



**Asia-Pacific
Economic Cooperation**

Advancing Free Trade
for Asia-Pacific **Prosperity**

**Workshop Summary Report
APEC Workshop on Promoting “One Village One
Product” (OVOP) through E-commerce
Ha Noi, Viet Nam | 6 - 7 April 2023**

APEC Committee on Trade and Investment
June 2023



**Asia-Pacific
Economic Cooperation**

**WORKSHOP SUMMARY REPORT
APEC WORKSHOP ON PROMOTING “ONE VILLAGE ONE
PRODUCT” (OVOP) THROUGH E-COMMERCE**

6-7 April 2023

Fortuna Hotel, Ha Noi, Viet Nam

APEC Committee on Trade and Investment

June 2023

APEC Project: CTI 01 2022

Produced by

Ms. Pham Quynh Mai

Ministry of Industry and Trade

Viet Nam

For

Asia-Pacific Economic Cooperation Secretariat

35 Heng Mui Keng Terrace

Singapore 119616

Tel: (65) 68919 600

Fax: (65) 68919 690

Email: info@apec.org

Website: www.apec.org

© 2023 APEC Secretariat

APEC#223-CT-04.07

Table of contents

Contents

I.	Introduction	3
II.	Background	3
III.	Key Issues	5
	1. Overview of OVOP Development in APEC member economies	5
	2. Addressing challenges in promoting OVOP through e-commerce from the perspective of regulatory formulation & implementation and women involvement	9
	3. Bat Trang Pottery Village – a field trip as an example of OVOP in Viet Nam.....	13
	4. Releasing potentials that the OVOP could be promoted with the leverage of e-commerce	14
IV.	Discussion, Recommendations and Conclusions	21

APEC WORKSHOP ON PROMOTING “ONE VILLAGE ONE PRODUCT” (OVOP) THROUGH E-COMMERCE

Ha Noi, Viet Nam

6-7 April 2023

Summary Report

I. Introduction

On 6-7 April 2023, the APEC Workshop on Promoting “One Village One Product” (OVOP) through E-commerce was organized by Viet Nam and co-sponsored by Chile; China; Indonesia; Japan; Papua New Guinea; Peru; the Philippines; Russia; Chinese Taipei; and Thailand. It was held in the hybrid format. Speakers and participants came from the private sector, business associations, international organizations, research institutions, and APEC member economies' relevant Ministries and government agencies.

The APEC Workshop on Promoting “One Village One Product” (OVOP) through E-commerce aimed to share experiences and improve capacity building for APEC member economies on how to promote “One Village, One Product” approach in rural and remote areas for inclusive growth through harnessing e-commerce in the Digital era.

II. Background

Since the first launch of OVOP in Japan in 1979, in the last three decades, the OVOP movement has been strongly widespread across a great number of economies, especially developing economies thanks to its significant contribution to rural and remote area development and inclusive growth.

In the digital era, it is inevitable and essential to harness e-commerce to promote the OVOP more efficiently in the context of increasing competition. However, it is a hardship for the OVOP promotion in general, the “villagers” in particular when they want to harness e-commerce due to a great number of challenges such as inadequate infrastructure, transport and logistics, and disruptions in the supply chains (problems in payment systems, delivery issues, digital literacy and information asymmetry¹).

This project aims to address the above challenges in e-commerce that the OVOP approach might encounter in their development through providing capacity building, and sharing experiences to overcome those challenges.

This project is in line with the APEC Leaders’ Declaration 2021 that is committed to sustainability and inclusion through supporting “the wellbeing and security of all of our people, and their equitable participation in the economy, so that no one is left behind” and through “pay particular attention to the economic empowerment of other groups with untapped economic potential” including those in rural and remote areas to “improve access to global markets.”

It is aligned with the Putrajaya Vision that is committed to “foster quality growth that brings palpable benefits and greater health and wellbeing to all, including MSMEs, women, and others with untapped economic potential” to “ensure that the Asia-Pacific region is resilient to shocks, crises, pandemics and other emergencies.” The Aotearoa Action Plan (APA) also stresses that APEC develops work on supporting groups with untapped economic potential, such as indigenous peoples as appropriate, people with disabilities, and those from remote and rural communities.

