for over a decade now, and the main issues are related to gendered impacts<sup>23</sup> that these activities have and how a mining operation can reinforce pre-existing conditions of inequality between men and women.<sup>24</sup> Therefore, mainstreaming a gender equality focus in extractive projects has been strongly recommended for at least a decade.<sup>25</sup> Mining companies or local governments can facilitate the work/family balance for women in mining areas by supporting and incentivizing women's ability to become entrepreneurs, for instance.<sup>26</sup> The Peruvian case has received considerable attention as a case study for many economic empowerment initiatives.<sup>27</sup> However, corporate social responsibility (CSR) initiatives that go beyond traditional economic empowerment initiatives to pursue political empowerment are strongly recommended as a standard.<sup>28</sup>

## **INSTITUTIONAL CAPACITY**

A minimum level of institutional development is a key dimension of effective public policy implementation in the MSME context, as public institutions provide the required legal and regulatory framework for businesses to operate. The Peruvian case was particularly illustrative of the importance of this issue to public policy,<sup>29</sup> especially in mining contexts prone to the resource curse. Effective public institutions decrease the risk of socio-political instability,<sup>30</sup> while the ability for coordination<sup>31</sup> across public institutions and the capacity of the public sector and MSMEs are considered to be key indicators of MSME growth.<sup>32</sup>

## **FUNDING**

The literature indicates that in most countries, a large proportion of the population is employed by MSMEs. Thus, it seems imperative to ensure an appropriate funding framework, especially since traditional finance considers MSMEs high-risk clients, leading to scarce funding opportunities.<sup>33</sup>

## **TAXATION AND OTHER REGULATIONS**

According to the literature, tax incentives determine MSME creation and growth, while taxation in general is a crucial factor in the informality of an economy. The informal economy of Peru is predominant, with figures hovering around 70% and 80%. Taxation and legal/regulatory requirements (such as the obligation to have human resources or accounting departments) seem to also determine MSME growth in the APEC community, with particular visibility in Peru.<sup>34</sup>

# FINDINGS

## STEP I (LITERATURE REVIEW)

*Comparative analysis of the existing policies that aim to support MSMEs in APEC mining countries*

Extensive research on the existing MSME policies and programs promoted by each of the five countries of this study was conducted. The research took into consideration the indicators present in the study's analytical framework: social entrepreneurship, gender equality, taxation, financing, and institutional capacity. **Appendix 1** presents a summary list of public MSME policies identified in the five APEC countries.

## AUSTRALIA

### MSME

In February 2019, the Australian government, through the Joint Standing Committee on Foreign Affairs, Defence and Trade, published a report that reflects on the challenges and opportunities that Australian small to medium enterprises (SMEs) are facing in doing business under several free trade agreements. The study aims to enhance trade opportunities with other nations.


Through the Australian Small Business Advisory Services (ASBAS) Digital Solutions, the government provides services to SMEs to develop their competencies related to technological and digital capacities.

Australia has also an ombudsman office to advocate for small business and to aid business owners. The office provides access to dispute resolution services and is committed to ensuring that government policies are friendly.

The New South Wales (NSW) government policy promotes a deliberate program to create conditions for MSMEs to supply goods and services to the government. This policy has resulted in more flexibility for government agencies to procure from SMEs. The policy also recommends that government agencies must first consider purchasing from small businesses. Furthermore, the NSW government supports SMEs' technical capacity development and helps small business owners understand how to bid for contracts.

### SOCIAL ENTREPRENEURSHIP

Despite challenges, social enterprises are growing. The sector's growth is attributed to government support as well as the contribution of private corporations.<sup>34</sup> There are 20,000 social enterprises in Australia, creating 60,000 jobs and an economic



Canada has a plethora of resources to support entrepreneurs

Source: Photo by Johny Goerend on Unsplash

impact of AUS\$5.2B.<sup>36</sup> The Australian government has identified social enterprise development as one form of social innovation that can contribute to generating employment for the most disadvantaged in the labour market. For instance, social enterprises employ twice the rate of people with disabilities, and 50% of social enterprise management and executive roles are held by female professionals.<sup>37</sup>

## CANADA

### MSME

The government of Canada has a plethora of organizations and programs to support entrepreneurs in different stages of their business cycle. For instance, Export Development Canada provides support to business owners seeking to reach international markets, and the Business Development Bank of Canada is a financial institution dedicated to entrepreneurs that offers financing, advisory services, and capital exclusively targeting SMEs.

The Canada Small Business Financing Program aims to simplify the process for small businesses to receive loans from financial institutions. Furthermore, the Canada Revenue Agency offers tax credits aimed at benefiting small businesses.

The Canadian government also provides support through programs to build financial literacy and tax credits for innovation via the Scientific Research and Experimental Development (SR&ED) investment tax credit.

Similarly to Australia, the government of Canada, under the Public Services and Procurement Canada office, has an Office of Small and Medium Enterprises that assists SMEs in understanding how the government buys goods and services. It also provides information to entrepreneurs about procurement procedures and bid opportunities, and it has a toll-free information phone line to address the questions of suppliers.

