



**Asia-Pacific
Economic Cooperation**

2021/SMEMM/JMS

Joint Ministerial Statement – 27th Small and Medium Enterprises Ministerial Meeting 2021



**27th Small and Medium Enterprises
Ministerial Meeting
9 October 2021**

27th Small and Medium Enterprises Ministerial Meeting 9 October 2021 Ministerial Statement

We, the Asia-Pacific Economic Cooperation (APEC) Ministers responsible for Small and Medium Enterprises (SMEs) met on 9 October 2021 under the Chairmanship of the Honourable Stuart Nash, New Zealand's Minister for Small Business. We welcomed the participation of the APEC Business Advisory Council (ABAC), the Pacific Economic Cooperation Council (PECC), the Association of Southeast Asian Nations (ASEAN) and the Pacific Islands Forum (PIF) Secretariat.

We acknowledge that Micro, Small and Medium Enterprises (MSMEs) play a significant role in our region, fuelling economic growth and employment. MSMEs make up over 97 per cent of our region's businesses, representing over 60 per cent of the workforce and over 40 per cent of GDP. Promoting the inclusive development of sustainable, resilient, digitally-enabled and innovative MSMEs is central to navigating the recovery from the impact of the COVID-19 pandemic and implementing the APEC Putrajaya Vision 2040.

Supporting MSMEs through the COVID-19 pandemic

We express our deepest condolences over the tragic loss of lives and to all those who are suffering due to the ongoing COVID-19 pandemic.

Alongside a global health crisis, the COVID-19 pandemic has triggered an unprecedented economic shock. We recognise that this shock has been felt disproportionately by MSMEs across the region and acknowledge the significant actions already undertaken as economies have sought to provide immediate, targeted relief. The unique needs of MSMEs should continue to be addressed by relief programmes as we move through the next phases of the pandemic response and recovery.

At this time of unparalleled disruption we remain committed to intensifying cooperation, capacity building, and the sharing of best practices through APEC. We acknowledge the essential role a free, fair, non-discriminatory, transparent, predictable, and open trade and investment environment plays to: enhance MSMEs' and start-ups' access to international markets and supply chains; combat the impacts of the COVID-19 pandemic; and enable a strong economic recovery. Our economic and technical cooperation and capacity building can reduce or simplify administrative barriers; promote education, training and skills development; enhance access to technology; improve access to finance, alternative funding solutions and cross-border payment mechanisms; and promote access to market and regulatory information.

Promoting the inclusive development of sustainable, resilient, digitally enabled and innovative MSMEs for recovery

We affirm the importance of policies and cooperation that enhance MSME growth and resilience. We recognise that the success of our recovery and resilience against future economic shocks and other such challenges will be determined by our region's economic, social and environmental wellbeing.

We recognise the critical role of digitalisation, innovation and technology in promoting MSME resilience and business continuity, fostering the development of digital start-up ecosystems and building an enabling regulatory environment. The pandemic has accelerated the process of collaborative innovation and digitalisation, with the adoption of digital solutions no longer optional, but a necessary business tool. We pledge to continue to support MSMEs by strengthening digital infrastructure, accelerating digital transformation, narrowing the digital divide, as well as cooperating on facilitating the flow of data and strengthening consumer and business trust in digital transactions. We will work together to promote innovation and digitalisation, including by supporting skills training, access to digital tools and infrastructure, and addressing cybersecurity

challenges. We will support the development and application of next generation information and communication technologies among MSMEs to promote their differentiation and digital transformation.

Our economies should focus on recovery efforts that deliver economic opportunity for all members of society, including MSMEs, women and others with untapped economic potential. We will continue to support women-owned MSMEs to achieve economic and social recovery and enhanced productivity. We welcome APEC's work on implementing the La Serena Roadmap for Women and Inclusive Growth. We note recent initiatives in APEC to unlock the economic potential of Indigenous-owned MSMEs.

We encourage further promotion of ethical business practices that support MSMEs and will continue to promote transparency and integrity for SMEs in the internationalization process.

We acknowledge the impact of the pandemic on wellbeing and recognise that supporting MSME owners' mental wellbeing builds resilience, enabling MSMEs to increase engagement and productivity. We welcome the recent APEC workshop on MSME wellbeing and we support ongoing collaboration on relevant initiatives.

We support the implementation of the SME Working Group Strategic Plan 2021-2024 for the inclusive development of sustainable, resilient and innovative MSMEs. We will collaborate to improve opportunities for MSMEs to compete, specialise, and expand into international markets and global value chains (GVC) .

There has never been a more important time to pursue policies and cooperation that support broader efforts to address future and ongoing environmental challenges, including climate change. To this end, MSMEs have an important role to play in fostering an environmentally sustainable recovery. We commit to intensifying our efforts to create an enabling environment for MSMEs to engage in innovative, environmentally sustainable practices and activities, and encourage officials to explore the development of cross-fora initiatives in these areas.

We acknowledge the work economies have undertaken in pursuit of the Boracay Action Agenda to Globalize MSMEs (BAA). We welcome the findings and recommendations of the Final Review of the BAA and note the BAA capstone activity, the APEC Global MSME Forum, which was hosted by the Philippines earlier this year. Economies have made progress towards the BAA's goal of fostering MSMEs' participation in regional and global markets, but this progress has been uneven across the priority areas, and there is more work to do. We encourage officials to focus on these areas in the BAA, particularly in support of MSMEs' digitalisation and access to finance, as we continue to implement the SME Working Group Strategic Plan 2021-2024.

Last year, APEC Leaders endorsed the APEC Putrajaya Vision 2040 for an open, dynamic, resilient and peaceful Asia-Pacific community by 2040 and we are committed to its implementation.

We stand united in our efforts to build connections and deepen our collaboration for a sustainable recovery and to support our MSMEs to excel across the Asia-Pacific.

We thank New Zealand for hosting the 27th APEC SME Ministerial Meeting and look forward to the meeting next year in Thailand.

*Haumi ē, Hui ē, Tāiki ē.
Join, Work, Grow. Together.*