Small and Medium Enterprises Working Group
Strategic Plan

Purpose: Consideration
Submitted by: SMEWG Chair
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Strategic Plan 2013-2016

Asia Pacific Economic Cooperation (APEC) Small and Medium Enterprises Working Group (SMEWG)

1. Introduction

First established in February 1995 as the Ad Hoc Policy Level Group on SMEs’ (PLGSME), the SMEWG was renamed and granted permanent status in 2000. In promoting SME development and enhancing the effectiveness of APEC works for SMEs, the SMEWG has incorporated predecessor frameworks such as the Framework for SME Activities (1997) as well as the Integrated Plan of Action for SME Development (SPAN in 1998/2002) upon which the SMEWG Strategic Plan 2009-2012 was formulated.

In order to continue the work of the SMEWG Strategic Plan 2009-2012 and in response to the Bogor Goal, the Yokohama Vision, and the 18th Small and Medium Enterprises Ministerial Meeting (SMEMM), the SMEWG undertook the formulation of a new Strategic Plan for 2013 to 2016. This plan will provide a roadmap to address critical issues and concerns pertaining to the growth of small and medium enterprises (SMEs) and micro enterprises (MEs) in the APEC region.

Preparation of the Strategic Plan involved reviewing important tasks identified by the SMEMM, as well as the 2011 SMEWG Independent Assessment undertaken by an Independent Assessor, as instructed by the SCE. Following the Strategic Planning-Process Guide for Working Groups, the SMEWG organized a Strategic Plan Drafting Committee on the sideline of the SMEWG meetings in Thailand, Brunei and Russia; and as well as inter-sessional exchange of information, inputs and comments from SMEWG delegates to develop the Strategic Plan 2013-2016 for the SMEWG.

2. Vision Statement

The SMEWG shall promote competitive, balanced, inclusive, sustainable, innovative, and secure growth of SMEs and MEs in the APEC region. The SMEWG will facilitate SMEs and MEs, individually and collectively, to attain their fullest growth potential and contribute to the achievement of APEC’s wider economic prosperity and integration goals.

3. Mission Statement

The SMEWG has a critical and strategic role to provide support and guidance for APEC member economies to achieve SMEWG’s mission of:

- Enabling Policy, Business and Regulatory Environments for SMEs and MEs
- Strengthening the Participation and Access to Global Markets for SMEs and MEs

APEC’s vision:
“APEC is the premier Asia-Pacific economic forum. Our primary goal is to support sustainable economic growth and prosperity in the Asia-Pacific region. We are united in our drive to build a dynamic and harmonious Asia-Pacific community by championing free and open trade and investment, promoting and accelerating regional economic integration, encouraging economic and technical cooperation, enhancing human security, and facilitating a favorable and sustainable business environment. Our initiatives turn policy goals into concrete results and agreements into tangible benefits.”
• Fostering the Development of Innovative and Green SMEs and MEs
• Promoting Entrepreneurship and Management Capabilities of SMEs and MEs, Including Youth, Women, and Minority-Owned SMEs and MEs
• Strengthening access to financing for SMEs and MEs
• Enhancing Disaster Resilience to Promote Secure Growth and Establishing Reliable Supply Chains for SMEs and MEs

4. Critical Success Factors
Recognizing the multi-faceted nature of SME policies and programs, the capacity of this plan to achieve the Vision and Mission Statements will depend on a number of factors:

• Understanding the range and diversity of SMEs that operate in APEC economies
• Engaging and collaborating with other APEC fora whose work interacts with and complements the SMEWG Strategic Plan priorities and objectives to ensure their awareness of and participation in SMEWG projects
• Engaging and collaborating with the APEC Business Advisory Council and relevant private and public sector organizations to ensure their awareness of and participation in SMEWG projects
• Ensuring seminars and workshops are organized to best practice standards to achieve maximum effect and results
• Encouraging more direct participation of SMEs and MEs in the projects
• Enhancing the collaboration of SME service organizations to optimize SME services and resources
• Paying special attention to youth, women entrepreneurs, and minority-owned SMEs and MEs

5. Agreed Priorities, Objectives and Key Performance Indicators (KPIs)
In order to achieve the SMEWG’s mission, as based upon the development of the SMEWG Strategic Plan 2009-2012 and in response to the 2011 SMEWG Independent Assessment, the SMEWG will work on the three overarching priority areas with the following outlined objectives to enable better focus for discussion and create direct impact on SMEs.

