



**Asia-Pacific  
Economic Cooperation**

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**2017/SOM3/015**  
Agenda Item: 14

## **APEC Online-to-Offline Initiative - Enhancing SME Digital Competitiveness and Resilience Towards Quality Growth**

Purpose: Information  
Submitted by: Chinese Taipei



**Third Senior Officials' Meeting  
Ho Chi Minh City, Viet Nam  
29-30 August 2017**

**Title: APEC Online-to-Offline (O2O) Initiative—Enhancing SME Digital Competitiveness and Resilience towards Quality Growth**

**EXECUTIVE SUMMARY**

The APEC Online-to-Offline (O2O) Initiative—Enhancing SME Digital Competitiveness and Resilience towards Quality Growth marks the second phase of the O2O Initiative proposed by Chinese Taipei. It aims to enhance SMEs' digital competitiveness and resilience and facilitate their integration into global supply and value chains, which are important next-generation trade and investment issues towards SME modernization and quality growth. The project provides a cross-border platform for young entrepreneurs and technology startups, and offers training, networking, and showcasing opportunities to assist SMEs in seizing new opportunities (e.g., O2O business models) and preparing for new challenges (e.g., cyber threats) in the digital economy. Six events will be held in five cities of APEC member economies, i.e., Kuala Lumpur (Malaysia), Taipei (Chinese Taipei), Kaohsiung (Chinese Taipei), Ho Chi Minh City (Viet Nam), and Manila (the Philippines). It is expected that through various forms of cooperation, a more competitive and resilient APEC community can be built in pursuit of quality growth.

**Required Action/Decision Points**

It is recommended that Senior Officials note the ongoing process of the O2O Initiative.

## **Title: APEC Online-to-Offline (O2O) Initiative—Enhancing SME Digital Competitiveness and Resilience towards Quality Growth**

### **Digital Competitiveness and Resilience towards Quality Growth**

SMEs are the engine of economic growth and prosperity. However, the digital revolution and generational shift have changed the way SMEs do business and conduct marketing. To address this, Chinese Taipei, together with cosponsors the Philippines and Malaysia, proposed the second phase of the APEC O2O Initiative, aiming to enhance SMEs' competitiveness and resilience in the digital era.

So far, this initiative has connected more than 70 tech startups and SMEs with over 700 stakeholders in the APEC region. A total of six events will be held in four APEC member economies. The first four events have already been completed. The remaining two events will be held in Ho Chi Minh and Manila, respectively.

The results of the second phase of the APEC O2O Initiative can be summarized as follows:

1. The APEC SME e-Commerce and O2O Forum was cohosted with Malaysia from May 22 to 23. Aiming to enhance mutual understanding and promote digital transformation among SMEs, the forum brought together over 100 stakeholders with the help of ABAC and the USC Marshall School of Business. In addition, officials from APEC member economies, as well as representatives from international organizations and SMEs, discussed opportunities and challenges in the digital economy.
2. The APEC O2O Summit was co-hosted with InnoVEX during COMPUTEX Taipei from May 30 to June 1 in Taipei. More than 200 stakeholders attended the summit, including representatives from top multinational corporations such as Intel, Audi, Trend Micro, and Google; around 15,000 high-profile corporate executives, accelerators, angel investors, venture capitalists, and APEC officials; as well as over 250 promising startups from more than 20 member economies. Four key O2O innovation areas were the focus of the summit, i.e., mobile commerce, the sharing economy, the Internet of Things, and next-generation innovation.
3. The APEC SME O2O Expert Network Meeting was hosted in Taipei on May 30. This event was well attended by cybersecurity experts from Trend Micro, Belfor, the Open Computing Alliance, the Asian Disaster Preparedness Center, the APEC Emergency Preparedness Capacity Building Center, TechKnowledge Services Group, SEMI Taiwan, and the APEC Emergency Preparedness Working Group. The draft of the APEC Guidebook on SME Digital Resilience was approved at the meeting.
4. The APEC SME Digital Resilience Training Workshop and Collaboration between Young Entrepreneurs of Kaohsiung and ASEAN was hosted in Kaohsiung, Chinese Taipei, from July 13 to 14. Twenty professionals from seven member economies were invited to the workshop to teach around 100 seed trainers about cybersecurity and to deliver various lectures. The draft APEC Guidebook on SME Digital Resilience was utilized as key training material, while teambuilding was also an important part of the activities. On the second day of the workshop, a panel entitled Collaboration between Young Entrepreneurs of Kaohsiung and ASEAN discussed cultivating connections and opportunities for future cooperation. Representatives from both the public and private sectors were actively involved in the discussion.

## **Upcoming events**

- 1.** The APEC SME O2O Forum will be held in Ho Chi Minh City, Viet Nam, on September 10, cohosted by Viet Nam during the 24th SMEMM week. At the event, the APEC Guidebook on SME Digital Resilience is expected to be published. The content of this guidebook will be used in the future for capacity building and knowledge dissemination.
- 2.** The APEC SME O2O Forum will take place in Manila, the Philippines, on October 18. The forum is expected to bring together around 80 stakeholders and experts to exchange insight and share knowledge on the MSME marketplace. Also, there will be a session on best practices to demonstrate O2O business models, and O2O experts will provide consultation.