Furthermore, through Indigenous and Northern Affairs Canada, the government offers a program to support Aboriginal Business and Entrepreneurship Development. The program supports Aboriginal people with starting or buying a business, growing existing businesses, developing business plans, and obtaining business education.

In 2018, the Ministry of Innovation, Science and Economic Development (ISED) announced funding for research that will support women's entrepreneurship. The program is led by Ryerson University and has established a Women Entrepreneurship Knowledge Hub<sup>38</sup> that has a country-wide scope to engage women entrepreneurs,

strengthen cross-sector collaboration, change stereotypes, and build awareness. The knowledge hub also supports the implementation of more inclusive policies, programs, and practices.

## SOCIAL ENTREPRENEURSHIP

In 2015, the House of Commons Standing Committee on Human Resources, Skills and Social Development and the Status of Persons with Disabilities conducted a study on “Exploring the Potential of Social Finance in Canada.”

In 2016, ISED created a directory of Canadian social enterprises to better understand the social enterprise landscape in Canada. In 2018, the government announced a C\$805M investment in social innovation. The Social Finance Fund will invest C\$755M over 10 years, and C\$50M will be allocated to creating a capacity building investment and readiness fund. According to a 2016 survey, there are over 1,300 social enterprises in Canada, and they employ more than 254,000 people.<sup>39</sup>

## CHILE

### MSME

Since 1991, Chile has been promoting its SME sector, aiming to improve efficiency and productivity and to make businesses more competitive domestically and internationally. Experts recognize that an economic crisis makes it more difficult for developing countries to support and develop their MSME sector.<sup>40</sup> Despite the economic challenges and the different government administrations, the legal and institutional framework in Chile was stable and allowed for the continuation of MSME policies and programs.<sup>41</sup>

Over the years, a series of amendments and new legislation were put in place with the goal of creating better conditions for the Chilean MSME sector. Between 2009 and 2012, laws were implemented with the goal of making the MSME sector more attractive (see Appendix 1).

Under the Ministry of Economy, Development and Tourism, the Small Size Enterprise Division is responsible for creating and implementing policies that support SMEs in Chile. The current strategy focuses on three key areas: a) market – building capacity of MSMEs to be more competitive; b) management – developing managerial skills of MSMEs; and c) financing – expanding mechanisms for credit and access to funding.

Corporación de Fomento de la Producción (CORFO) and Servicio de Cooperación Técnica (Sercotec) are well known Chilean organizations that support startups and



*Chile has been promoting its SME sector since 1991*

*Source: Photo by Pablo García Saldaña on Unsplash*

develop the technical capacity of entrepreneurs. Furthermore, Empresa Nacional de Minería (ENAMI) also offers support to small miners.

In 2016, the Ministerial Decree 127 created the Pro MSME Stamp (Sello Pro Pyme) that was developed to facilitate SME access to information. Companies holding the Pro Pyme stamp committed to paying MSME owners within 30 days.

## SOCIAL ENTREPRENEURSHIP

In 2015, the Global Entrepreneurship Monitor (GEM) in partnership with CORFO identified that in Chile there are 270 social enterprises.<sup>42</sup>

A 2016 Thomson Reuters Foundation study found that Chile ranked as the sixth best place to be a social entrepreneur. With regards to the government policies that support social entrepreneurs, Chile ranked third. On the other hand, the same study points out that the country is still facing limitations on how to access investment, sitting in 15th position.<sup>43</sup>

## MEXICO

### MSME

The law for the development of the competitiveness of MSMEs is the main legal framework to support the MSME sector in Mexico. It has been amended six times (2002, 2006, 2009, 2011, 2015, and 2017) to more appropriately respond to the needs of the sector. The law addresses topics such as taxation, financing, and capacity building. The same legislation states that the programs that promote MSMEs should take into account a gender perspective. However, it does not detail what gender perspective means.

Seven out of ten entrepreneurs indicate that access to financing is the key limiting factor for businesses growth.<sup>44</sup> Limited cash flow was also reported as one challenge for entrepreneurs. To respond to this challenge the government and MSME business associations are pushing for a policy in which a commitment is made to pay MSME entrepreneurs within 30 days.

## SOCIAL ENTREPRENEURSHIP

Under the Ministry of Economy, the National Fund in Support of Solidarity Enterprises (FONAS, for its acronym in Spanish) provides support to entrepreneurs. The program assists entrepreneurs with developing capacities, learning and adopting new technologies, and networking.<sup>45</sup>

In 2012, Mexico established the law on Social and Solidarity Economy that aimed to support and expand the participation of the sector in the economy and the sector's contribution to the social development of the Mexican society.

## PERU

### MSME

Like the other APEC countries studied, Peru has a legal instrument, Law N°28015, that provides specific support to its MSME sector. Additionally, Law N°30230 establishes the MSME fund promoting formalization and implementing programs to enhance business competitiveness and growth, while aiming to reduce bureaucracy that hinders business activities.

There is a movement led by the Peruvian Association of Entrepreneurs recommending the creation of a policy that secures payment to MSMEs within 30 days of issuing an invoice, which has been a challenge that impacts MSME cash flow and operating costs.

Under the National Plan for Productive Diversification, Peru has recognized and emphasized the role and important contribution of the MSME sector to the national economy.