Also, this project is in line with the APEC Leaders’ commitments to pursue and promote digital connectivity and innovation: “Digital connectivity and innovation are critical across our efforts towards an inclusive, resilient and sustainable

¹ Sanchita Chatterjee, 2019. Developing Rural E-commerce: Trends and Challenges. Mekong Institute

recovery” and “We need to continue to narrow the digital divide by promoting digital skills, encouraging the adoption of innovative working methods, expanding access to digital tools and infrastructure, and ensuring our MSMEs and start-ups are able to harness new and emerging technologies and digital eco-systems” as stated in the APEC Leaders’ 2021 Declaration.

The project addresses one of the CTI’s key priorities, which promotes innovative development and inclusive approaches. This project aims to promote the OVOP approach to enhance rural and remote areas development, which is expected to significantly contribute to sustainability and inclusive growth through promoting sustainable development in rural and remote areas with a focus on innovative, high potential products and through the leverage of e-commerce. Support to promote OVOP through e-commerce would also help promote sustainable growth and development in rural and remote areas through enhancing their capacity to access bigger markets.

This project aims to provide capacity building for APEC member economies through sharing experiences, and expertise in how to leverage e-commerce to promote the OVOP movement in the region, which contributes to sustainability and inclusion for more vulnerable groups such as those in rural and remote areas. It is especially meaningful in the context of COVID-19 when the vulnerable are most negatively affected. Besides, harnessing business community in remote areas will be of more significance since the “new normal” has changed and reshaped how business operate in these days.

III. Key Issues

1. Overview of OVOP Development in APEC member economies

Mr Seihiro Katsura, Deputy Director from APEC Office, Ministry of Economy, Trade and Industry (METI), Japan: OVOP was first initiated by the Oita Prefectural Governor, Mr Morihiko Hiramatsu in 1979 in Japan with the spirit of “enriching the minds of the residents” and motivating them to create brand

products and add value to them that can be accepted in Japan and around the world. Since its inception, the OVOP approach has been widely spread across economies and regions thanks to its features and significant achievements. In line with that, Japan has made efforts to further promote and revitalize OVOP in accordance with economic development. In 2005, Japan's Government announced the "Development Initiative for Trade" at the WTO Hong Kong Ministerial Conference. In 2006, the OVOP Campaign was jointly launched by METI and Japan External Trade Organization (JETRO), which managed six (06) OVOP markets in Japan's main airports. Since 2015, OVOP has also been promoted in social platforms (Facebook, Instagram, *etc.*) and online shopping sites (Rakuten, Hyakusen Yokochō, Oita OVOP Co., *etc.*)

The campaign focuses on promoting OVOP products through cooperating and promoting OVOP products from the DAC's list of aid-receiving economies and regions including least-developed economies, low-income economies, and African economies. The campaign has reached significant numbers and achievements such as the number of companies reaching 41, the number of economies reaching 51 and a total of 323 OVOP products so far.

Currently, METI, JETRO, Market Development & Trade Fair Division, and Market Development & Trade Fair Department are key organizers who are operating the campaign to promote OVOP markets in Narita International Airport, and Kansai International Airport through an OVOP Market Secretariat and Commodities for Sales. Apart from in-person sales at the airports, OVOP is also revitalized through using various social networking services, other exhibits and e-commerce.

Japan's efforts are in line with pursuing the Sustainable Development Goals (SDGs) through connecting producers and workers of OVOP products made from raw materials from developing economies with Japan's market, which contribute

to alleviating poverty, promoting decent work and economic growth, industry, innovation, and infrastructure, as well as boosting partnership for the SDGs.

Japan aims to promoting the number of economies involved in and capable of producing OVOP products as well as revitalizing the OVOP movement through the use of e-commerce in response to the trending economic growth and development.

Ir Eddy Siswanto, MAM, Expert Industry Quality Management Assessor, Industrial Research and Development Agency (BPPI) of Indonesian Agro Industry Center: Indonesia has developed a policy to promote Small and Medium Industry (SMI) Cluster Development, in which it is defined as a group of SMIs at the same location, consisting of at least five (5) business units that produce similar products, use similar raw materials and/or perform the same production process. Under SMIs Cluster, institutional strengthening, production infrastructure and technical support are available to support SMIs Clusters' products (including OVOP, export-oriented products) to access markets (oversea or domestic). While its institutional strengthening is promoted through building synergies with research and development institutions and universities in terms of transfer knowledge on production processes and quality assurance, production infrastructure can include machinery and equipment, co-production space and green industry to help produce intermediate and end products. Technical support includes availability of raw materials, branding, business management, quality system, production technology, packaging and traceability, and so on. Holistic approach of SMI Cluster makes it prominent in Indonesia, with the total clusters reaching 13,762 and total SMIs in the cluster reaching 516,124.

