



**Asia-Pacific  
Economic Cooperation**

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**2019/SMEWG48/011**

Agenda Item: 10.2.3

**APEC Local Innovation Ecosystem Initiative:  
Revitalization for Inclusive Growth and Sustainable  
Future**

Purpose: Information  
Submitted by: Chinese Taipei



**48th Small and Medium Enterprises Working Group  
Meeting  
Qingdao, China  
30-31 May 2019**

# APEC

## Local Innovation Ecosystem Initiative: Revitalization for Inclusive Growth and Sustainable Future

Co-proposed by:

Chinese Taipei, Russia, Thailand, the Philippines

Co-sponsored by:

Australia, Indonesia, Korea, Peru, the United States

May 30, 2019



# APEC Vision

- **“Inclusive Growth”** has been the core issue in the past five years of APEC Leaders’ declaration in order to ensure the benefits of growth, and globalization are felt by all levels within APEC economies.
- SMEWG therefore works to help SMEs build their capacity to innovate and engage in international trade as well as benefit local SMEs.



*“We recommit to advance balanced, innovative, secure, sustainable and inclusive growth and highlight APEC’s work on structural reform and regional economic integration.”*



# Income/Opportunity Disparity among Metropolitan/Sub-regional areas

- The proportion of urban population in the Asia-Pacific region increases from **41.1%** in 2000 to **58.2%** in 2017. (UN statistics)
- Capital regions amass more than **26%** of GDP. (OECD statistics)
- Most young adults and SMEs are desperate in the local areas with lower relative income and fewer business opportunities.



# Local Towns Developing Problems

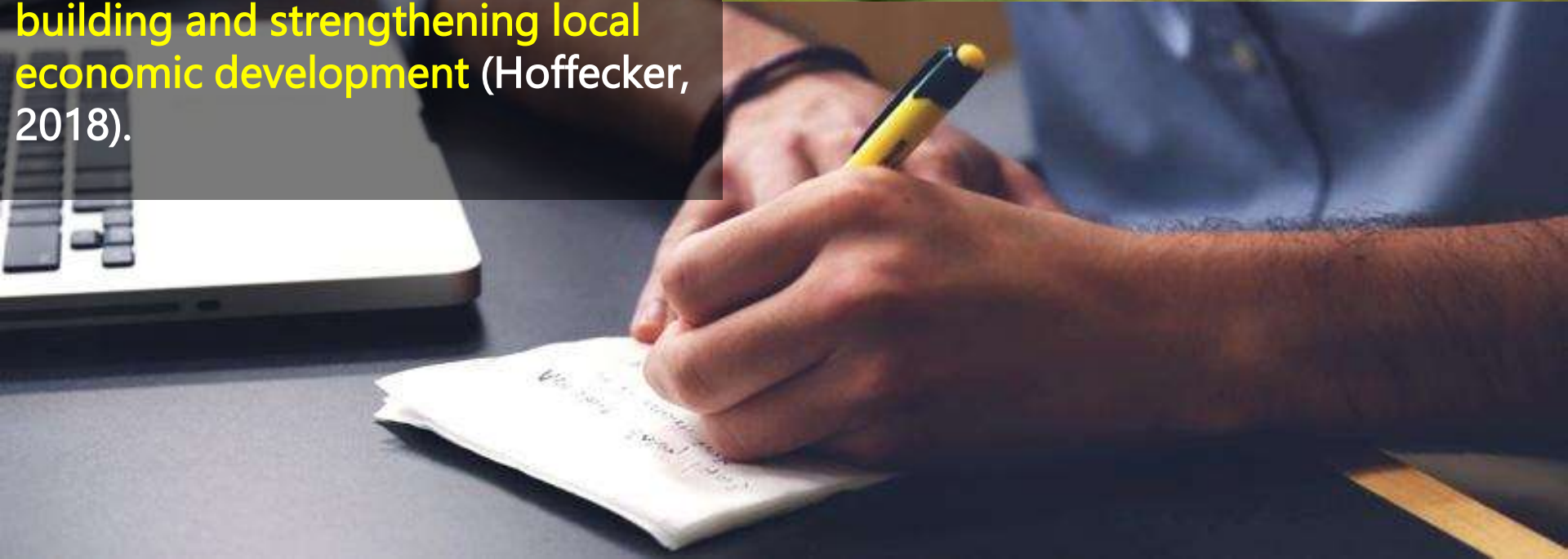
- This phenomenon has caused bottlenecks in the development of local towns.
- Thus, to promote **inclusive growth** and solve the developing problems of local towns, stimulating **local economies** becomes an important issue in the APEC region.