A recent study funded by the Inter-American Development Bank found that “40% of Peruvians said they would try to start a business in the next three years, compared to only 21% worldwide.”<sup>46</sup>

### SOCIAL ENTREPRENEURSHIP

The Peruvian government does not have a specific legal framework to promote social entrepreneurship. Nevertheless, the Innovate Peru program, which was created in 2014 and is housed within the Ministry of Production, promotes innovation and supports entrepreneurial development in the country.

Under the umbrella of Innovate Peru, there are several programs to foster the creation of clusters, developing the capacity of suppliers, startups, and innovation for MSMEs. Innovate Peru also has a line of financing to provide startup funding for female entrepreneurs.

There are 18 organizations supporting social entrepreneurship in Peru, including incubators and accelerators, impact investment funds, awards, grassroots organizations, and networks of social entrepreneurs.<sup>47</sup> Of all Peruvian social enterprises, 40% are managed by women.<sup>48</sup> There are also initiatives led by NGOs, international corporations, and civil societies that support social entrepreneurship. For instance, the Wiese Foundation has an Entrepreneurial Fund to support businesses whose mission is to have a sustainable social impact.<sup>49</sup> Similarly, the organization Kunan offers a platform to connect and support 150 social enterprises, out of which they estimate 70% are located in Lima.



## SUMMARY OF FINDINGS

All five countries investigated have policies and programs to encourage the formalization of enterprises. These countries have programs to develop entrepreneurial capacity and mechanisms to make funding more accessible. Tax incentives, breaks, and rebates are also common strategies to support entrepreneurs. This paper does not aim to assess how effective these programs are, though it would be an interesting task to carry out in a future study.

A common finding in Latin American countries was a push for policies and programs to shorten and limit the turnaround for payments to MSMEs to no longer than 30 days. In countries with less stable economies and higher interest rates, quick payment turnaround is vital as delays in payment can have an impact on the cash flow, overall cost, and profitability of a business. It is in this context that the 30-day payment policies become important.

With the exception of Mexico, none of the other countries mentions gender issues in their policies. However, this is not to suggest that the countries investigated do not have programs that support women entrepreneurs. In fact, there are specific programs and competitions to encourage women entrepreneurship.

In the context of Peru, the Supreme Decree N° 005-2017-MIMP proposed by the Ministry of Women and Vulnerable Populations can be seen as an opportunity to create policies and programs that are gender sensitive and inclusive. The decree requires that all government agencies have a mechanism to promote gender equality.

This research reveals that specific policies that promote social entrepreneurship are limited. However, universities, NGOs, civil society groups, social enterprises, and the private sector are fostering and creating opportunities for the emergence of other social entrepreneurs. Governments are responding to this opportunity by expanding the existing programs available to MSMEs to the social entrepreneurship sector.

Australia and Canada have a stronger commitment with more established programs to support social entrepreneurship. Peru seems to be on the other end of the spectrum in regards to concrete policies and programs to encourage social entrepreneurship. It is likely that non-government entities are, through their contributions, provoking the government to implement policies and programs that will support its social entrepreneurship sector.

## STEP II

*Leading practices and programs that promote MSMEs and social entrepreneurship in mining regions*

Both the academic literature and grey literature were investigated with the intent of identifying practices and programs that promote MSMEs and social entrepreneurship in mining regions. Furthermore, general internet research was also conducted.

It was found that there is a growing movement in mining host countries worldwide to establish rules and regulations for mining companies to commit to local procurement.<sup>50</sup> The intent is obvious: creation of job opportunities, capacity/skills development, and ultimately a meaningful contribution to local economic development.

Local procurement activities from the extractive sector can have a more significant economic contribution than “the taxes, wages and community investment combined.”<sup>51</sup> However, other researchers argue that forcing local content on the mining sector without adequate business conditions can produce undesirable results.<sup>52</sup>

It was found that none of the five countries within this study has a dedicated local procurement policy focusing on the mining sector. However, the countries recognize the importance of local procurement and have engaged in activities to support local entrepreneurs to supply to mining companies, as in the case of Chile, which held workshops to develop local suppliers and hosted a Mining Week event on August 5-8, 2019, in the city of Copiapo focusing on the participation of SMEs in the industry.

Despite this growing debate about local procurement and the economic contribution that the extractive sector can have on host countries, the academic literature is limited in studying and analyzing applied programs and practices that focus on the MSME and social entrepreneurship sectors.

Further research was done to identify practices adopted in the context of the mining sector that support MSMEs in mining regions not documented in the academic literature.

There is a plethora of initiatives led by the private sector with this aim. Table 1 is a summary of the key initiatives by country.