Based on the basic principles, in Indonesia, OVOP is promoted leveraging local natural and human resources to produce unique and world class local products including those in food and beverages, weaving fabric, Batik fabric, wickerwork, and pottery. OVOP can be applied in sub-districts or districts, cities.

In Indonesia, OVOP is developed and promoted in two main workstreams in parallel: program development and assessment. Assessment plays an important role in promoting OVOP since it contributes to promoting producers to improve and pursue high quality products in the long terms based on such aspects as production, product specification, quality and product development; management and marketing; community development and environmental management. They set up an OVOP working group, comprising two separate committees: (i) Steering Committee; and (ii) Executive Committee. Under the Executive Committee, there remain an OVOP Secretariat and a Selection Committee that consist of academia, industry associations, and high profile figures for each commodity (food and beverages; Batik fabric; woven fabric; wickerwork; and pottery).

Since the first Indonesian OVOP Program launched in 2007, Indonesia has witnessed significant growth and development in OVOP. In 2008 alone, there were 37 OVOP centers established. Indonesia has not only developed products in partnership with JETRO but also has been able to provide more comprehensive and holistic technical guidelines and assistance as well as support in branding and evaluation to OVOP SMEs. Till 2022, Indonesia had organized the fourth OVOP Awards based on evaluation of 68 proposals and 51 OVOP products. In the 4th Award (2022), among OVOP awardees, there were a total of 77 SMIs in which food and beverages, woven fabric shares the equal and highest SMIs (21 SMIs, accounting about 27.3%); wickerwork 22%; Batik fabric 15.6%; and pottery about 7.8%.

Under the OVOP SMIs development program, both central and local governments play important roles in promoting OVOP. The central one focuses on developing and promoting general regulations on OVOP development; provincial ones are to coordinate potentials in districts within the province; and district governments will contribute to promote access to raw material sources, preserve the product uniqueness and identify new OVOP SMIs. The Ministry of Industry, Indonesia is also one among important agents that promotes sustainable development of OVOP

through implementing capacity building activities, market entry, rebranding, and expansion.

Indonesia has set the 4.0 policy with the aspiration to make Indonesia 4.0 and remain in the top 10 world biggest economies in 2030 with the concrete targets of 10% increase in export to GDP, doubling productivity improvement compared to cost and increase of 2% in R&D expenditure to GDP in 7 sectors (food & beverages, chemical, textile & apparel, automotive, electronics, pharmacy, medical equipment). Among the ten (10) strategy priorities that Indonesia has outlined, one is to focus on empowering SMEs based on Big Data, IOT, AI, robotics and digital market. Indonesia has developed the website www.esmartikm.id to help SMIs go online and access e-market more efficiently as well as receive training and technical assistance.

2. Addressing challenges in promoting OVOP through e-commerce from the perspective of regulatory formulation & implementation

In this session, speakers focus on identifying challenges, and sharing experiences on how to promote OVOP through e-commerce with focus on the roles of public sector from policy formulation to implementation.

Mr Karlo Garcia, Director of Tourism Innovation Office of the Vice-ministry of Tourism of the Ministry of Foreign Trade and Tourism and Coordinator of “Charming Town” initiative, Peru: Peru has undertaken “One Town, One Product” – a program which identifies 13 regions and products in Peru to promote their competitiveness in the domestic and international markets. They have succeeded in engaging various stakeholders in this program including JETRO, JICA, apart from domestic agencies such as Ministry of Agriculture, Institute of National Innovation (INIA), Peru Social Fund (FONCODES), La Molina National University, etc. Especially, this program was financed by the Embassy of Japan to Peru in 11 projects in different regions with an approximate investment amount of up to USD 1,000,000. This program has successfully benefited 7,568 families,

contributing to promoting sustainable development in rural areas through improved management, enhancement and transformation of their natural and cultural resources to develop competitive products that help reduce poverty.

Besides, Peru has also developed other initiatives based on OVOP principles subject to their typical economic and social circumstances. “From my land, a product” – a proposal by MINCETUR that promotes support for towns that have tourist resources and typical products with export potential, which contributes to local economy through improving the life quality of community members. This approach was based on the identification of an emblematic product that has value and is capable of being positioned and recognized in the local and regional markets such as those of agriculture, artisan, architectural nature, and/or archaeology, etc. This local management model is framed within the concept of development of inclusive companies, which seeks to articulate them to the economy through tourism, the local and regional market and exports. Multi parties are actively involved in the process to promote “from my land, a product” such as Tourism Training Centre (CENFOTUR), regional/provincial/local governments, public – private institutions (NGOs, CSR companies, relevant business and social associations) and communities.

