

2011 APEC Small and Medium Enterprises Ministerial Meeting

Joint Ministerial Statement

Leveraging Partnerships with APEC Small Businesses to Foster Innovation and Create an Entrepreneurial Society

Introduction

1. We, the APEC Ministers and representatives responsible for Small and Medium Enterprises (SMEs), met in Big Sky, Montana on 21 May 2011 under the chairmanship of Mr. Francisco J. Sánchez, Under Secretary for International Trade, U.S. Department of Commerce. The U.S. Senior Official for APEC, the Executive Director of the APEC Secretariat, the APEC Business Advisory Council (ABAC), the Pacific Economic Cooperation Council (PECC), and the ASEAN Secretariat also attended.

2. We appreciated the active participation by SMEs from across the APEC region at the meetings held from 13-20 May 2011 in advance of our Ministerial Plenary Session. We agreed that incorporating the views of small business owners and managers enriched and enhanced our discussion of the sub-themes for the SME Ministerial meeting and are reflected in this Joint Ministerial Statement.

Shared Recognition of the Importance of SMEs and Entrepreneurs to the Asia-Pacific Region

3. We recognize that SMEs and entrepreneurs account for approximately 90 percent of all global businesses and employ nearly 60 percent of the global workforce and therefore warrant special attention by SME policy makers in the dynamic Asia-Pacific region.

4. We reaffirm the importance of implementing the Gifu Initiative. In addition, as discussed in Japan in 2010, we will continue to work towards SMEs participation in high-growth sectors and SMEs' access to global markets.

5. We also recognize that SMEs and entrepreneurs are particularly vulnerable to natural disasters, as shown in Australia, Japan, New Zealand, and the United States this year. Ministers affirmed the need to share practices that will help SMEs prepare for and recover from natural disasters. Ministers welcomed Chinese Taipei's proposal to explore collaboration on natural disaster preparedness between the SMEWG and the Emergency Preparedness Working Group.

6. Ministers support Malaysia's proposal to organize the APEC Young Entrepreneurship Summit in October 2011. The Summit's goal is to encourage the development and promotion of new business establishments among APEC economies.

7. The work being done by APEC on SME policy issues is critical to accelerating economic growth and creating jobs in all of our member economies.

8. Economic growth and job creation in APEC's member markets can be bolstered by embracing business ethics to enhance the competitiveness of SMEs, promoting the use of new technologies by SMEs to reduce the cost of doing business, and identifying policies that support green SMEs to thrive in a green growth economy.

Discussion on Embracing Business Ethics to Enhance SMEs' Competitiveness

9. We agreed that corruption is a significant market access barrier for SMEs that disproportionately impacts their ability to prosper and grow. Ministers agreed that all APEC economies must address corruption, as it undermines innovation, job growth, economic stability and trade among APEC members. Ministers strongly support the APEC Business Ethics for SMEs Initiative to eliminate the high cost of corruption in sectors of export interest to SMEs.

10. The Ministers endorsed the adoption and implementation of the Kuala Lumpur Principles Medical Device Sector Codes of Ethics (the “KL Principles”), which were developed by an Expert Working Group in Kuala Lumpur, Malaysia. Ministers called on the medical device sector industry associations and their member companies to adopt and implement codes of business ethics consistent with the KL Principles and encouraged capacity building initiatives so that these measures are fully implemented.

11. Finally, Ministers fully support and look forward to the development of additional sets of voluntary ethical principles or codes of ethics in sectors where SMEs are important stakeholders, beginning with the construction and bio-pharmaceutical sectors.

Promoting SMEs’ Use of New Technologies to Reduce the Costs of Doing Business

12. At a time when the global economy is still recovering from the financial crisis and elevated levels of unemployment, SMEs are increasingly seeking ways to cut costs, increase efficiency and mitigate the risk of doing business.

13. Ministers agreed that governments can take the lead by developing initiatives and policies that leverage Information and Communications Technology (ICT) to improve SMEs’ interface with the government and initiatives to help SMEs use ICT to generate new and improved products, services and processes. This includes encouraging SMEs to take advantage of cloud computing, which will improve productivity, efficiency and in turn reduce business costs.

14. Ministers encouraged APEC member economies to participate in a series of capacity building workshop, beginning with two workshops to be held later this year in Indonesia.

Identifying Policies to Support Green SMEs

15. We acknowledged that in order to promote green growth and to identify policies that support green SMEs, it is important to convene SMEs, policymakers, and innovators to discuss these issues.

16. At green growth seminars held in Big Sky (How to Grow Your Green Small Business, Improving SME Competitiveness through Sustainable Business Practices, and the SME Green Growth Competitiveness Forum), speakers discussed a variety of topics to help SMEs increase their business internationally. These seminars looked at issues such as financing, regulation, trade promotion (from the perspective of what is required to facilitate the business environment), and public-private partnerships that support SME sustainability, innovation, and the development of green technology.

17. Ministers agreed that continuing the dialogue on green growth in Bangkok in November 2011 will help APEC economies structure green growth policies to meet the needs of the SME community and contribute to job growth and sustainable development regionally. We encourage APEC policymakers, businesses, and innovators to make progress on developing green action plans to resolve barriers to green growth in the Asia-Pacific region. We also encourage APEC economies to develop their own sustainable business practices to support SMEs achieve green growth.

18. Ministers acknowledged that green international trade has become a new driver of economic growth. SMEs’ involvement in green international trade will bring many benefits to SMEs. At the same time, it will also expose them to greater risks, such as varying regulations and standards. Ministers were pleased to note that the “Symposium on Enhancing SME Capacity of Managing the Risks Associated with Trade Liberalization” to be held in Chinese Taipei this August will help address this issue.

19. We recognized that Korea’s Green Initiative promotes sharing policy experiences and identifying collaborative measures, thus facilitating green growth in the APEC region. We encourage APEC economies to participate in and support the Initiative.

APEC 2011 Joint MRT-SME Ministerial Meeting

20. We acknowledged the initiative of the first Joint MRT-SME Ministerial Meeting and welcome similar collaboration in the future.

APEC 2012 SME Meetings

21. We thanked Russia for hosting the next APEC SME Ministerial and related meetings in Vladivostok, Russia next year and previewing the topics for these meetings.

Toward APEC USA 2011 Economic Leaders' Meeting in Honolulu

22. We agreed to present this Joint Ministerial Statement as the contribution to the APEC Economic Leaders' Meeting in November 2011 in Honolulu, United States.