**TABLE 1**  
**Practices and programs supporting MSMEs in mining regions**

Country	Short Description of MSME Practices and Programs
Australia	Century Mine is a signatory of the Gulf Communities Agreement (GCA), an agreement between Century, the Queensland Government, and the four Native Title Groups of Waanyi, Mingginda, Gkuthaarn, and Kukatj. One of the aims of the GCA is to promote economic development opportunities for the people of the Lower-Gulf region. Tendering and awarding of contracts through the GCA is enabled through three steps: business identification, the tendering process, and business assistance. Century Mine has a department that liaises with the Native Title Groups and the company's contracts department to identify viable businesses. <sup>53</sup>
	Rio Tinto Argyle diamond mine established a policy for local Aboriginal contracting, signed a Mine Participation Agreement with Traditional Owners, and implemented a management plan specifically dealing with business development and contracting. The company is obliged under the agreement to notify the business development task force (comprising traditional owners and company representatives) of company intent to secure any contract over USD\$250,000 in a year, relating to the provision of goods or services to Argyle at the mine site. In addition, any request for tender over this value requires the tenderer to demonstrate how they will involve traditional owner businesses in the contract, how they will employ and/or train traditional owners, and how they will provide benefits to traditional owners. All else being equal, Argyle commits to giving preference to tenderers who bring the greatest opportunities to traditional owners. <sup>54</sup>
Canada	For its operations in Northern Saskatchewan, Cameco developed a policy statement and target for 35% of all goods and services to be sourced from northern-based Indigenous-owned businesses. A business specialist was employed by the company to assist communities in establishing businesses and to access financial resources or a business partner. <sup>55</sup>
	SEF Canada Ltd. (SEF) delivers Entrepreneurial Development programs to communities seeking to grow from within. The SEF practice is based on its belief that the future of every community lies in capturing the talent, energy, and imagination of its people. SEF provides managerial and leadership tools that contribute to local development and that grow the community from within, transforming passionate people into successful entrepreneurs. In Ontario, the communities of Hastings, Kingston, Lennox, and Addington have started 293 new businesses within 36 months of being involved in the program. SEF has also provided entrepreneurial development training to members of the Fort St. James District and the Nak'azdli Band. <sup>56</sup>
Chile	Anglo American and TechnoServe are working with the Multilateral Investment Fund (MIF) – a member of the Inter-American Development Bank (IDB) Group – to bolster broad economic growth of mining communities through the Beyond Extraction program. Beyond Extraction uses a market systems approach tailored to the country context, supporting local economic development by increasing the capacity of rural businesses, youth, and institutions to build more diversified, competitive, productive, and prosperous economies. In Chile, the initiative focuses on improving the job prospects and self-employment skills of young women and men, and on strengthening actors in the labor and self-employment market. <sup>57</sup>
	Start-Up Chile (SUP) is a public start-up accelerator created by the Chilean government for high-potential entrepreneurs to develop their startups and use Chile as a foundation. Its objectives are to: a) encourage an entrepreneurial mindset in Chile; b) position Chile as the innovation and entrepreneurship hub of Latin America; and, c) attract young entrepreneurial talent from around the world to Chile to develop home-grown, high-growth start-ups. <sup>58</sup>
Mexico	Casa Grande was constructed by Grupo Mexico in the community of Nacoziari. Casa Grande promotes productive projects in the communities, supporting them with financing and training to boost entrepreneurship and generate new sources of employment. These actions promote the diversification and strengthening of economic activities, which increases the quality of life of the population. <sup>59</sup>
	The project Desarrollo Cerro de San Pedro is an ongoing, community-based economic development initiative that officially began in February 2015 and was promoted by Minera San Xavier (New Gold). The company hired SEF Canada to benefit and support the inhabitants of the Cerro de San Pedro municipality through the implementation of an entrepreneurial development program. This program supports local entrepreneurs in realizing their business dreams. The program is a free and confidential service that is offered to all residents, or to anyone who wishes to open or operate a business in the region surrounding the mine of Minera San Xavier, particularly in the municipality of Cerro de San Pedro and the three adjacent municipalities of San Luis Potosí. <sup>60</sup>
Peru	In 2017, Hudbay Minerals, the owner of the Constancia mine, signed a community investment agreement (Convenio Específico para la Ejecución de Proyectos de Inversión Pública) with the Municipality of Chamaca to invest more than USD\$1M in sustainable development projects that range from forestation to livestock and dairy production. The agreement established a development committee to monitor and evaluate the investments and oversee project funding. <sup>61</sup>
	Minsur S.A. operates the San Rafael mine in the southern region of Puno in Peru. It created the Fiber Entrepreneurship Program (Programa Fibra Emprendedora) in 2015, with the goal of adding value to textile activities and local handicrafts. Minsur helped 100 women from Antauta, Ajoyani, and the peasant community of Queracucho who transform alpaca fibre into original design thread to be offered in the market. <sup>62</sup> The program resulted in commercial orders and is currently being developed by the NGO Kani Peru Art Tradition and History S.A.C. <sup>63</sup> Minsur S.A. won the 2017 Sustainable Development Award in the Local Social Development category for implementing this program. <sup>64</sup>

Based on the information reviewed for the five APEC countries, most of the MSME practices and programs implemented in mining communities are led by mining companies operating in their areas of influence. Mining companies foster partnerships with both government and practitioners to develop some of those programs. The programs led by the mining companies are designed to contribute to the diversification of the local economy, supporting businesses that are not reliant on the mining company.

While focusing on local procurement opportunities with the mining sector makes business sense, the fact that ore bodies are finite and therefore mining projects will eventually come to a close indicates that strategies should also take into consideration approaches that promote local economic diversification, independent from its extractive sector.