# Local Innovation Strengthens Economic Development

MIT's case study research into local innovation processes shows that the innovations emerging from these processes create meaningful livelihood impacts for their users, and more significantly, **the activities of innovation contributes to building and strengthening local economic development** (Hoffecker, 2018).



# APEC Local Innovation Ecosystem Initiative: Revitalization for Inclusive Growth and Sustainable Future

Our project aims to solve the aforementioned problems by promoting **Local Innovation Ecosystems** in the APEC region.

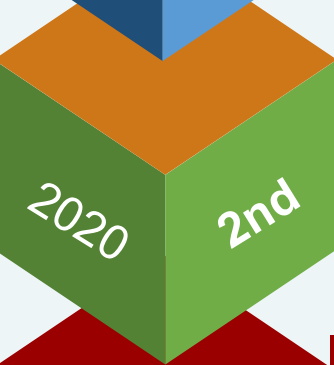
- To echo APEC Priorities 2019 - **Digital Society** and **Women, SMES** and **Inclusive Growth**
- To promote the Revitalization of **Local Industrial Clusters** and Development of **Social Innovation** to local challenges.
- To build **networking assets** and **economic assets** for local MSMEs
- To promote **local Entrepreneurship**
- To assist **MSMEs** in building their **local innovation capability**, especially the innovation technology application



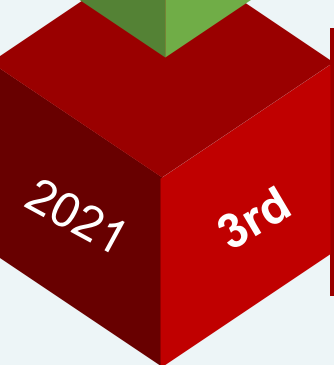
# APEC Local Innovation Ecosystem Initiative 3-Year Framework



Focus on accumulation of knowledge in the local innovation and capacity building in the APEC regions



Build economic/networking assets for local MSMEs and promote local entrepreneurship in the APEC region



Aiming at internationalization, promote the local economy to create industrial value chain in the APEC region





# Accumulating Local Innovation Knowledge

APEC Local Innovation Ecosystem serial events in 2019, including: **3 APEC Local Innovation Ecosystem Fora** in 3 co-hosted economies and **1 APEC Local Innovation Ecosystem Forum** in Taipei, aim to demonstrate the best practices of Local innovation MSMEs/startups from APEC member economies and share their experiences and challenges encountered.

APEC IncluNext

13 June

APEC Local  
Innovation  
Forum I



Russia

24-25 June

APEC Local  
Innovation  
Summit



Chinese  
Taipei

1-2 August

APEC Local  
Innovation  
Forum II



Thailand

October

APEC Local  
Innovation  
Forum III



The Philippines

# Capacity Building



- Publishing a report **“APEC Local Innovation Ecosystem Best Practices”** collecting best practices examples from the 4 events mentioned above.
- This report will demonstrate the **role models** of local innovation ecosystem from member economies and the **key elements** of solving the local challenges by local innovation ecosystems.



# 2019 APEC IncluNext Local Innovation Ecosystem Forum

Date: 24-25 June, 2019

Venue: Cathay Financial Conference  
Hall, Taipei







**We look forward to your **support** for  
APEC Local Innovation  
Ecosystem Initiative**

**THANK YOU !**