



**Asia-Pacific  
Economic Cooperation**

# **Independent Assessment of the Small & Medium Enterprises Working Group (SMEWG)**

**SOM Steering Committee on ECOTECH (SCE)**

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# Acronyms and Abbreviations

ABAC	APEC Business Advisory Council
ADB	Asia Development Bank
APEC	Asia-Pacific Economic Cooperation
ASEAN	Association of South East Asian Nations
ASI	Asia Competitiveness Institute
ATCWG	Agricultural Technical Cooperation Working Group
ECOTECH	Economic and Technical Cooperation
EPWG	Emergency Preparedness Working Group
ESCAP	Economic and Social Commission for Asia and the Pacific
EU	European Union
GDP	Gross Domestic Production
GVC	Global Value Chain
HRDWG	Human Resources Development Working Group
ILO	International Labour Organization
KPIs	Key Performance Indicators
ME	Micro Enterprises
MSMEs	Micro, Small and Medium Enterprises
OAS	Organization of American States
OECD	Organisation for Economic Co-operation and Development
OFWG	Ocean and Fisheries Working Group
PPSTI	Policy Partnership on Science, Technology and Innovation
PPWE	Policy Partnership on Women and the Economy
SCE	SOM Steering Committee on ECOTECH
SCE-COW	SOM Steering Committee on ECOTECH – Committee of the Whole
SMEMM	SME Ministerial Meeting
SMEs	Small and Medium Enterprises
SMEWG	Small and Medium Enterprises Working Group
SOM	Senior Officials' Meeting
SPRING	Standards, Productivity and Innovation for Growth Board (Singapore)
TELWG	Telecommunications and Information Working Group
ToR	Terms of Reference
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
WG	Working Group

# Executive Summary

This report is an independent assessment of the Small and Medium Enterprise Working Group (SMEWG) covering the years 2011 to 2014.

The methodology for the review included an analysis of secondary material, observations at the 40<sup>th</sup> APEC SMEWG Meeting, interviews with key informants and surveys of delegates and project participants.

The review found that the SMEWG Strategic Plan aligns with the second and third Pillar of APEC priorities and with the 1994 Bogor Goals. It also complies with the SMEWG statements.

The SMEWG outputs alignment with APEC priorities could be improved through stronger links between the strategic plan's priority areas and the prioritised implementation schedule.

The SMEWG is an extremely active and productive APEC forum. Between 2011 and 2014 the SMEWG implemented 41 projects worth a total value of USD 8.77 million and hosted 59 separate events. Most projects fitted under the pillar of economic and technical cooperation (34 projects) and were typically in the form of workshops (30).

Eight economies had not sponsored any projects. Three economies had total projects valued at more than USD 1 million and four economies had five or more projects.

Only two of the 41 projects identified within the design document that the project was being carried out with another APEC forum.

The SMEWG also produced 18 publications. *The SMEWG Guidebook for SME Continuity Planning* was the APEC website's 9<sup>th</sup> most accessed report.

A sample of projects' completion reports (26 of the 41) showed that most had difficulty describing outcomes, with only one report describing clearly what was achieved in terms of outcomes, eight were ambiguous and 17 not clear.

In terms of objectives, the sample performed better, with eight of the 26 completion reports clearly describing achievements against objectives, 13 were ambiguous and 5 not clear.

The survey of delegates and project implementers showed delegates and project implementers' believed that activities and projects aligned well with APEC priorities.

However, the survey also showed cooperation with civil society and international organisations was perceived to be the areas where the SMEWG could most improve.

The delegates' surveys also indicated the need for better measuring of projects' impact and outcomes.

There was a lack of real debate around issues of best practice policy. All delegates identified the exchange of information about good practice and policies as an important output of the WG. The same delegates, also indicated that this aspect needed to be improved.

The presentations of best practice can be improved through greater dialogue. This does not require substantial amount of work. Already a significant body of literature exists on what constitutes best practice in many areas of SME development.

## Decision Points for Consideration by the SCE

No.	Recommendations	Details
1	The Guidebook on APEC Projects should provide a more detailed description and guidance on how to measure outputs.	This can be done through additional instructions in the Guidebook itself and through links to several existing tools and publications freely available on the internet.
2	For measuring results the Guidebook on APEC Projects should break down outputs into several subcategories.	Outcomes could be categorised into immediate, medium and long term. The immediate outcomes should be able to be measured at or soon after completion of the project, whereas long term outcomes, often more significant, are likely to be more speculative in their description. Such longer term outcomes will need some type of framework to explain how they are achieved. Various methods can be used, including a logical framework or theory of change to describe how long term results are expected to come about.
3	To measure more accurately the impact of projects, on a regular basis, carry out an independent assessment of one or more projects.	Such an assessment could represent a category of projects. Where more than one project is assessed they could be from the same category type (i.e. workshops) of projects so that the evidence is stronger or it could be from different categories, to provide a contrast and comparison. Ideally, such a review would be able to measure the impact of the project(s) and tie it back to the functions of the SMEWG and its strategy. The results should be made widely available and form part of the SMEWG dialogue on "best practice".
4	Where appropriate, the Policy Partnership on Women and the Economy (PPWE) to be consulted on SMEWG project proposals.	Many projects directly address the issue of gender and youth in their project proposal. However, projects would benefit from a more formal cross fora dialogue. This could be through seeking comments on project proposals and where possible joint sponsorship of projects. Such a dialogue and its outcomes should be recorded in the project proposal.
5	The SCE to improve and increase cross Fora dialogue.	The SCE-COW has already moved to change the format of the meeting to try and create greater discussion among the Lead Shepherd/Chair attending. However, the minutes of these meetings do not reflect a greater dialogue occurring. The SCE-COW meetings provide an opportunity to reduce overlap and foster greater inter-fora cooperation and significantly breakdown the silo-structure of APEC sub-fora. The SCE should explore additional ways of fostering a more genuine dialogue.

