

Small Medium and Micro Enterprises and Entrepreneurship Working Group Matrix

Highlighted cells indicate U.S. Action

Agenda Item	US Member	US ABAC position/action	USG Position if known or applicable	Other economy positions
1. From the Chair				
2. ABAC Innovative Growth Report		<ul style="list-style-type: none"> ABAC USA supports innovative growth and feels it should continue to be included in ABAC's next generation trade issues input to APEC 		
a. Policies that promote sustainability of business		<ul style="list-style-type: none"> No paper yet 		
3. Promoting SME Internationalization through ICT		<ul style="list-style-type: none"> This paper aims to promote SME internationalization through ICT and E-Commerce platform. ABAC USA should monitor and identify synergies between this system and the ABAC USA proposed APEC Tariff Database, which was presented at ABAC III HCMC 	<ul style="list-style-type: none"> US APEC Officials are supportive of improved ICT tools to help SMEs internationalize 	ABAC China paper
4. International Collaboration between Large Enterprises and SMEs		<ul style="list-style-type: none"> ABAC USA supports ABAC's work to incorporate SMMEs into the global supply chain and made this was a feature of the 2011 ABAC SME Symposium in Honolulu. 	<ul style="list-style-type: none"> USG is supportive of policies that support SMEs The Obama Administration has been supportive of SMEs and passed the Small <i>Business</i> Jobs Act which improves access to finance for SME in 2010. It has recently updated the Jobs Act which extends benefits for varying terms (2011 or 2012) 	ABAC Korea paper
5. Women in Business		<ul style="list-style-type: none"> ABAC USA is very supportive of ABAC's women's forum and encourages ABAC to provide leadership in this area. 	USG is very supportive. Women in the Economy Summit held during SOM III with Secretary Clinton.	Chinese Taipei led initiative. ABAC is very supportive of economic inclusion, and the ABAC Women's forum is a concrete example of work being done to promote this.

6. Preparation Work for China SMEs		<ul style="list-style-type: none">• ABAC USA is very supportive of ABAC's SME outreach		
7. Any other business		<ul style="list-style-type: none">• ABAC USA is supportive of economic inclusion.• ABAC USA should monitor• No paper available		

SME and Micro-enterprise (SMME) & Entrepreneurship Working Group
Fourth ABAC Meeting for 2012, Vladivostok
Time: 16.00-18.00, Monday September 3th, 2012

AGENDA

Agenda Item No.	Issue	Lead Economy/ Speaker	Doc. No.
1.	Welcome and introductory remarks from the Chair 1.1 Approval of the minutes of the SMMEEWG meeting III 2012 in Ho Chi Minh City, Russia 1.2 Approval of the ABAC IV 2012 Agenda	ABAC Peru Mr. Juan Francisco Raffo	SMMEEWG 32-034
	Policies Promoting the Creation of New Businesses and Business Models		
2.	ABAC Innovative Growth (IG) Initiative 2.1 Final Report	ABAC Chinese Taipei Mr. Steven Lee	
	Policies that promote the Sustainability of Business		
3.	Promoting Internationalization of SMEs by Utilization of ICT 3.1 Presentation	ABAC China Ms. Diane Wang	
4.	International Collaboration between Large Enterprises and SMEs 4.1 Revised Proposal	ABAC Korea Mr. Joon-Ho Lee	
5.	Women in Business	ABAC Chinese Taipei	
6.	Preparation Work for China SMEs Summit 6.1 Presentation	ABAC China Ms. Diane Wang	
7.	Any other business		
8.	Closing Remarks		

SMME and Entrepreneurship Working Group
ABAC Chinese Taipei Innovative Growth Initiative Summary Sheet

Document Title: Research Initiative on Innovative Growth
Purpose: For recap
Issue: Numerous barriers still exist to achieve innovative growth in SMMEs across the APEC region.
Background: The 2012 ABAC Innovative Growth Initiative by Chinese Taipei continues the quest to identify policies to foster innovative growth, as proposed in 2011, but take the study from a national to an international level, with extended research into how SMMEs can properly utilize the resources of cross-border innovative alliances. The research has looked into various trade issues relating to SMMEs through case studies and policy analysis.
Proposal /Recommendations: Here is a summary of the four key findings from the research program: <ul style="list-style-type: none">• Lack of information is a major obstacle for SMMEs to form cross-border strategic alliances.• One-way government foreign recruitment policies, lack of information, and bureaucracy limit cross-border flow of human capital• Inconsistent standards and high license fee and royalty charges limit the ability of SMMEs to enter new markets.• Insufficient information, visa, tax and other regulations, as well as language barriers prevent SMMEs from accessing emerging international industry clusters. Based on these research findings, we have made the following policy recommendations to APEC. <ul style="list-style-type: none">• Construct an Information Exchange Platform under APEC• Encourage multilateral matchmaking activities for SMMEs• Connect SMMEs with industrial standards organizations through APEC SCSC and construct royalty fee payment consultative platform• Encourage regulatory coherence on work visas and tax issues, and promote information on regional talent opportunities
Decision Points: <ul style="list-style-type: none">• Endorse the ABAC Chinese Taipei Innovative Growth Initiative report