Under this initiative, they can enjoy benefits such as improving capacity building in tourism, development of products, infrastructure and tourism infrastructure, which is important to the inclusivity and sustainability in the long term. In addition, those tourist villages also can benefit from different aspects such as economic, cultural, social, material and policy. In term of cultural benefits, it helps to strengthen local identity and heritage valuation. In terms of economics, the local economy is stimulated with job generator and income increase. The active engagement of the community and civil society also help to improve the life quality as well as the urban image and recovery of traditional constructions. On the other hand, the initiative contributes to improving governance, new model of

participatory and tourism management, facilitating the management and development of the town in the long term.

Mr Mohd Faizal Dolah, Principal Assistant Secretary, Entrepreneurship Ecosystem Development Division, Ministry of Entrepreneur and Cooperatives Development, Malaysia: Malaysia has launched One Village One Product with “Satu Kampung Satu Produk” (SKSP) program in 1992, “Satu Kampung Satu Industri” (SKSI - One Village One Industry) in 2002 and “Satu Daerah Satu Industri” (SDSI - One district One Industry) in 2003. Since April 2019, the Ministry of Entrepreneur Development, currently known as Ministry of Entrepreneur and Cooperatives Development (MECD) has been assigned to carry on the SDSI development with focuses on industries such as food & beverages, crafts, healthcare products and homestay/tourism.

Malaysia has encountered challenges in promoting SDSI such as limited internet access especially in rural and remote areas, issues related to infrastructure and increasing cost logistics, digital adoption and competition.

Promoting SDSI, Malaysia has outlined 2 separate phases:

- (i) Industry analysis: to identify and provide strategic recommendations on the way forward for specific industries; and to evaluate the ecosystem of the industry, which include community participation and the availability of local resources that will bring about economic and social benefits to local residents.
- (ii) Industry development: the initiatives/activities identified in the Phase 1 will be developed through a comprehensive development plan which focuses on the supply chain management (from manufacturing to marketing). It will start from industry selection, implementation of development plan, to undertaking impact findings and then monitoring.

Dr Cung Trong Cuong, Director, Hue Institute for Development Studies, Viet Nam: Thua Thien Hue (Hue) is a province in the central of Viet Nam with enriched

history, culture and strengths in agriculture development. Hue has many potentials and advantages to develop OVOP and is implementing the “One Commune One Product” (OCOP) which promotes small producers/ householders to harness their advantages, community roles, and establishing sustainable community links. Under the Decision 919/QĐ-TTĐ on development of OCOP for the period 2021 – 2025, it sets the target to have at least 10,000 OCOP products recognized with the 3 stars and above; at least 50% traditional artisan villages have OCOP products, contributing to preserve their villages’ products; and at least 50% participate in modern sales channels such as supermarkets, convenience stores, from such product groups as: foods, beverages, medical cosmetics, artisanal and crafts products, tourism (community, eco-tourism).

However, Hue is encountering a number of challenges in promoting OCOP. In some locals, planning is developed rather late, which results in slowing down the implementation. The planning does not always reflect the current status, capacity and demands but goes into too much details such as allocating specific enterprises, which results in lack of establishing a sustainable supply chain and business connectivity. The planning, therefore, is not able to promote high-value OCOP development. Some locals are not differentiating between “Made in Viet Nam” and OCOP programs, which choose to further focus on current available products rather than develop new and potential products. In reality, contrary to pursuing concrete various steps to promote OCOP products, many locals just skip steps and focus on the final step introducing available products, which just display the OCOP rather than making efforts into developing it.

On the other hand, OCOP is misunderstood as “all-in-one key” to sell products, which makes enterprises unaware of the necessity to promote innovation, improve products’ quality, and so on. The inefficient implementation and consultancy from the local relevant authorities result in incomprehensive awareness of OCOP. Inefficient post-evaluation and certification of OCOP do not encourage enterprises to develop their own business plan and innovation. The networks among institutes,

training centers are not efficiently and effectively linked to provide a holistic training to OCOP participants to improve their competitiveness in the long term.