## Recommendations for Consideration by the SMEWG

No.	Recommendations	Details
1	The SMEWG Strategic Plan should be used to provide greater guidance for the activities that are carried out.	The Alignment of SMEWG outputs with APEC priorities could be improved through the strategic plan's priority areas more directly driving the prioritised implementation schedule. APECs' voluntary and non-binding nature makes it difficult to direct the implementation of the strategy from top down. Rather, what we see is that the strategy is implemented from the bottom up through economies selectively identifying and proposing projects. The identification and sequencing of actions to be taken for implementing the SMEWG strategic plan can be more strategically developed through a process of developing a detailed work program identifying actions needed to be taken.
2	Greater number of projects should be sponsored which focus on best practice policy amongst APEC economies.	Greater emphasis should be given to advancing projects that address issues of policy and focus more on activities that build consensus or help implement reforms across the APEC economies. The SMEWG ToR identify "strengthening the policy dialogue". However, overwhelmingly, past projects focused more on supporting SMEs through improving their capacity than strengthening the policy dialogue among member economies'.
3	The format and process of reporting at the SMEWG meetings on "best practice" should shift to a more genuine dialogue process.	The discussion around evidence of best practice was seen as important for validating and supporting delegates with advocating changes and policy initiatives in their own bureaucracy. Delegates tend to report on various projects and programs within their own economy without discussion or benchmarking against best practice. The current reporting seems to have limited value and could be done differently so as to either reduce the time taken up or increase their usefulness. The presentation of best practice can be improved through actual evidence presented of best practice and benchmarking.
4	Greater dialogue should be established with the private sector.	A better dialogue process and more frequent dialogue will give greater legitimacy to the SMEWG and allow it more closely to align its agenda with what the private sector needs. ABAC is invited and does attend the SMEWG meetings. However, the issue of consultation is more an issue of the level of interaction and creating a process for a dialogue where ideas could be exchanged with the private sector.
5	Less developed economies who wish to participate more through the implementation of projects and activities should be helped to do so.	Currently a small group of dedicated economies tend to carry out most of the projects and take significant responsibility for supporting the SME Working Group. By encouraging and having some of the less developed economies that have limited capacity and not carried out any projects in the last four years, participate more, all 21 economies would benefit.

# 1. Introduction

This report is an independent assessment of the Small and Medium Enterprise Working Group (SMEWG). It has been commissioned by the Senior Officials Steering Committee on ECOTECH (SCE). The SCE has requested an independent review of the operations and structure of the SMEWG to ensure economic and technical cooperation (ECOTECH) activities are targeted, effective, efficient, and make the best use of scarce resources. As prescribed in the Terms of Reference for the independent review (see Annex A), this report covers the following:

- a. A review of key Asia-Pacific Economic Cooperation (APEC) policy documents, including Leaders' and Ministers statements, SMEWG records of meetings, key project documentation and activities to assess the outcomes and how SMEWG supports the main objectives/goals of APEC and their impacts in APEC member economies;
- b. An evaluation of whether SMEWG is operating effectively and efficiently;
- c. An assessment whether the group's Terms of Reference, strategic plan or operations could be modified to better respond to APEC ECOTECH priorities and contribute to the achievement of APEC goals;
- d. Identify ways to strengthen SMEWG's strategic priorities and direction for future work;
- e. Provide recommendations on how the forum can better focus and more efficiently and effectively manage its tasks and assure that its capacity building activities are providing benefits according to Leaders' and Ministers' priorities;
- f. Identify ways to develop synergies among the work of the forum and other relevant APEC groups;
- g. Identify opportunities and provide recommendations for greater collaboration with non-APEC parties, including the private sector, civil society and other international organizations; identify ways for SMEWG to tap resources for programs; and
- h. Explore how SMEWG can better take into account the APEC commitment to give gender greater consideration in accordance with directions outlined by the Policy Partnership on Women and the Economy.

The SCE carries out regular reviews of all the Working Groups. This review of the SMEWG covers the four years from 2011 to 2014 inclusively. The last review of the SMEWG was published in September 2011 and covered the entire period from 2006 to 2010 and partially 2011. The current review includes all of 2011 as it was only partially covered under the previous review. However, the current review does not include part of 2015 as this would make it difficult to compare across years.

## A. MSMEs in APEC Economies

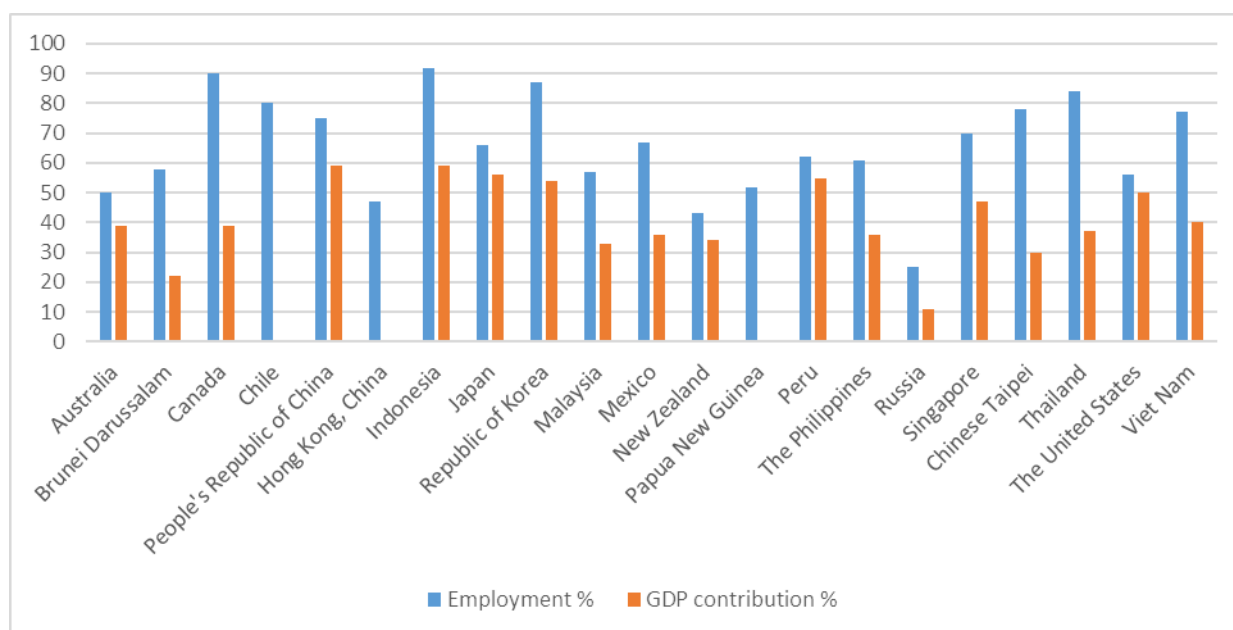
As can be seen from Figure 1, Small and Medium Enterprises (SMEs) are an important component of all the APEC economies, both when measured by employment and contribution to Gross Domestic Production (GDP). Every APEC economy recognises the importance of SMEs, and for many economies, this includes micro enterprises as well. Because their ubiquitous nature, MSMEs cut across a range of economic, technical and social issues, as is reflected by the importance of MSMEs for other APEC Fora. Despite the importance of MSMEs, there is no single definition or measurement of MSMEs across APEC economies. Moreover, the nature of MSMEs issues across economies while sharing many similarities



