

**The 20th APEC Small and Medium Enterprises Ministerial Meeting
Nusa Dua, Bali, Indonesia, 7th September 2013
Joint Ministerial Statement**

Enhancing SME Global Competitiveness

Introduction

1. We, the APEC Ministers and their representatives responsible for Small and Medium Enterprises (SMEs), met in Bali, Indonesia, on 7th September 2013 under the chairmanship of H.E. DR Sjarifuddin Hasan, State Minister of Cooperatives and SMEs, of the Republic of Indonesia. The Executive Director of APEC, the APEC Business Advisory Council, the Pacific Economic Cooperation Council (PECC), and the ASEAN Secretariat also attended.
2. We appreciate the active participation by SMEs from across the APEC region at the meetings held from 2-7 September 2013, particularly at seminars/workshops, training or capacity building on ICT usage and exhibition in advance to Ministerial Plenary Session. We agree that hearing the views of small business owners and managers, especially women owned businesses enriched our discussion.
3. We acknowledge the initiative of the 1st APEC Joint Ministerial Meeting on SMEs and Women that recognized the significant contribution women entrepreneurs in SMEs make to the APEC region. In their role as SME owners, women are increasingly becoming recognize for generating employment, driving production, and contributing local development and innovations. We support continue collaboration between the SME Working Group and the Policy Partnership on Women and the Economy.

Share Recognition on the Importance of Enhancing SME Global Competitiveness

4. We recognize that SME Global Competitiveness is a key to enable SMEs in the APEC region to actively participate toward a common goal of integration and development of the economic potential of APEC.
5. We realize that the wide development gaps among APEC member economies need to be brought down. Therefore, special collaborative efforts among APEC member economies need to be carried out in systematic manner.
6. We appreciate the effort under taken by APEC member economies to enhance SME Global Competitiveness among others the Daegu Initiative to promote innovative SMEs and embracing Business Ethics to enhance SMEs' competitiveness.

Sub-theme 1: Entrepreneurship Development for SMEs

7. We recognize that a strong entrepreneurship environment is vital to the growth of the APEC economies. Vibrant entrepreneurs/business activities create job opportunities, provide new product and services, foster innovation and develop local resources. The vigorousness of the entrepreneurship movement plays a catalytic role to spur development of micro-enterprises and SMEs, including women entrepreneurs.

8. We recognize that inline with the effort to promote entrepreneurship, the promotion of start-up, young entrepreneurs and woman entrepreneurs is of importance and we support providing legal framework, increasing access to Business Development Services and business incubators, fostering innovation through the promotion of intellectual property rights, strengthening networking, and increasing access to financing and access to market.
9. We note the importance of our innovation goals for assisting the growth of start-ups, and appreciate Chinese-Taipei's effort for hosting the inaugural APEC Start-up Accelerator Leadership Summit 2013. We support the "APEC Accelerator 2014" initiative proposed by Chinese-Taipei to establish original accelerator platform where start-ups can benefit in terms of cross border incubation, mentorship, investment, and business opportunities.
10. We encourage private-public partnership to increase the ratio of entrepreneurs to population in the APEC region in order to strengthen economic competitiveness. We support member economies' efforts in collaboration with ABAC on hosting capacity building activities, such as the APEC Start-up Accelerator Leadership Summit and APEC Accelerator Network Forum.
11. We appreciate the initiative of Indonesia to host "The Workshop on The Dynamic of SMEs : Informality and Women Entrepreneurship" that provide opportunities to exchange experiences and views in relation with the promotion of formality of enterprises and women entrepreneurship. We encourage officials to follow up the recommendations of the workshop.
12. We appreciate Japan's efforts to organize "The APEC Women's OVOP Seminar" that provided best practices and key success factors of facilitating women's entrepreneurship with the use of the One Village One Product (OVOP) method. We recognize that the OVOP can be used as a meaningful tool to promote women's entrepreneurship as well as to narrow regional development gaps.

Sub-theme 2: Increasing Access to Finance for SMEs

13. We appreciate the initiative of the United States in leading the "APEC SME Trade Finance Conference". The conference allowed trade finance officials from all 21 APEC economies to engage in this discussions and presentations on current trade finance trends and issues and various program and policy initiatives. The forum also brought together multilateral banks, which present alternative schemes to government and private trade finance programs for SMEs interest in entering the global market. We encourage the networking of such trade financing institutions throughout the Asia-Pacific region. These initiatives will address the lack of access to financing barriers for SMEs in the Asia-Pacific region.
14. We welcome the initiative of Indonesia on the importance of financial inclusion to improve the livelihoods of the poor and in supporting Micro Enterprises and SMEs to increase access to financial sources. We encourage officials in all economies to follow the SMEWG Strategic Plan to cover other policies, including financial education and financial facilitation and services.