Under the Resolution 54/NQ-TW, Hue is expected to become a city developed based on the preservation of a world heritage, with focus on tourism, Information communications and technology (ICT), high tech industry and agriculture. In particular, Hue has developed proposals to develop an agricultural ecology and local products. For example, a comprehensive agricultural model from production to the end-consumers, which involve various stakeholders is to help farmers produce high values products and able to access the market more efficiently and effectively. The local authorities would help to plan the land and consult types of products (based on factors such as weather, land, culture, types of plants or animals, etc.,) with the support from research centers, institutes, and providers in fertilizers, medicines, species, etc.,

3. Bat Trang Pottery Village – a field trip as an example of OVOP in Viet Nam

Bat Trang village is a small village in the north of Viet Nam, about 13 km southeast of Hanoi. Bat Trang pottery village is said to be established in 14th or 15th century in several documents. The village's history might date back to the 10th century, when King Ly Cong Uan relocated the capital in Thang Long. With the establishment and development of the capital, many businessmen, crafters from many areas come to settle down here to work and trade. In Bat Trang village, there was a lot of white clay, so that many potters, among whom was Nguyen Ninh Trang family, came and built the kilns here, setting the pottery village.

Nowadays, the village's pottery products have developed and become well known for their quality, style and glaze, both inside and outside Viet Nam. Despite those, the village is still facing a number of challenges such as increasing competition with other similar kinds of industrial production; difficult to expand

manufacturing scope due to limitedness in village's land; lack of capital, resources, experiences to expand markets, etc.

Bat Trang is aware of promoting their product brand and was among the first 2,000 OVOP villages that registered their brand name by the end of 2004. They have developed long term training programs for young labor to maintain their traditional work, adopted new technologies through cooperating with research institutes, universities, colleges and training centers to improve the quality of clay, kilns, and products.

Bat Trang village's enterprises have been aware of and paid more attention to promote their business development through e-commerce. They are supposed to first go online in 2015 and since then have developed widespread thanks to e-commerce. They have witnessed significant growth on e-platforms such as Lazada, Shopee, sendo.vn, winmart.vn, Tiki, FPT Shop, Nguyenkim.com, Chotot.com, rongbay.com, vatgia.com, etc. 85% of their productions are consumed in domestic market and 15% goes to export, contributing to creating jobs not only for the village' people but additional 3,000 – 5,000 employees in neighborhood. Its popular foreign markets are Japan (under the brand “Kochi (Giao Chi) ware”), the Netherlands, Britain, Portugal, Southeast Asia, etc.

4. Releasing potentials that the OVOP could be promoted with the leverage of e-commerce

Mrs Zhang Xiaodan, Deputy Chief, Applying and Promotion Division, Department of E-Commerce, Ministry of Commerce (MOFCOM), China: In China, e-commerce plays an important role in stabilizing the market and promoting the domestic consumption recovery. In 2022, while total retail sales of consumer goods decreased by 0.2%, that of online sales increased by 6.4%, accounting for 27.2% of the total retail sales. During the Covid-19 pandemic, e-commerce has also positively contributed to ensuring the goods supply thanks to its contactless delivery and accurate medication purchasing. E-commerce is also

of great significance when playing important roles in promoting rural revitalization and facilitating urban–rural circulation. In 2022, China’s online sales of agricultural products reached RMB 531,000,000,000 a year-on-year increase of 9.2%; a total number of rural online retailers (online stores) reached 17 million, a year-on-year increase of 6.2%; and 95% of China’s administrative villages have direct express delivery services thanks to improvement in infrastructure in rural and remote areas.

In China, e-commerce is able to flourish thanks to harnessing roles of all three elements including government, market and individuals. The Government has a central role in coordinating planning of policies at the high level and specify policies in various fields and localities. In particular, the government targets to promoting e-commerce and especially in rural areas when integrating rural e-commerce into the economy’s strategies for economic and social development, along with other major strategies. The Government has regulated the “Central No.1 Document” which highlights the fundamental roles of digital construction in rural areas, and emphasizes the development and promotion of digital application; and the “14th Five-Year Plan” for the Development of e-commerce, which underlines the integration of e-commerce with rural industries, promotes efforts to develops new form of e-commerce, and increase investment in rural e-commerce infrastructure.

In the markets, e-platforms have been especially promoted to link between production and sales, aggregating various market players as well as integrating e-commerce system. In that process, MOFCOM has played active roles in promoting e-commerce platform development, among which is the “Digital Business Boots Rural Development” initiative proposed and led by the China E-commerce Rural Revitalization Alliance. The Alliance members have helped agricultural product sales worth over RMB 40,000,000,000 through solidifying support measures provided by platforms. Under this initiative, various activities have been undertaken such as promotion and negotiation activities, online shopping festivals

(Shuangpin Online Shopping Festivals since 2019; online Lunar New Year's Shopping Festival since 2021; etc.,).