also differ significantly across economies and by size. Because of this, it is not always straight forward to agree on the main issues and priorities for the SMEWG, and by extension, on measuring effectiveness.

In addition to the above caveat, it is also important to recognise that the nature of this review is such that there are limitations in providing quantitative and an evidence based assessment. Such limitations range from being able to measure the actual outcomes of projects and measuring and placing a value on informal exchanges that occur in the margins of the SMEWG meeting and intercessional information exchanges and bilateral cooperation that occur. The implication of such limitations is that the measure of effectiveness and efficiency are partly based on a somewhat subjective criteria and can be open to interpretation.

Figure 1: SMEs by Employment & GDP as Percentage



Source: APEC and World Bank: various reports.

## B. Methodology

To carry out the review a simple methodology was developed which consisted of four main components that are briefly described below. The four components of the methodology are:

- a. Analysis of secondary material;
- b. Observations at the 40<sup>th</sup> APEC SMEWG Meeting;
- c. Interviews with key informants; and
- d. Survey of delegates, project participants and overseers.

**Analysis of secondary material.** The analysis of secondary material can be divided into two types. First, secondary documents that frame the SMEWG were identified and analysed. These included the SMEWG Terms of Reference (ToR) and Strategic Plan (2013 – 2016), key APEC documents setting out Goals and objectives, including minutes from senior officials meetings and Ministerial statements. The second set of secondary material included outputs from the SMEWG. This included project proposals and completion reports, publications, minutes from events and working group meetings.

**Observations at the 40<sup>th</sup> APEC SMEWG Meeting.** One short coming of analysing secondary data is that it doesn't always capture the unrecorded interactions and outcomes of working groups. This is particularly so for regional groupings such as the APEC Fora. During the 40<sup>th</sup> APEC SMEWG,

observations, participation and interviews were held. The meeting consisted of workshops for the first two days and SMEWG meeting the third and fourth days. This component of the methodology complemented the analysis of secondary data and allowed greater understanding of key issues and operations of the SMEWG.

**Interviews with key informants.** Key knowledgeable people were identified and interviews sought with them over the period of the review. A semi-structured interview technique was used to cover a range of topics. Informants were allowed to deviate from the questions were it provided additional insight into the operations and effectiveness of the SMEWG. The semi-structured interview technique allowed for several common themes to emerge which will be discussed later in the review.

**Survey of delegates, project participants and overseers.** Three groups of SMEWG participants were identified and surveyed through a short questionnaire administrated by email. All SMEWG delegates were asked to participate in a survey, as were project overseers and project participants. Like most internet based surveys the response rate for the three surveys was low. Nevertheless, it provided further evidence and confirmation of several themes.

## C. Outline of the Report

The outline of the report follows a set format prescribed by the ToR for the independent review. Broadly the rest of the report is divided into the following Chapters:

**Chapter 2: Alignment with APEC Priorities.** This chapter is the core element of the review and is divided into four parts that looks first at how the SMEWG outputs align with APEC priorities. Second, it considers the SMEWG projects alignment with APEC priorities. Third, it examines how the Forum operates and finally, in the fourth part, it examines cooperation with other APEC Fora and international organisations. In covering the four parts, the chapter considers the following:

- a. Key APEC policy documents, including Leaders' and Ministers statements, SMEWG records of meetings, key project documentation and activities to assess the outcomes and how SMEWG supports the main objectives/goals of APEC and their impacts in APEC member economies;
- b. Whether SMEWG is operating effectively and efficiently;
- c. Whether the group's Terms of Reference, strategic plan or operations could be modified to better respond to APEC ECOTECH priorities and contribute to the achievement of APEC goals;
- d. Ways to strengthen SMEWG's strategic priorities and direction for future work;
- e. How the forum can better focus and more efficiently and effectively manage its tasks and assure that its capacity building activities are providing benefits according to Leaders' and Ministers' priorities;
- f. Ways to develop synergies among the work of the forum and other relevant APEC groups;
- g. Opportunities and recommendations for greater collaboration with non-APEC parties, including the private sector, civil society and other international organizations; identify ways for SMEWG to tap resources for programs; and

**Chapter 3: Summary of Recommendations.** Here all the recommendations made in the report are brought together and briefly discussed.

**Chapter 4: Implementation Advice.** This final chapter contains a discussion of how some of the various recommendations can be implemented. This is done in a practical step by step approach to assist with putting into practice the recommendations.