Resource-rich countries can better direct the benefits created by the mining companies (e.g., royalties and taxes) to further support MSMEs and social entrepreneurship in mining regions. Co-ordination and co-operation with the private sector can yield more impactful results.

The fact that 50% of the mining royalties (canon minero) return to the Peruvian mining regions and the municipalities in the area of influence of the operation is an opportunity to further develop the regions' local MSME and social enterprise sectors. These funds can be further leveraged against existing government programs, as well as the resources invested by the mining companies under their CSR strategies and programs.

The mining sector can also contribute by proactively reviewing and adjusting its procurement policies, ensuring that they maintain the required operational, safety, environmental, and technical standards, while also considering the local realities. Mining procurement policies could be aligned with existing government policies to leverage the potential to have a lasting and meaningful local impact. Finally, developing programs that encourage the diversification of the local economy is strategic to reduce the dependence on the mining company alone.



Resource-rich countries can better direct benefits from mining companies

Source: Photo by Bart van Dijk on Unsplash

## STEP III

### *Voices from Peru*

Intending to capture the perceptions and experiences of a range of individuals and professionals on the topic of MSMEs and social entrepreneurship in the context of Peru, the research team conducted three distinct but complementary activities. The first activity was a series of 16 interviews with experts on the topics of the study. This was followed by a 90-minute facilitated in-depth discussion (the second activity). Finally, the preliminary results of the study were presented at a national workshop organized by the Asia Pacific Foundation in Lima. The table in **Appendix 2** shows the organizations that were engaged in the interviews.

The second activity was a workshop organized in Lima with the Ministry of Foreign Affairs in which representatives from a wide array of organizations participated (see **Appendix 3**). The workshop aimed to socialize the research, collect key information through a five-question survey, and conduct a 90-minute in-depth discussion.

The third activity used to capture the Peruvian's views and perceptions related to MSMEs and social entrepreneurship in Peru took place on May 15, 2019, in Lima through a workshop organized by the Asia Pacific Foundation of Canada. During the workshop, the research team presented the preliminary results of the study and held an expert panel discussion with representatives from academia, the national government, and the mining sector. This third activity helped the research team to confirm some of the findings and to further inform the study. The input from the experts as well as the questions from the audience contributed to refining the final recommendations of the research.

As a result of the interviews conducted and the workshop held in Lima, the following are a summary of the perceptions and feedback of Peruvians on existing MSME policies, as well as the challenges and opportunities for the promotion of social entrepreneurship. The topics were grouped according to the framework developed in the research: social entrepreneurship, taxation, gender equality, funding, and institutional capacity.

### **SOCIAL ENTREPRENEURSHIP**

- The few existing social enterprises are concentrated in Lima and are mainly micro-enterprises;
- There is lack of legal framework and no specific policies that promote and support social enterprises in Peru; and<sup>65</sup>

- There is a lack of co-ordination between government agencies, universities, and other key organizations.

### TAXATION

- Although always referred to as an important topic in the literature, taxation did not appear as a key issue in the study. Both interviewees and workshop participants felt that other issues, such as institutional capacity, were more relevant.

### GENDER EQUALITY

- Despite the fact that the government and the private sector have been advocating for and promoting gender equality, there are still systemic barriers that limit opportunities for women in the MSME and social entrepreneurship sector in Peru; and
- Peruvian women face obstacles to their entrepreneurial development for both cultural and social reasons. An example of this is the double-duty role in which women, in addition to work for their business, are responsible for a large portion of the household work, including child care. Research participants indicated that a long-term solution is to include the gender approach in the education system to ensure equal opportunities for men and women.

### FUNDING

- Despite the existing government programs, there is a general belief that the funding allocated to support the MSME and social entrepreneurship sectors is limited and that the government should increase it to a more meaningful contribution to promote the sector.

### INSTITUTIONAL CAPACITY

The area that received the most attention during the workshops and interviews relates to the lack of capacity in general, including not only the institutional capacity of government organizations, but also the capacity of the entrepreneurs. Co-ordination and collaboration between parties also emerged as a key issue. The following are some of the specific points discussed.

#### **Government**

- The workshop participants believe that there is inadequate legislation to support MSMEs, as the existing legislation is considered to be shaped by legislation for larger enterprises. MSME legislation is basically “the same legislation [to



Lack of capacity of governments and of entrepreneurs received the most attention

Source: Photo by Marco Oriolesi on Unsplash

support larger businesses] but reducing the numbers and scale.” For instance, the requirement of having an accounting area and a human resources area in order to qualify for certain incentives is widely seen as inadequate and ineffective;

- The lack of training of regional and local authorities to implement the programs is also seen as a limiting factor. There is a high turnover of senior management in ministries, regional governments, and local governments, which does not contribute to the sustainability of policies; and
- The lack of capacity of the local population and local government officials in mining regions hinders any effective, long-term policy implementation. There is a learning curve that could take 20 to 30 years to build at both the societal level and the government level.