SMEWG projects will be measured by the key performance indicators (KPIs) for their effectiveness in achieving SMEWG objectives under each priority area. Member economies are encouraged to utilize KPIs to report on the progress of projects on a voluntary basis.
<table>
<thead>
<tr>
<th>Priority Area</th>
<th>Objectives</th>
<th>Key Performance Indicators (KPIs)</th>
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</table>
| Building Management Capability, Entrepreneurship, and Innovation             | • Encourage Entrepreneurship and Business Start-Ups, and Provide Capacity Building Activities for SMEs and MEs | • Provide access to management information and guidance  
• Provide access to business start-up information and guidance  
• Implement programs to promote entrepreneurship to youth, women and minorities  
• Share information on new business models  
• Strengthen the capability of business development service providers |
|                                                                              | • Promote Innovation as a Key Competitive Advantage for SMEs and MEs        | • Improve SME R&D performance  
• Foster innovative SMEs  
• Promote industry-academia collaborations  
• Encourage commercialization of IPR  
• Promote Exporting of IP  
• Encourage SMEs’ expenditure on R&D education  
• Encourage collaborative research among APEC economies |
|                                                                              | • Empower SMEs and MEs to Recognize Green Issues, and Foster Sustainable Growth and Energy Efficiency | • Strengthen understanding and capability of SMEs and MEs to foster sustainable and innovative growth  
• Provide access to green related information and guidance  
• Implement programs to promote sustainable growth and energy efficiency |
|                                                                              | • Improve Natural Disaster Resilience and Ensure Business Continuity of SMEs and MEs | • Strengthen understanding and capability of SMEs and MEs facing natural disasters  
• Provide access to related information and guidance for SMEs and MEs to ensure business continuity  
• Implement programs to enhance natural disaster resilience of SMEs and MEs |
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| Financing    | · Increase awareness and availability of wide-ranging sources of financing, from microfinance to venture capital | · Increase awareness of different forms of financing to SMEs and MEs  
· Increase availability of different forms of public / institutional financing  
· Increase availability of private financing  
· Increase availability of technical assistance funds, such as credit guarantee, to facilitate access to credit  
· Other forms of financing not covered above |
|              | · Strengthen SMEs’ Access to Financing | · Improve access to financing assistance for SMEs and MEs  
· Improve access to information about financing for SMEs and MEs  
· Develop information systems for monitoring the provision of financial information |
| Business Environment, Market Access and Internationalization | · Establish Open and Transparent Business Environments for SMEs and MEs | · Streamline registration of business  
· Establish favorable regulatory environment for SMEs  
· Promote industrial linkages between SMEs and large firms  
· Promote government procurement opportunities for SMEs |
|              | · Enhance SMEs’ and MEs’ Capacity to Internationalize, and Assist SMEs and MEs Identify Foreign Business Opportunities | · Increase information on market access and opportunities  
· Increase availability of information on trade and investment  
· Implement measures/programs to identify and address trade barriers facing SMEs and MEs  
· Build SME capabilities to market products and services internationally  
· Deliver strategies to facilitate SMEs participation in international business |
6. Prioritized Implementation Schedule
The prioritized implementation schedule is updated in line with SMEWG Work Plan annually.

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Actions/Activities</th>
<th>Timeframe</th>
<th>Stakeholders</th>
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<tbody>
<tr>
<td>Agreed Objectives in affiliation with priority areas to be listed below</td>
<td>Member economies to fill in projects that will attain related objectives annually, including APEC-funded and self-funded projects</td>
<td>Project Timeline</td>
<td>Relevant stakeholders of the project to be listed here, including APEC and non-APEC fora</td>
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**Building Management Capability, Entrepreneurship, and Innovation**

| Encourage Entrepreneurship and Business Start-Ups, and Provide Capacity Building Activities for SMEs and MEs | Indonesia: Seminar on the dynamics of SME: Informality and Women Entrepreneurship | 2012-2013 |  |
| Korea: APEC Start-up Conference | 2012 |  |
| Peru: APEC International symposium and workshop on enhancing the competitiveness of SMEs through the innovative cooperative business model | 2013 |  |
| Promote Innovation as a Key Competitive Advantage for SMEs and MEs | China: APEC Small and Medium Enterprises Technology Conference and Fair | 2012 - 2016 |  |
| Russia: International Innovative Forum of Young Entrepreneurs in APEC Region | 2012 |  |
| Russia: Joint research and seminar “Technology Hubs, Technology Parks and Private Public Partnership as an Instrument of Regional Economic Integration in APEC” | 2012 |  |
| Russia: Assessment of prospects of using technological innovations as an engine of economic growth of Eastern regions of Russia and the basis of their economic integration in Asian-Pacific region | 2012 |  |
| Empower SMEs and MEs to Recognize Green Issues, and Foster Sustainable Growth and Energy Efficiency | Indonesia: Green Technology Initiative: Establishing Green Technology Innovation Network to Support SME Development | 2012-2013 |  |
| Korea: Green Initiative Workshop II | 2012 |  |
| Improve Natural Disaster Resilience and Ensure Business Continuity of SMEs and MEs | Chinese Taipei: Improving Natural Disaster Resilience of APEC SMEs to Facilitate Trade and Investment | 2012-2014 |  |

**Financing**
7. SMEWG Project Development and Ranking

SMEWG project proposals to develop capacity building activities should focus on issues/topics that will enable APEC member economies to achieve the priorities of this Strategic Plan.

Project proposals that have a direct link to the priorities of the SMEWG Strategic Plan 2013-2016 will be given higher ranking by the SMEWG.

8. Review of Strategic Plan

The SMEWG will prepare a progress report on the implementation of this Plan, and against the KPIs, for submission to APEC SME Ministers before the end of 2014. A final review of Strategic Plan 2013-2016 and a Strategic Plan 2017-2020 will be presented to APEC SME Ministers before the end of 2016.