Document: SMMEEWG 32-036A
Draft: **FIRST**
Source: ABAC Chinese Taipei
Date: 23 August 2012
Meeting: Vladivostok, Russian Federation

2012 ABAC Innovative Growth Initiative

ABAC Chinese Taipei

Vladivostok, Russia - September 2012

1

Key Findings

1

Lack of information major obstacle for SMMEs to form cross-border strategic alliances

2

One-way government foreign HR recruitment policies, lack of information, and bureaucracy limit cross-border flow of human capital

3

Inconsistent standards and high licensing fees and royalties limit ability of SMMEs to enter new markets

4

Insufficient information, visa, tax and other regulations as well as language barriers prevent SMMEs from accessing emerging international clusters

2

Objectives

- 1 Enhance access to relevant information of APEC economies and markets
- 2 Assist SMMEs in finding strategic partners and building alliances
- 3 Enable a more transparent and efficient standards setting process and IP market
- 4 Minimize regulatory and administrative barriers to cross-border human capital flows

3

Policy Recommendations

- 1 Construct an Information Exchange Platform under APEC
- 2 Encourage multilateral matchmaking activities for SMMEs
- 3 Connect SMMEs with industrial standards organizations through APEC SCSC and construct royalty fee payment consultative platform
- 4 Encourage regulatory coherence on work visas and tax issues, and promote information on regional talent opportunities

4



Meeting Document Summary

Document Title: Promote Internationalization of SMEs by utilization of ICT
Purpose: For information
Issue: By utilizing ICT and e-commerce platform, we can further promote and facilitate internationalization of SMEs. ABAC China will continue research in such area and share experiences with other economies.
Background: Nowadays, B2B e-commerce continues to grow rapidly and is taking up a larger percentage of traditional exports. Take China for example; export B2B e-commerce value which ranges from 2009 to 2014 is presented by CAGR 31.1%. Marketplaces mean the chances. It is the engine and benefits for SMEs to wide its both online and offline marketplaces. By utilizing e-commerce platforms, it is key step to enable SMEs to immediately access to the worldwide market and win its own rich channel. Therefore, it is suggested that APEC economics promote internationalization of SMEs by taking advantage of such spring board.
Proposal /Recommendations: <ul style="list-style-type: none">• Encourage other economies to organized SME Summit more actively and discuss ICT related topics, find the real need of local SMEs of using ICT in doing business.• ABAC China would like to initiate some bilateral pilot programs with interested economies and keep study and explore in ICT try to set up some effective models for other economies to follow• ABAC China encourage other economies to contribute to the database of SME Summit coordination centre, try to make it a case and experience sharing database of regional SMEs
Decision Points: <ul style="list-style-type: none">• For information•

Meeting Document Summary Sheet

Document Title: Enhancing International Collaboration between Large Enterprises and SMEs
Purpose: For policy recommendation and discussion
Issue: Problems of collaboration between large companies and SMEs and implications for public policies.
Background: <p>Historically in Korea, lack of existing supply chain and high-context culture promoted long-term cooperative relationships between large enterprises and SMEs. (A high-context culture emphasizes nonverbal messages and use communication as a means to promote smooth, harmonious relationships.)</p> <p>But this collaborative model suffered during turmoil such as economic crisis and global financial crisis. Long-term relationship changed into short-term relationship such as bidding. Implicit and informal contracts were exploited and/or refused. High-context culture collided with global contractual standards and these in-congruencies often caused conflict between large enterprises and SMEs.</p> <p>To resolve this conflict, new cooperative models were experimented such as formalizing contracts, IP protection for SME, buyback-guaranteed R&D, IP transfer etc.</p>
Proposal /Recommendations: <ul style="list-style-type: none"> • We will discuss recommendations for cooperation from three perspectives: <ul style="list-style-type: none"> ○ Economic crisis and term cooperative relationships between large enterprises and SMEs. ○ New approach for promoting local business ecosystem. ○ SMEs' participation in the global value chain: participation is easy but to maintain global business policy support and/or cooperation with large firm is necessary.
Decision Points: <ul style="list-style-type: none"> • N/A

Document: SMMEEWG 32-039 Draft: FIRST Source: ABAC China Date: 25 August 2012 Meeting: Vladivostok, Russian Federation

Meeting Document Summary Sheet

Document Title: Progress Report of China APEC SME Summit
Purpose: For Information
Issue: Progress of APEC SME Summit in China
Background: The fifth Annual APEC SME Summit (China) will be hold in Hainan from Nov28th to 31st. Program including following issues: Innovation, Transformation, Branding, Logistics, Mobile Internet, Ocean Energy, Multinational Corporation in China, Fashion Industry etc. We expect more than 600 participants.
Proposal /Recommendations: <ul style="list-style-type: none">• For information
Decision Points: <ul style="list-style-type: none">• Notice the information above