Roles of individuals have been also taken advantages through live streaming. It is recorded that the number of live streaming events in China exceeded 120 million in 2022, with more than 1.1 trillion views, contributing significantly to promoting e-commerce, making good use of new business form, creating healthy, inclusive and orderly development environment, as well as strengthening personnel training and public service support.

Ms Kurumi Yokomura, an Official from the Ministry of Economy, Trade and Industry (METI), Japan: JETRO, an external agency of the METI, mainly working for trade promotion, is leading the OVOP movement and promoting e-commerce as an important strategy for OVOP development. The decision to focus on e-commerce has been made since 2018 and especially after the significant decrease of face-to-face sales by Covid-19. Customers can purchase Japanese OVOP products through a number of e-commerce platforms such as Oita, Rakuten, and Hyakusen Yokochō. Not only Japanese OVOP products, foreign OVOP products can also be purchased from online store websites. Although e-commerce is increasingly popular and widespread, it still needs to motivate customers to purchase products since e-commerce is not an on-site face-to-face sales channel, hence, customers cannot see or touch the actual products. Japan has made efforts to promote OVOP through popular online channels such as PR on Facebook since 2015 and on Instagram since 2017. PR activities focus on increasing interest and attractiveness of OVOP products through taking better photos, capturing products, and adding more interesting comments to the posts. JETRO strives to "keep up with the times" by providing photos and videos that convey the appeal of "the one product", along with comments on the product's raw materials, intended use, and production economy. Besides, they focus on telling "a behind story" to fill in the inherent weakness of e-commerce, that is to show the backgrounds and stories of local products through videos filming

manufacturing processes describing how local people making it, as if they were really touched and seen, creating a sense of intimacy.

Ms. Kanjana Thongkasem, Director of the Planning Division, Community Development Department (CDD), Thailand: In Thailand, OTOP (One Tambon, One Product) is a project that supports community cooperatives in sub-districts (Tambon) throughout Thailand, inspired by the OVOP program. The OTOP was introduced by Thailand' Government in 2001 with the aim of increasing village incomes and preserving local wisdom. Being part of the OTOP project guarantees that the product is hand-made and produced locally in one of the participating OTOP communities. Thailand has categorized kinds of OTOP entrepreneurs into: (i) community producer group – local entrepreneurs gathering in groups to co-manage and share benefits; (ii) individual – an individual local entrepreneur that produces Thailand's products and has a connection with the community; and (iii) community-based SMEs – entrepreneurs registering with investment assets not exceeding THB 10,000,000. So far, Thailand has had 98,287 OTOP entrepreneurs with 53,757 community producer groups; 42,641 individual entrepreneurs, and 1,889 community-based SMEs.

Thailand' OTOP products fall into categories of food (85,476 food products); beverages (11,695 beverage products); fabric & costume (42,442 products); furnishing, decoration & souvenir (53,770 products); and herbal products (28,692 products).

Thailand has carried out OTOP Product Champion Campaign which aims to classify products, set up a product database, promote the value of the product as well as encourage the community's and entrepreneurs' participation, in which helps to identify and assess products whether that is weak, of average quality, best quality and exportable or need improvement, etc. Under the campaign, the assessment is based on exportable and brand equity, continuous consistency, standardization, quality and satisfaction, and product story. According to this

campaign, OTOP products are categorized into A (best, both in quantity and quality) – with 9,501 products; B (identity – high quality, low production niche market) – with 9,973 products; C (standard – average quality, high production domestic market) – with 25,868 products; and D (develop – low quality, low production local market) – with 176,733 products. In 2023, Thailand has promoted Knowledge-Based OTOP (KBO) to develop potential OTOP products and entrepreneurs through the KBO provincial network. With the OTOP identified as D class, they have made efforts to promote quality development such as designing the OTOP school’s curriculum meetings, holding workshops for development of OTOP entrepreneurs, and improving quality and packaging of quadrant D products, workshops to develop and add values to OTOP products, etc. Besides, Thailand has promoted OTOP networks, creating a platform to exchange knowledge among entrepreneurs, promoting and preserving the local wisdom knowledge, and increasing value-added to local products. Their marketing promotion includes implementing OTOP fairs (OTOP Midyear, OTOP Silapachep, OTOP City), and online marketing (promoting online marketing for 7,902 OTOP entrepreneurs, producing 17,815 online contents, live broadcasting to promote OTOP products, displaying OTOP products, teaching skills to OTOP entrepreneurs innovation in online marketing, applying Big Data database and tourism community information, organizing plans and performances, etc.). To sum up, Thailand has been able to harness various success factors such as knowledge-based development, focused policy on grassroots economy, strong social capital groups and local wisdom, government’s commitments and agency integration effectiveness, and people and community participation to ensure the long-term development OTOP in Thailand.