Throughout the report several overarching goals and concerns are addressed. This includes assessing the extent to which the work of the forum aligns with APEC priorities and how SMEWG can better take into account the APEC commitment to give gender greater consideration in accordance with directions outlined by the Policy Partnership on Women and the Economy.

## 2. Alignment with APEC Priorities

This section of the report forms the main part of the analysis and findings of the independent assessment. However, for the sake of readability and succinctness much of the details have been moved to the Annexes with only the relevant findings of the analysis, linked to the Annexes, presented in the body of this chapter.

A range of material was consulted that included key APEC policy documents, comprising Leaders' and Ministers statements, SMEWG records of meetings, key project documentation, as well as, records of interviews with key stakeholders including SMEWG delegates, APEC Business Advisory Council (ABAC) representatives and project participants. The secondary and primary material gathered for this review are presented in the relevant parts of the report.

The chapter is divided into four parts. First, the alignment of SMEWG outputs with APEC priorities are discussed. This section primarily focuses on the biannual meetings of the Forum and the SMEWG Strategic plan (2013-2016). Second, the alignment of SMEWG projects with APEC priorities are reviewed. Here the 41 projects and 18 related publications are examined. Third, the SMEWG operations are appraised that have not yet been covered elsewhere. Fourth, the important issue of cooperation is considered.

### A. Alignment of SMEWG Outputs with APEC Priorities

APEC priorities are articulated in a range of documents and meetings. Annex B list the key documents and summarises the most significant priorities from each document or meeting. Annex B includes:

- a. APEC Three Pillar priorities;
- b. Bogor Goals (1994);
- c. APEC Leaders Growth Strategy (2010);
- d. APEC ECOTECH Priorities (from 2010 SOM Report on ECOTECH);
- e. Annual APEC Host Theme and Priorities;
- f. Annual Ministerial Meetings Statements; and
- g. SME Ministerial Meeting Statements.

SMEWG Outputs 2011 - 2014
<ul style="list-style-type: none"> <li>• 41 Projects</li> <li>• 18 Publications</li> <li>• 59 Separate events</li> <li>• Biannual meetings of the SMEWG</li> <li>• SMEWG Strategic plan (2013-2016)</li> <li>• Mid Term progress review (2013-2016)</li> <li>• Inputs into Ministerial processes</li> </ul>

The SMEWG outputs that were used to measure its alignment consisted of the biannual meetings of the Forum and the SMEWG Strategic plan (2013-2016). The SMEWG meetings provide an ongoing dialogue of what issues were being discussed, actions taken and what was prioritised. Similarly the Strategic Plan provided a guide to the Working Group's direction.

Given the nature of regional grouping, particularly one as diverse as APEC and consisting of voluntary and non-binding association, much of the articulation of the APEC priorities are couched in very broad terms, allowing a fair degree of flexibility in aligning with one or more of the many priorities articulated in the multiple documents available. One other complicating factor is the coexistence of multitude of statements from various senior officials and ministerial meetings, so that it is possible, and can be seen in a number of projects proposals, that they align with previous year statements and selectively identify with parts of various ministerial statements. Despite these difficulties in making an assessment, it is

possible to evaluate how closely the SMEWG outputs' align with the central tenants of APEC, or more loosely fit under the broad umbrella of APEC priorities.

### The SMEWG Strategic plan (2013 - 2016)

First, in analysing the SMEWG Strategic plan (2013 - 2016), the background material shows that the document was crafted based on the important tasks identified by the SME Ministerial Meeting (SMEMM) and the 2011 SMEWG Independent Assessment. The three relevant SMEMM had the following focus (see Annex B for more details):

- a. 2011: Leveraging Partnerships with APEC Small Businesses to Foster Innovation and Create an Entrepreneurial Society;
- b. 2012: Promoting SME Cooperation for Innovative Growth in the APEC Region; and
- c. 2013: SME Global Competitiveness.

The SMEWG Strategic plan (2013 - 2016) notes and agrees with the 2011 SMEWG Independent Assessment recommendation that the "current six priorities of the Strategic Plan be reduced". As a result the three priority areas in the strategy are a direct result of attempting to reduce the number of priorities.

Mapping the SMEWG Strategic plan (2013 - 2016) against the details of the SMEMM statements shows it broadly complies, particularly as it relates with competitiveness and innovation. Moreover, on a broader assessment of alignment, the SMEWG Strategy aligns closely with the second and third Pillar of APEC priorities and with the 1994 Bogor Goals. It also selectively aligns with the APEC ECOTECH Priorities as articulated in the 2010 SOM Report on ECOTECH.

In terms of reducing the range of priorities as suggested by the last (2011) Independent Assessment and accepted in the preamble of the current Strategic Plan (2013 - 2016), it technically meets the requirement of reducing the scope by having only three priority areas. However, for all intend and purposes, it loses the impact of a narrower focus through having eight objectives under the three priority areas.

The implementation of the strategy (three priority areas and eight objectives) is more tenuous as it relies on an implementation schedule that is made up of the actions and projects listed under the annual SMEWG Work Plan. This work plan reflects different economies priorities and success in securing projects that are broadly mapped against the strategy. It is the nature of APEC as a regional grouping of economies that are linked through a voluntary and non-binding arrangement that makes it difficult to direct the implementation of the strategy from top down. Rather, what we see is that the strategy is directed from the bottom up through economies selectively identifying and proposing projects.

### Biannual meetings of the SMEWG

Since 2011, over the four year period the SMEWG has met eight times (SMEWG Meetings 32 to 40). The SMEWG Agenda's and the Minutes from each meeting were reviewed in terms of their alignment with APEC priorities as outlined in Annex B and previously discussed above.

The Agenda and Minutes from SMEWG meetings 32 to 40 show a considerable range of topics and issues presented, as would be expected from a working group focused on SMEs. In terms of alignment, there is clear evidence that the SMEWG feeds into the Ministerial process and takes notes of Ministerial statements and their implication for the Working Group. The Agenda and Minutes show that the content of Ministerial meetings and statements are considered and reflected on in terms of the work program and issues tabled for presentation.