### **Private sector**

- At the regional level where the mining projects are located, there is a high degree of dependence on the mining company. This is seen as problematic as local governments do not deliver their long-term plans and become vulnerable to changes in market prices; and
- The mining sector (actors “on the ground”) and the Ministry of Production (policy-makers) acknowledge that a way to bridge the gap between policy design and effective implementation is by better aligning the mining companies’ corporate social responsibility (CSR) initiatives toward business development with local governments’ development priorities.

### **Entrepreneurs**

- In general, entrepreneurs have a low educational level in the mining regions. Study participants reported that entrepreneurs mostly focus on subsistence activities; and
- Informality and a lack of adequate financing were also pointed out as limiting factors for entrepreneurs.

### **Co-ordination and participation**

- The Ministry of Production is responsible for the promotion of the MSME sector in Peru. However, both the Ministry of Economy and Finance and Congress play key roles. Strong co-ordination and collaboration between those key actors would maximize results;

- In addition, regional and local governments are key players, as they are responsible for implementing the established policies;
- Workshop participants frequently raised the point that the general public, and in particular entrepreneurs, should be engaged in discussions and consultations about MSMEs in Peru; and
- One of the main gaps in the implementation of public policies is the lack of coordination between policy-makers, policy implementers, and entrepreneurs. There are also (missed) opportunities for greater impact if the CSR strategies from mining companies are aligned with the Peruvian MSME policies.

## STEP IV

### *MSME, social entrepreneurship analysis, and recommendations for Peru*

Based on the research conducted for this study, we propose in this section a series of high-level and detailed recommendations.

The most important aspect of any solution is that each entity must work together with the other stakeholders involved. As the famed resource curse is a catalyst for issues relating to every level of the national, social, and economic sectors, so too must a solution encompass the co-operation of all.

It should be noted that at least three of the recommendations gathered from key actors were aimed at solving systemic failures, and therefore could not be considered in detail by this report. For instance:

- Many interviewees proposed that the national road infrastructure gap needs to be resolved for any policies or programs to be successful. However, this is not directly linked to MSME policies in place;
- The lack of basic education in rural areas was repeatedly highlighted as a key obstacle for improving the business standards in mining regions. However, the educational gap is not something this study should address at this point; and
- Concerns were raised with regards to the lack of institutional development at the subnational level.

The following recommendations are organized considering the specific roles that different organizations play in the space of MSMEs and social entrepreneurship.



## ACADEMIA

As a basis for all recommendations, academics and the research community play a key role that can contribute to advancing MSMEs and social entrepreneurship in Peru. There needs to be an effort in forming alliances to correctly identify potential and sustainable endeavours in mining areas. A series of inter-regional development road maps in mining corridors should be undertaken as a pilot project to advance MSMEs. This road map will consider the current policies, policy gaps, and the CSR initiatives promoted by mining companies to ensure they enhance the actions that work. There is an astounding number of initiatives that have succeeded and failed, providing a wealth of knowledge and experience that needs to be accessed.

## GOVERNMENT

The Peruvian government should be mindful and intentional in creating tangible opportunities so that both MSMEs and social entrepreneurs can be the first option for supplying to the government, similar to the Australian initiative for policies and programs that allow MSMEs to supply to the government and its agencies.

Nationally, Peru is lacking a minimum level of political traction and policy coherence. The fact that the most relevant Ministry for MSME policy design and implementation, PRODUCE, has had six ministers in two years is evidence of the need for integrating policy and a coordinating body that can survive political changes with an excessively high rotation of officials of opposing views on key issues.

Regional and local governments must learn to lead processes that generate long-term tangible results. There must be commitment and institutional structure that can build a specialized technocracy in development at a regional governmental level. At the very least, there should be support for cyclical policy implementation through local governments or municipalities despite changes in elected officials at the regional level.

Next, it is the local government's responsibility to encourage the formalization of industry and the learning of soft skills that go beyond technical training. This is to provide its citizens with the tools for creating economical ventures that go beyond what a simple capabilities development program can teach. Mining companies may assist with co-ordination and should facilitate as much as possible, but they should by no means lead the efforts.

## MSME POLICIES

The creation of an ombudsperson's office to advocate for small business and provide guidance is a necessary initial step. An office providing access to dispute resolution services and acting as a liaison between the government and MSMEs is vital.

It is not recommended that different legislation or policies regarding MSMEs be implemented in mining areas; there should be homogeneity for all MSMEs.

Policies related to access to credit, financing, and tax breaks for MSMEs are instrumental in supporting MSME growth and must be pursued to develop business in Peru. Additionally, the promotion of innovation, high-impact entrepreneurship, and the growth of suppliers is key.

## MSMES AND GENDER FOCUS

The field research revealed that there was no clear consensus on whether developing specific MSME policies with a gender equality focus should take place. However, the development literature has been strongly advocating for "mainstreaming gender" in all aspects and at all stages throughout a mining project for at least a decade. Therefore, it is recommended that a gender-sensitive approach be taken when designing, developing, and implementing policies, and when promoting MSMEs in mining regions. The usual starting point required to do this is developing a gender socio-economic baseline of the area of influence, or the whole region if need be.