Ms Noreen Marian Bautista MSC, Panublix, the Philippines: Panublix is a sourcing platform & marketplace, founded in Iloilo City, the textile capital of the Philippines that connects designers and brands within Southeast Asia’s regenerative textiles and artisan craft so that they can design for sustainable

consumer lifestyles while preserving artisan craft heritage. The company pursues regenerative economy which means moving away from extractive business models and unblocking the potential for positive contributions for nature and society. In that, Panublix focuses on three aspects: (i) material; (ii) makers; and (iii) market. With regards to materials, Panublix has an R&D & Sourcing team that works with various partners in the value chain, from science labs to farms and yarn centers, which aims to ensure their materials meet the regenerative quality standards. With makers, their data-driven supply chain is designed to onboard rural weaving enterprises on the digital economy, based on an algorithm to guide them towards a journey of digitization and sustainability. A typical characteristic is that 90% of their artisan enterprises are women-led. Panublix Co-Design is a marketplace where designers can offer consumers their products made from tropical textiles and co-designed by rural artisans on a pre-order model. Through Panublix, so far 12 artisan enterprises; 125 women weavers have been enabled; 190 weavers/crafters/designers have been trained; USD 113,000 have been raised for artisan enterprises; 542 kg polyester have been replaced with tropical yarns; and 2 certifications have been acquired for social enterprises and ethical sourcing. Panublix is expected to further contribute to sustainable development for artisans in the Philippines with the 5-year roadmap from 2023 to 2027. In 2023, they focus on generating demand with at least 100 artisan enterprises on the Panublix platform. In 2024, they will focus on expanding market share internationally, targeting designers/retailers/customers in Europe and penetrate other Southeast Asia economies for supplier base. In 2025, they will make efforts to launch propriety Panublix regenerative materials to build intellectual property defensibility and provide more locally produced materials to artisans. In 2026, international collaborations will be accelerated through collaborating with internationally recognized brands and organizations to develop manufacturing scalability of material and increase market access for artisans. In 2027, further develop scalable and regenerative production system through owning green

manufacturing and production facility of nature-based materials and textiles that contributes to farmers/artisan resilience and a regenerative economy.

Ms Vu Lan Huong, Director, Green Sun Viet Nam: Green Sun was first established in 2003 in Ninh Binh, a northern province in Viet Nam. From the perspective of an enterprise in OVOP, in Viet Nam, OVOP promotion is in face of big challenges. Among those is that OVOP products are not widely recognized as high quality products. The products are still made and designed mostly by artisans, which might not be able to meet the market's trends and demands. Enterprises themselves are not really aware of the OVOP model and therefore, not able to benefit from OVOP to promote access to market and export. In addition, low awareness of OVOP from consumers/buyers does not encourage the business to focus on promotion of OVOP identity. Roles of relevant associations (sectoral, business, or stakeholders associations, etc.,) are not well harnessed to promote OVOP in general, enterprises in OVOP in particular.

In the case of Green Sun, they also encounter internal challenges. They have 20 year experiences in B2B but in traditional way only. They have limited knowledge and capability in adopting digital transformation, including lack of resources and experiences in forming their own team for digital transformation. Labor cost for OVOP is also increasing, which might impede their competitiveness in the market and make it harder to expand the market.

However, Green Sun has made great efforts to develop with important milestones. In 2010, they reached the export sales volume of USD 2,000,000 for hand embroidery. In 2014, they developed new segments such as hand-woven products (seagrass, water hyacinth, rattan, bamboo). In 2016, they launched Ninh Binh Hidden Charm Hotel & Resort in Ninh Binh. Following the outbreak of the Covid-19 pandemic, and especially since 2023, they have put more efforts to launch B2C. Beside from expanding product categories, such as textile products (bedlinen, table-linen), hand-woven products (seagrass, water hyacinth, rattan), and quilt for

export, and quilt, women clothing and other handicraft products for local market, they have started to launch e-commerce as one of their key channels to expand the market.