All Agendas and Minutes from SMEWG meetings 32 to 40 had an agenda item for the presentation of progress and results from projects under the SMEWG. These were grouped under the strategic priority areas and aligned with identified APEC priorities.

Most agendas from the SMEWG meetings also contained a series of presentation on "best practices", where different economies presented "best practice" from programs or activities being implemented in their own economy and grouped under the three priority areas and eight objectives listed in the SMEWG Strategic Plan.

Based on interviews with delegates and observations at the 40<sup>th</sup> SMEWG meeting, the following conclusions were drawn:

- a. Given the presentations of “best practice” were generally arranged under the various priorities and objectives of the SMEWG Strategic Plan it can be said they broadly aligned with APEC priorities;
- b. Less developed economies found it generally more interesting to hear what other economies were doing, but showed little evidence of being able to systematically take away lessons for their own economy;
- c. More developed economies generally found the “best practice” presentations to be void of debate as to their merits and applicability in various different settings;
- d. The presentation of “best practice” was more about economies presenting their own programs rather than actual presentation of best practices; and
- e. The purpose and usefulness of the “best practice” presentations and progress reports of projects seemed to have limited value and could be done differently so as to either reduce the time taken up or increase their usefulness.

To summarise, while the agenda and minutes from the various SMEWG meetings showed they clearly aligned with various APEC priorities, they also raised questions as to the effectiveness and efficiency of the process, and this issue is take up later when reviewing the Forum operations.

### SMEWG strategic priorities and direction

Looking forward, alignment of SMEWG outputs with APEC priorities could be improved through stronger links between the strategic plan’s priority areas and the prioritised implementation schedule. The process from strategy to an implementation plan could be improved through a more institutionalised process for developing a longer term strategic work program that link strategic objectives (or priorities) to a range of actions to be implemented.

The current process can be characterised as implementation from the bottom up as economies identify projects and actions matching their specific interests and map them against the strategy. Given that the issues facing SMEs span across a very wide range of topics it is important to be more selective and better target the issues and interventions chosen in the implementation schedule in order to make a substantial difference.

The identification and sequencing of actions to be taken for implementing the SMEWG strategic plan can be more strategically developed through a process of developing a detailed work program identifying actions needed to be taken. Such a detailed work program can be developed by either a small sub-committee or external consultants reporting to the SMEWG for endorsement. The model other regional organisations follow, such as ASEAN, has been to develop around the priority areas detailed plans of action and timelines. These plans themselves are developed through a process of consultation and input from experts. While the nature of APEC is different to ASEAN there are lessons to be learned in terms of having more detailed plans of what needs to be done in converting mission statements, priority areas and objectives into concrete plans of actions to be carried out.

A more detailed work program can be a major output of the SMEWG. This can be in terms of developing such a plan and in overseeing its implementation process as part of the SMEWG biannual meetings.

A second area for future consideration is the reporting of “best practice”. Currently the reporting by economies of various programs being implemented by them, does not necessarily represent the presentation of best practice programs. Many of these programs are presented without critical comments or analysis. During observation at the 40<sup>th</sup> SMEWG meeting, several economies presented programs that were well known and some with significant shortcomings that were not highlighted or analysed in terms of lessons that could be learned.

The presentations of best practice can be improved through actual evidence presented of best practice. This does not require substantial amount of work. Already a significant body of literature exists on what constitutes best practice in many areas of SME development. Existing programs of member economies can then be presented and compared and discussed against benchmarks. Such a process will, through

presenting case studies and discussing what works how and where, build evidence for policy approaches that delegates can draw on and use to advocate better implementation in their own economies.

For example, taking a specific topic such as micro insurance for MSMEs, much is already known and evidence exists of what works and what are important variables to consider.<sup>1</sup> Such evidence can be presented and used for creating benchmarks. It would then be possible to measure how existing economies' programs, institutional and regulatory frameworks measure against such a theoretical best practice. The accumulation of evidence would take place by identifying gaps within economies and what works where and how economies might improve. This would help all economies do better and have a better basis for advocating change. This would be especially true for the developing economies.

The Organisation for Economic Co-operation and Development (OECD) and the ASEAN regional group already use a variation of such SME benchmarking process to identify gaps and help identify strengths and weaknesses in policy designs and implementation. For example, most recently, ASEAN, with the help of OECD, has developed an ASEAN SME Policy Index which presents the SME development policies and actions implemented by the ASEAN countries and helps identify strengths and weaknesses in policy design and implementation. It compares the experiences and performance of the 10 countries, measures convergence towards the policy guidelines of the ASEAN Strategic Plan for SME Development (2010 - 15), and recommends priority reforms. Its methodology - the SME Policy Index, is based on a tool developed by the OECD to assess policy development across countries sharing a common SME policy platform.<sup>2</sup>

The ASEAN SME Policy Index underscores the need for a more comprehensive approach to SME development in the ASEAN region. It calls for combining on-going reforms to improve the general business environment with targeted interventions to support specific segments of the enterprise population, such as innovative enterprises, start-ups or export-oriented enterprises. The report also recommends government action to create a level playing field for all SMEs through regulatory reform and administrative simplification, as well as, investment in human resources, provision of business development services, better access to finance, and the fostering of technological transfer. While the ASEAN SME Policy Index presents best practice and how economies benchmark against it in a formal report, a variation of it could be used to help improve the SMEWG meetings align better with APEC priorities and the SMEWG Strategic Plan mission of "support and guidance for APEC member economies to achieve SMEWG's mission of: enabling policy, business and regulatory environment for SMEs".

How the presentation of best practice is improved and implemented will require consultation with SMEWG delegates and the design of a framework and process. This may require some initial outside support in designing the process and helping with initial implementation and fine-tuning, but offers the potential for an enhanced experience. External assistance could come from a variety of sources but should be familiar with APEC processes and /or other regional fora. For example Australia and China Taipei both have centres focused on APEC that could be tasked with developing a more detailed implementation plan and process for engaging around key MSMEs issues.