## SOCIAL ENTERPRISE POLICIES

Technical and financial support, paired with tax incentives, should be made available to social entrepreneurs as an effort to promote positive business, regardless of the type of corporation. Social entrepreneurship as a whole needs to be more disseminated, and the general public and government more educated on the topic.

## NON-GOVERNMENT INSTITUTIONS

This is the main area where the Peruvian case differs from all the other countries. There is no need to create new institutions, but there must be a mandate to implement the existing policies and articulate the different programs of different ministries. COFIDE (Development Finance Corporation) seems to be a good candidate as it has accumulated knowledge over the years with several mining companies.

An important initiative that should be undertaken by these institutions is to associate entrepreneurs located in regional clusters regardless of their association with mining operations. This should be done with the goal of identifying common gaps and shared needs in infrastructure.

## INDUSTRY

There must be an overall effort to align industry CSR initiatives with public policies and programs to promote MSMEs, as well as with regional and local development objectives.

Successful approaches to promoting MSMEs are those that involve a multi-pronged approach of supportive tax regimes (in the form of reductions), funding availability, and capacity development.

In the context of mining communities, many of the efforts to support MSMEs are being led by mining companies. These efforts are thus often facilitated by a third-party service provider, which is the key in creating a cohesive unit between parties.

As a final, yet invaluable piece, public and entrepreneurial participation should be commonplace in discussions about MSMEs. Though the academics, government officials, and executives can lead the economic development efforts, the members of the community must necessarily form a part of the dialogue. For a program to be effective, it must be born from a collaboration between all levels of government, the mining companies, and the community.



*There must be an overall effort to align industry initiatives with public policies*

*Source: Photo by Alfio Mancigli on Unsplash*

# CONCLUSIONS

This research investigated how public policies regarding MSMEs in Peru enable a favourable environment for the establishment of businesses in mining regions. It also considered how MSME policies in Peru support social entrepreneurship in mining regions.

It was also of interest to understand the extent to which MSME and social entrepreneurship policies take gender considerations into account.

Despite the existence of MSME policies in Peru, entrepreneurial development is limited due to infrastructural challenges, lack of capacity at the regional levels, and the capacity of entrepreneurs.

Mining companies (through their CSR initiatives and programs) are addressing this gap by supporting local economic development programs.

The mining sector can further contribute by proactively reviewing and adjusting its procurement policies. Mining procurement policies could be aligned with existing government policies so they can leverage the potential to have a lasting and meaningful local impact. Finally, developing programs that encourage the diversification of the local economy is strategic for reducing dependence on the mining company.

The lack of co-ordination and close collaboration to align national policies, regional development plans, and the CSR efforts from mining companies is a missed opportunity for more meaningful impact.

## How Do MSME Policies in Peru Support Social Entrepreneurship in Mining Regions?

In comparison to the other four APEC countries in this study, the social entrepreneurship sector in Peru is nascent. The existing MSME policies are not directly aligned to support social entrepreneurs; however, the existing MSME programs seem to be inclusive and open to social entrepreneurship.

Civil society and non-governmental organizations are taking the lead in supporting social entrepreneurship in Peru and are showing positive results. The academic community is also contributing to this debate. All this movement is raising the profile of the topic and provoking the government to be part of this debate.

Peruvian society will benefit if specific policies and programs to support social entrepreneurship are in place. The private sector can be a partner and align its social investment initiatives to enhance the outcomes of the social entrepreneurship sector.



Only Canada and Mexico included gender considerations in its MSME policies

Source: Photo by fizkes on Getty Images

### To What Extent Do the MSME and Social Entrepreneurship Policies Take Gender Considerations into Account?

Out of the five countries studied, only Canada and Mexico included gender considerations in its MSME policies. However, in the Mexican case, it is not clear what mechanisms exist to translate gender considerations into practices. In the case of Canada, the gender-based analysis (GBA+) and the Women's Entrepreneurship Fund are examples of ways in which gender considerations are translated into actions. Although gender considerations were not found in the Australian, Chilean, and Peruvian MSME policies, we cannot assume that programs that support women entrepreneurs are not in place. In fact, in the context of Peru and the Peruvian mining sector, gender mainstreaming, participation, and equality have been at the forefront of the discussions for several years.

Based on the study findings and literature review, it seems that the social entrepreneurship sector attracts more women. Developing and structuring the Peruvian SE sector will likely create more space for female engagement and contribution.

In general, to have a gender-sensitive MSME and social entrepreneurship sector, the following are needed:

- Better co-ordination among different agencies and organizations (public, private, and non-governmental); and
- Gender-sensitive MSME and social entrepreneurship policies and programs that are designed, implemented, and evaluated considering women's realities in the specific contexts in which they live. For instance, the reality of a woman living in the Amazon is very distinct from the reality of a woman living in the Andes or in Lima.

## LIMITATIONS OF THE STUDY

The authors are cognizant that the policies investigated as well as the practices that the countries are promoting to advance MSMEs and social entrepreneurship were not investigated in-depth. Furthermore, it was not within the scope of this study to undertake a longitudinal approach to analyze the effectiveness and the results produced by these policies over the years.