Ms Nguyen Huyen Chau, CEO, Van Hoa Viet Nam: From the perspective of an enterprise working in promoting sustainable community development and PR & Marketing, OVOP enterprises might encounter various challenges in e-commerce such as lack of awareness, resources, and experiences in promoting visual and price competitiveness of OVOP products, as well as lack of experiences in promoting users' experiences via screen (such as not efficient in placing priority, weak online customer priority, and limited customer relationship maintenance).

In their points of views, OVOP products could be promoted efficiently and effectively through making focused efforts on embracing local culture, inspiring story telling & branding, promoting local economies, and stressing on impacts for sustainable development.

With relation to product design, new product development and package design can be of great importance to attract potential customers' attention. In their experiences, connecting unique cultural pattern designs into an OVOP product can make the product more easily recognized and favorite. Besides, brand marketing should be highlighted with more efforts on brand visual, story telling & content creating, photos, videos, VR/AR experience. OVOP enterprises can also further harness digital tools for e-commerce, niche e-commerce platforms and tech-based solutions to promote their business development.

IV. Discussion, Recommendations and Conclusions

Through the active sharing of information and experiences among APEC member economies at the workshop, speakers and participants exchanged views on how to promote OVOP through e-commerce. Recommendations are briefed as follows:

1. Recommendations for business

- Raising awareness of OVOP: many enterprises are not aware of harnessing OVOP benefits to reach more (potential) customers, hence, can not take advantages of OVOP model. Raising the awareness of OVOP for enterprises also means to possibly increase the (potential) customers' awareness.
- Raising awareness and more concrete efforts on harnessing e-commerce to promote OVOP business including improving enterprises' knowledge and experiences in e-commerce, digital transformation to adapt to the market's developments and demand.
- Optimizing production process and improving the quality of OVOP products will be among important keys to promote OVOP and expand market in the long term for enterprises.
- Taking advantages of various business forms to promote OVOP such as social enterprises/corporate social responsibility (CRS), live streaming, etc.
- Paying more attention to strengthening personnel training, especially in e-commerce operations, to improve the quality of human resources and business development.
- Considering balancing social demands with enterprises' pursuit of profits might help OVOP to grow in the long term.
- Developing diversified promotion and joining in cooperation platforms to promote OVOP.
- Working with an ecosystem of public-private partnerships to promote joint efforts in OVOP growth and development.
- Harnessing global markets and designing trends to facilitate OVOP market.
- More concrete efforts and activities on PR & marketing for OVOP products including brand marketing, inspiring story tell, embracing local culture, etc.

- Harnessing social media marketing, offering promotions and discounts, providing excellent customer service, encouraging customer review, etc., to reach more (potential) customers.

2. *Recommendations for APEC member economies/governments*

- Governments should take more active roles in raising awareness of OVOP both for customers and businesspeople to harness and foster the growth of OVOP model.
- Governments should promote to develop e-commerce platform(s) in OVOP (either a separate platform on OVOP or a joint e-platform with more concrete support on OVOP in particular). More important than establishing an e-platform, there should be support to enterprises on how to promote OVOP in relevant issues such as regulations, technical assistance, etc., when operating through e-commerce.
- There should be concrete policies to support OVOP through e-commerce.
- Establishing and enforcing policies that protect cultural intellectual property of artisan enterprises would promote OVOP development in the long term.
- Concrete education and training for OVOP enterprises, including issues related to e-commerce, personnel, business management, etc.
- Relevant associations should take more active roles in promoting OVOP and supporting OVOP enterprises through establishing networking, providing information on market, opportunities, targeted training, etc.
- Promoting ease of doing business for artisan enterprises would help OVOP enterprises, especially for those who lack resources, and experiences in the field.

- Governments should seriously manage and supervise the issues of quality control to promote products' quality and OVOP development in the long term.
- Creating a healthy, inclusive and orderly development environment would promote OVOP, enhancing the opportunities and values of OVOP enterprises.

3. *Recommendations for APEC*

- APEC should develop (a) support program(s) to promote OVOP in APEC such as through providing training, technical assistance, workshops on OVOP, providing OVOP enterprises with further information on business opportunities, markets, networks, and so on.
- An APEC e-platform on OVOP might be considered to support OVOP growth and development in APEC region.

The above are some recommendations for further thoughts and discussion at the upcoming CTI Meetings.