## B. Alignment of the SMEWG Projects with APEC Priorities

One of the main vehicles for advancing the agenda of the SMEWG is through projects that are funded by APEC or self-funded. To analyse the alignment of the SMEWG projects with APEC priorities the project proposals, completion reports as well as publications, which are often an offshoot of the projects, were examined. In addition, three surveys were carried out of: a) project participants', b) project overseers and c) SMEWG delegates. This material was supplemented by discussions with key informants and provides the basis for the analysis of this section.

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<sup>1</sup> See for example: Taara Chandani, 2009. Micro-Insurance Business Models. Primer series on insurance, issue 3, World Bank. Washington or ILO, 2010. Micro-Insurance Case Study Series "Good and Bad Practices" (web-link).

<sup>2</sup> To some extent the Integrated Plan of Action for SME Development (SPAN) that was developed and endorsed by APEC SME ministers in 1998 serves a similar purpose. The SPAN serves as a set of broad guidelines for SME development in individual economies. However, it has not been applied as a tool for building evidence and consensus for policy and regulatory reforms.

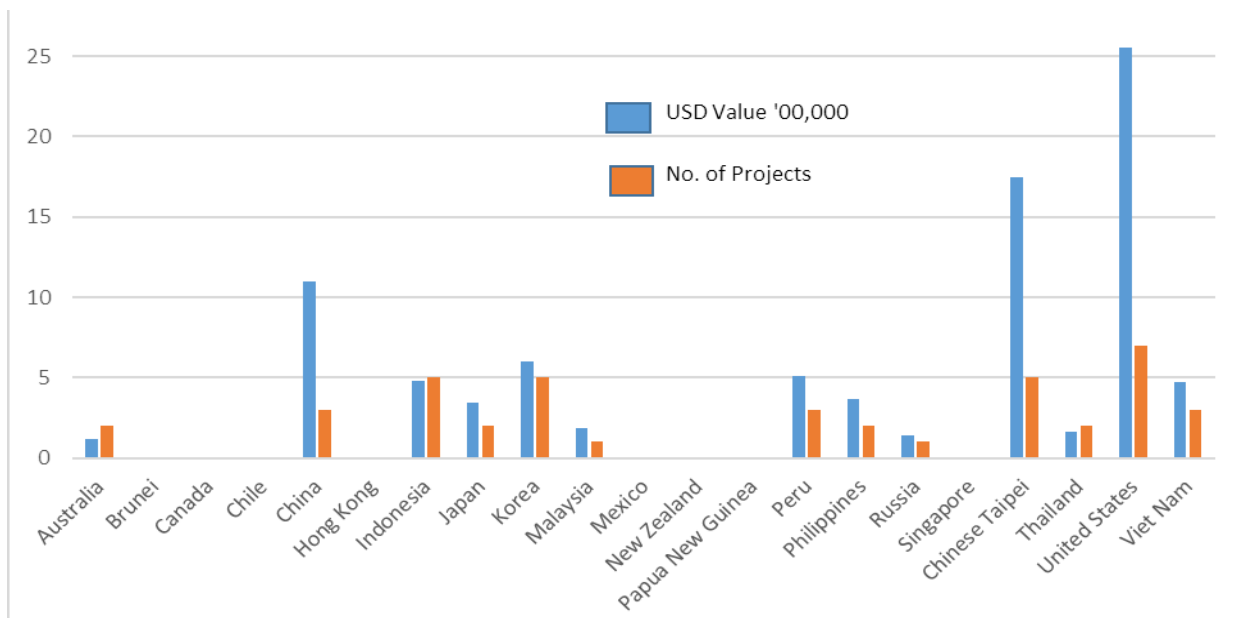
The investigation of the alignment of the SMEWG projects with APEC priorities is presented in three parts; first, the data is presented; second, the data is analysed; and third conclusions are drawn and recommendations made.

### Data on SMEWG Projects

Between 2011 and 2014 the SMEWG implemented 41 projects worth a total value of USD \$8.77 million. Annex C lists all SMEWG projects from 2011 to 2014 and shows the economy proposing the project, the value of the project and funding source. Between 2011 and 2014, the SMEWG also produced 18 publications that were accessed 262,669 times (as of mid-April 2015). Annex D list all 18 SMEWG publications and the number of times each has been accessed.

The distribution of projects by sponsored economies, as measured by value and number of projects, is shown in Figure 2 below. Briefly, it shows that out of 21 economies eight had not sponsored any projects. Three economies had total projects valued at more than USD 1 million and four economies had five or more projects.

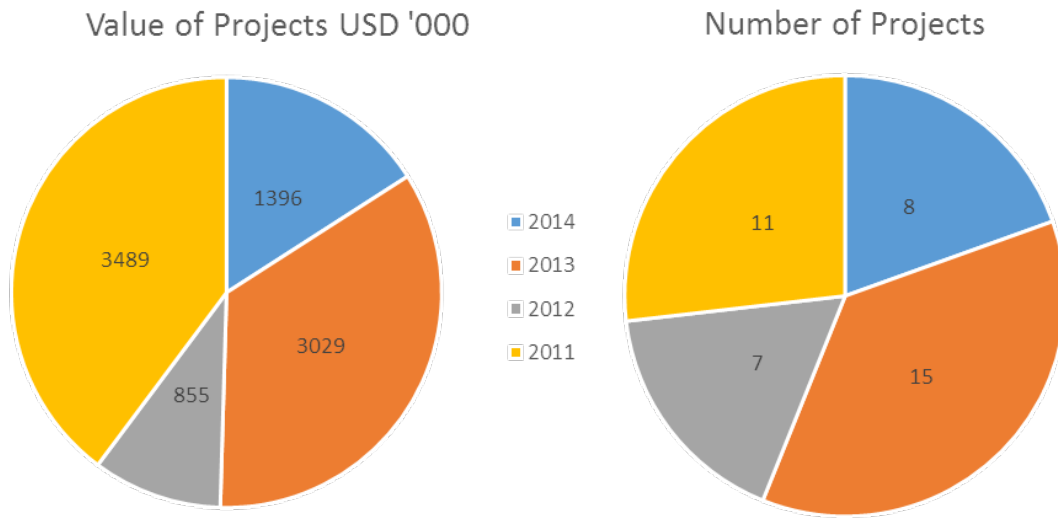
Figure 2: SMEWG Project Sponsors' Shown by Frequency and Value



Source: APEC database.