Despite the fact that in this research we identified key experts to participate in the interviews and workshop sessions who possess solid knowledge and experience on the topics pertaining to the study, the research team also recognizes that there are many other academics, civil society organizations, entrepreneurs, mining companies, and government agencies that have experiences and could have contributed to this study, and that due to the timeline of the research, were not identified or engaged in time.

## RECOMMENDATIONS FOR FUTURE STUDIES

While carrying out this study, the research team identified a few areas of future study that could be useful for Peru and the APEC countries to provide further knowledge and insights regarding MSMEs and social entrepreneurship:

- Further investigate the results of current programs that support MSMEs and social entrepreneurship;
- Research mining companies' local procurement policies and what challenges and opportunities the private sector faces. This can help the APEC economies as well as the country of Peru to identify opportunities to foster, develop, and align government programs to encourage entrepreneurial activity and local procurement in mining regions; and
- Further research the context of the Peruvian mining royalties (canon minero). It would be useful to know how the canon minero is invested, and whether there are alignments to support MSMEs and social entrepreneurship in the regions. What would it take to direct part of the canon minero to support entrepreneurial activity in the mining regions?

# APPENDIX

## APPENDIX 1

### List of policies and laws in the APEC countries studied

Country	Policy / Law	Legal Framework
Australia	Australian Small Business and Family Enterprise Ombudsman Act 2015	Act N° 123, 2015
	NSW Government Procurement: Small and Medium Enterprises Policy	-
Canada	Small Business Investment Grants Act	-
	Canada Small Business Financing Regulations	-
	Canada Small Business Financing (Establishment and Operation of Capital Leasing Pilot Project) Regulations	-
Chile	Modifies Law N° 19.983 to facilitate the factorization of invoices by small and medium-sized entrepreneurs	Law N° 20.323
	Sets special rules for smaller companies	Law N° 20.416
	Streamlines procedures for new companies to start activities	Law N° 20.494
	Simplifies the regime of incorporation, modification, and dissolution of commercial companies	Law N° 20.659
	Creation of the "Sello Pro Pyme" and its Regulation	Decree 127, 2011, Ministry of Economy, Development and Tourism
	Modifications to Decree 127, of 2011, Ministry of Economy, Development and Tourism	Decree 115, 2012, Ministry of Economy, Development and Tourism Decree 127, 2016, Ministry of Economy, Development and Tourism
Mexico	Law for the development of the competitiveness of micro, small, and medium enterprises	Publication date: 12-30-2002
	The law for the development of the competitiveness of micro, small, and medium enterprises is reformed	Publication date: 06-06-2006
	Agreement establishing the stratification of micro, small, and medium-sized enterprises	Publication date: 06-30-2009
	Decree granting a fiscal stimulus in the matter of immediate deduction of new fixed assets for micro and small companies	Publication date: 01-18-2017
Peru	Law for the promotion and formalization of micro and small businesses	Law N° 28015
	Law that establishes tax measures, simplification of procedures, and permits for the promotion and invigoration of investment in the country	Law N° 30230
	Law to Promote Productive Development and Business Growth (Single Ordered Text)	Supreme Decree N° 013-2013-PRODUCE
	National Competitiveness and Productivity Policy	Supreme Decree N° 345-2018-EF
	Law that modifies the Emergency Decree 058-2011, by which urgent and extraordinary measures are issued in economic and financial matters to maintain and promote the dynamism of the national economy	Law N° 30818
	National Plan for Productive Diversification	Publication date: 01-07-2014
	General Government Policy to 2021	Supreme Decree N° 056-2018-PCM
	Supreme Decree that provides for the creation of a mechanism for gender equality in the entities of the national government and of the regional governments	Supreme Decree N° 005-2017-MIMP
Regulation of Legislative Decree No. 1399, Legislative Decree that promotes the strengthening of micro, small, and medium enterprises and creates the CRECER Fund	Supreme Decree N° 007-2019-EF	

## APPENDIX 2

### Interviewees by sector

Sector	Affiliation
Academia	Center for Mining and Sustainability Studies (CEMS) of Universidad del Pacífico
	Emprende UP of Universidad del Pacífico
	Grupo de Análisis para el Desarrollo (GRADE)
	Universidad de Lima
Civil society	Peruvian Entrepreneurs Association (ASEP)
	Lima Chamber of Commerce (CCL)
	Peruvian Council of Micro, Small and Medium Enterprises (COMYMEP)
	The National Society of Mining, Petroleum and Energy (SNMPE)
	NGO Solidaridad
	NGO Kunan
Private sector	APC Corporation
	Mining Company Antamina
	Mining specialist
Government	Presidency of the Council of Ministers (PCM)
	Ministry of Production (PRODUCE)
	Ministry of Foreign Affairs (RREE)

## APPENDIX 3

### Participants by sector in the Ministry of Foreign Affairs workshop

Sector	Affiliation
Academia	Universidad del Pacífico
	Universidad de Lima
Private sector	Peruvian Entrepreneurs Association (ASEP)
	Lima Chamber of Commerce (CCL)
	Peruvian Council of Micro, Small and Medium Enterprises (COMYMEP)
	The National Society of Mining, Petroleum and Energy (SNMPE)
Government	Presidency of the Council of Ministers (PCM)
	Ministry of Production (PRODUCE)



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