Sub-Theme 3: Empowering SMEs to Expand to International Market

- 15.** We appreciate the initiative of Indonesia to host “The Workshop on Doing Business in APEC Region” that provide opportunities to exchange policy initiatives on investment and business opportunities in respective economies. Such event is considerably important to boost investment and trade growth in the APEC region. We recommend such event should be include in the strategic plan for SMEs development toward trade and investment liberalization in 2020.
- 16.** We appreciate Australia’s work to organize “The Directory of initiatives available in APEC economies to assist SMEs’ access to global markets”. This directory will provide an easily accesible resource that will enrich the process of developing policies to help SMEs move to international markets either as exporters or as part of global value chains.
- 17.** We appreciate the capacity building train-the-trainer workshop hosted by Malaysia and the United States to make codes of conduct in the medical device, biopharmaceutical, and construction-engineering sectors functional and operational in companies throughout the APEC region as instructed by Ministers and Leaders. More than 100 newly trained ethics compliance trainers will implement ethics compliance training throughout the APEC and ASEAN trade region in the upcoming year. These work will raise ethics compliance awareness and place ethics compliance at the core of business applications which is an imperative for conducting business in today’s global marketplace.
- 18.** We appreciate the initiative of The United States to organize “The Workshop on Stakeholder Awareness for the Healthcare sector”. This workshop will increase public and private sector ethics awareness and further facilitate the implementation of business codes of conduct to ease trade barriers in the heathcare sector. We applaud the Bali Statement that fosters ethics compliance among relevant healthcare stakeholders and the creation of an APEC Business Ethics Forum to further facilitate regional cooperation and capacity building in our fight against corruption.
- 19.** We appreciate the capacity building train-the-trainer workshop hosted by Malaysia and the United States to make codes of conduct in the medical device, biopharmaceutical, and construction-engineering sectors functional and operational in companies throughout the APEC region as instructed by Ministers and Leaders. More than 100 newly trained ethics compliance trainers will implement ethics compliance training throughout the APEC and ASEAN trade region in the upcoming year. This works will not only raise ethics compliance awareness, it will placed ethics compliance at the core of business applications which is an imperative for conducting business in today’s global marketplace.
- 20.** We appreciate the initiative of The United States to organize “The Workshop on Stakeholder Awareness for the Healthcare sector”. This workshop will increase public and private sector ethics awareness and further facilitate the implementation of business codes of conduct to ease trade barriers in the heathcare sector.
- 21.** We appreciate Korea’s work to organize “the APEC Green Business Forum.” This forum will assist SMEs in joining global supply chain by going green and promote carbon labeling, addressing possible issues that might prevent business from exploring international market.

22. We note the report and presentation made by ABAC Chair which focus on four prioritized areas namely: (a) Entrepreneurship and innovation; (b) Access to finance; (c) Access to international market especially using IT; and (d) participation of women and young people in business.
23. In response to the ABAC report and presentation, we instructed the SMEWG to accommodate the report and presentation of ABAC and further revise and enrich the SMEWG Strategic Plan (2013-2016).
24. Recognizing the important of our goals for creating a resilient Asia-Pacific, we reaffirm our commitment to assist SMEs in establishing resilient supply chain to facilitate trade and investment. We appreciate the contribution of Chinese-Taipei in hosting the “APEC Train-the-Trainer Workshop on Promoting SMEs Business Continuity Plans” in collaboration with APEC EPWG that continues the efforts to provide the region a platform for SMEs to establish business continuity plans and secure their global supply chains. We encourage further participation to the “APEC High Level Policy Dialogue on Improving Natural Disaster Resilience of SMEs” in 2014.
25. We appreciate the initiative of Indonesia to host “APEC SME Exhibition Local to Global: Locally Connected, Globally Competitive ” that provide opportunities to promote SMEs products and to create business network in the international market. We considered such event is useful for SMEs and when possible to be carried out annually back to back with the SME Ministerial Meetings.
26. We recognize the efforts of the APEC SME Working Group to promote SME development and enhance the effectiveness of APEC works for SMEs and encourage them to continue to implement the Group’s Strategic Plan.
27. We recognize that good business partnerships among SMEs in APEC region can create Win-Win relationships. Japan stressed that improvement of each economy’s business environment was of importance to strengthen those relationships under a situation where SMEs were actively expanding their overseas business.
28. We welcome the initiative of the United States and Australia to develop a series of workshops to address the challenges SMEs face in participating in global supply and production chains. Beginning with a launch workshop in early 2014, this work will encourage collaboration with other APEC for a, ABAC and the private sector and help SMEs expand into global markets.

APEC 2014 SME Meetings

29. We thank China for hosting the 21st APEC SME Ministerial and Related Meetings in Nanjing, China on 5 September 2014 with the main theme of “Innovation and Sustainability” and the three sub-themes:
 - Increasing innovation capacities of SMEs;
 - Improving the environment for SMEs’ innovation;
 - Promoting SMEs’ growth through innovation

Toward APEC Indonesia 2013, Economic Leaders Meeting in Bali

30. We agree to present this Joint Ministerial Statement as the contribution to the APEC Economic Leaders' Meeting on October 2013 in Bali, Indonesia.