Figure 3 compares SMEWG project distribution by value and number of projects. The figure shows that 2011 and 2013 were more active years as measured by both the number and value of projects. It is not clear whether this relates to funding availability or the operation of the SMEWG.

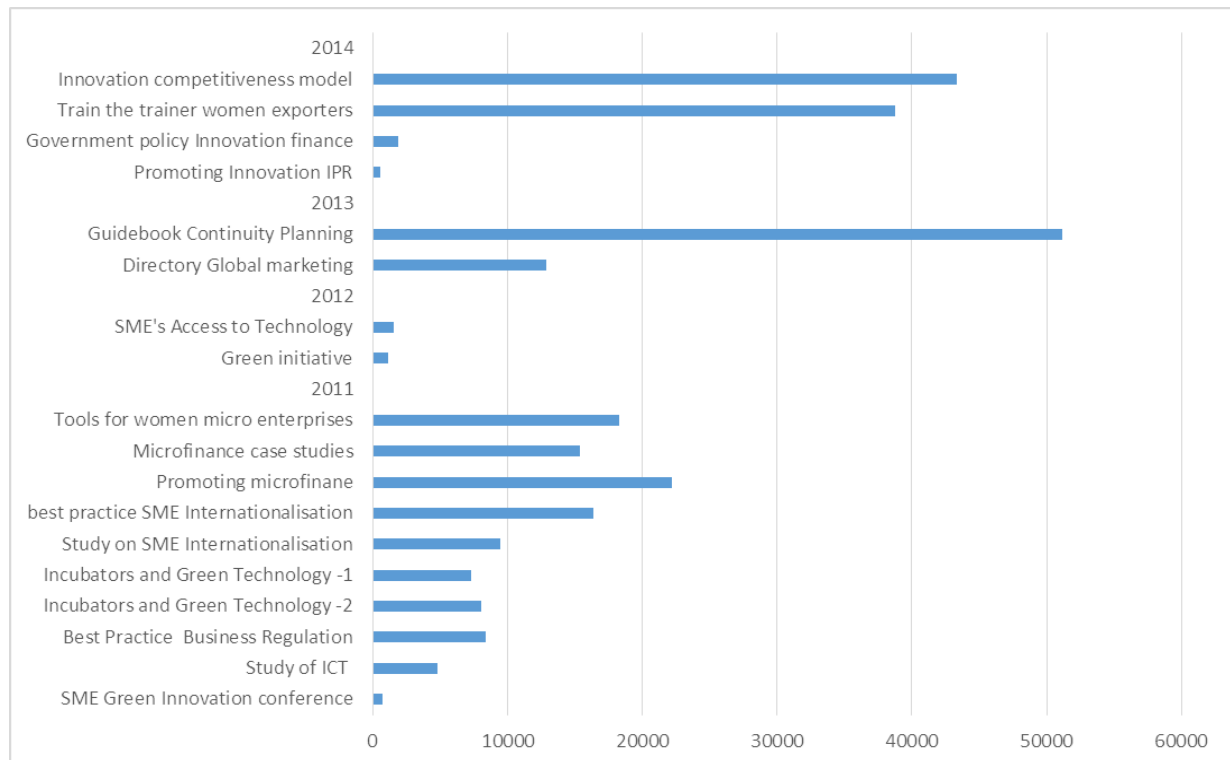
Figure 3: SMEWG Projects Compared by Year for Frequency and Value



Source: APEC database.

A related output are the SMEWG publications many tied to specific projects. Figure 4 shows by year the 18 publications produced and the number of times they have been accessed. Of all APEC publications, the 9<sup>th</sup> most accessed is the SMEWG Guidebook for SME Continuity Planning, produced in 2013. Out of the top 10 APEC publications and at number 3 and 7, are SME focused publications produced by other Working Groups.

Figure 4: Number of Times SMEWG Publications Accessed



Source: APEC database.



## Analysis of SMEWG Project Data

A very simple analysis of the project data allows a comparison between the SMEWG and other Working groups under the ECOTECH umbrella. While this does not provide direct evidence of alignment with APEC priorities, it does provide background information and helps build a picture to better understand where, relative to other Working Groups, the SMEWG fits.

The two boxes on this page provide a simple comparison between the SMEWG and a selection of other WGs. The first box compares the number of projects for eight WGs for the years 2011 to 2014. It shows that the SMEWG had by far the greater number, and by implication, is more active than any of the other seven WGs, certainly if measured by number of projects.

Number of Projects compared 2011 - 2014	
Fora	No.
SMEWG	41
ATCWG	21
EPWG	11
PPWE	7
HRDWG	36
OFWG	12
TELWG	18
PPSTI	13

This picture also holds true for a comparison of publications. Only the HRDWG had close to the number of SMEWG publications (for 2011 to 2014). The overall conclusion is that the SMEWG is a very active APEC Forum as measured against other Fora.

This raises the question as to what extent are the SMEWG projects aligned with APEC priorities? To be able to make this judgement, all 41 SMEWG project proposals were individually examined. Each project was assessed for:

- a. Where they most accurately fitted within the three APEC pillars;
- b. Where they fitted within the priority areas and objectives of the SMEWG Strategic Plan (2013-2016);
- c. What “type” of project they were: and finally:
- d. If, within the project design document, they identified if there were “other fora involved”.

The results and details of the methodology for assessing the 41 project proposals are presented in a comprehensive table in Annex F. Table 1 below presents the summary results of the analysis.

Number of Publications compared 2011 - 2014	
Fora	No.
SMEWG	18
ATCWG	13
EPWG	13
PPWE	5
HRDWG	17
OFWG	10
TELWG	7
PPSTI	8

In terms of alignment with APEC three pillars, Table 1 shows that projects overwhelmingly fitted under the pillar of economic and technical cooperation (34 projects). None of the 41 projects fitted under the pillar of trade liberalisation and only seven could be said to align with business facilitation. However, it should be noted that a significant number of projects overlapped between technical cooperation and business facilitation, but nevertheless fitted better under the former than latter.

In regards to alignment with SMEWG Strategic Plan (2013-2016) the largest number (24) fitted under the priority area of building management capacity, entrepreneurship & innovation, followed by the priority area of business environment market access & internationalization (14) and last and distant third, financing with three projects.

When we evaluated the SMEWG projects in terms of what type of project they could be classified as, overwhelmingly they were of the workshop type (30). Within the category of “workshops” we included a large range of similar types of group meetings. This included projects that were classified as: seminars, forums, dialogue, conferences and gatherings etc. Essentially these were all the same, that is, some type of meeting.

Only two of the 41 projects formally identified within the design document that the project was being carried out with another APEC fora. However, this does not accurately reflect the number of projects that addressed cross cutting issues and informally coordinated with other WGs. In particular a significant number of projects addressed the crossing cutting issue of women entrepreneurs and youth.

In order to evaluate the performance of projects and assess their alignment to APEC priorities, a subset of 26 completed projects was taken at random from the 41 total SMEWG projects (not all of which were completed) and their performance analysed. This was done by taking the completion reports and examining the projects' objectives, outputs and outcomes. For each of these three variables, an assessment was made whether the completion report clearly identified and/or described how this was achieved, or if it was ambiguous or not clear at all. The criteria used to make this assessment were as follows:

- a. For Objectives, the completion report needed to: a) identify what the objectives were and b) describe how it met these;
- b. For outputs the completion report needed to list measurable/observable outputs with some level of detail; and
- c. For outcomes the completion report needed to: a) list outcomes and b) describe how they were attributed to the project's activities.

The results of this evaluation is provided in Annex G and summarised in Table 2 below. For objectives, eight of the 26 completion reports were judged to clearly describe achievements against their stated objective, 13 were ambiguous and 5 not clear.

Most completion reports narrated what happened at the workshop and took this as implicit evidence of achieving their objectives. Very few completion reports provided any description of how the activities demonstrated that the objectives were achieved.

Typically, completion reports that did not score well provided only a statement of how many workshops were held. In doing so it assumed that this automatically answered the completion reports request for: *Describe how the project met each of its proposed objectives. Please outline any challenges you may have encountered in delivering the activity. – give examples.*

In measuring outputs, Table 2 shows that the sample of 26 completion reports did marginally better with 10 clearly describing outputs, nine ambiguous and seven not clear. One issue was that the older completion forms were not as intuitive as the later ones. ECOTECH revisions have generally improved the completion reports making it easier for project overseers to complete them. In the earlier version, templates' outputs (and outcomes) were often described as the findings from the workshop.

For the category of measuring and describing outcomes, the completion reports performed the poorest. With only one report describing clearly what was achieved in terms of outcomes, eight were ambiguous in describing outcomes and 17 not clear.

**Table 1**  
**Projects Strategic Alignment & Type**

APEC 3 Pillars	No. of Projects
Trade & Investment Lib	0
Business Facilitation	7
Eco. & Tech. Coop. (ECOTECH)	34
<b>SMEWG Strategic Plan 2013 - 2016</b>	
<b>Building management capacity, Entrepreneurship &amp; innovation</b>	
Start-ups etc.	11
Innovation	6
Green growth	6
Business resilience	1
<b>Financing</b>	
Awareness	3
Strengthen Access	0
<b>Business Env., Market Access &amp; internationalization</b>	
Transparency etc.	5
Internationalization	9
<b>Type of Project</b>	
Workshop, forum etc.	30
Study, Database	7
Training Program	3
Reform programs	1
<b>Other Fora involved</b>	
<b>As shown in project proposal</b>	2

Source: APEC Project Proposals

It should be noted that measuring outcomes of any project is difficult and particularly for the types of projects that fall primarily under the SMEWG purview. Outcomes are often not immediate and therefore are difficult to measure immediately at the end of an activity. However, an analysis of why so many of the completion reports failed in measuring outcomes, showed it had more to do with a lack of understanding what is needed than technical expertise in ability to measure. One possibility to help with

**Table 2 Summary Report of Performance**

SMEWG Project's Completed	Objectives	Outputs	Outcomes
Report clearly described achievements	8	10	1
Report was ambiguous about what was achieved	13	9	8
Report did not make it clear what was achieved	5	7	17
<b>Total No. of Projects</b>	<b>26</b>		

**Source:** Project completion reports

groups' surveyed were delegates of the SMEWG, project participants and project overseers. At the time of the survey (May 2015) there were 159 SMEWG delegate names provided by the APEC Secretariat, of which 12 delegates participated and returned survey forms. For project participants the completion reports were used to identify 1,014 participants, which ranged from attendees to keynote speakers. From this number 61 surveys were completed and returned. Finally, 36 project overseers were identified and nine of these returned survey forms.

Each survey asked a series of short questions for which participants were asked to score out of 10, with one being the lowest and 10 the highest score (see Annex H). For the delegates, the questions related to SMEWG performance. For the overseers and project participants this related to how well the SMEWG projects performed in regards to a number of different criteria. All three surveys and the results are included in Annex H. For each of the surveys the respondent was also asked how the SMEWG could be more effective and/or efficient (in the case of delegates surveyed) or how the Projects could be more effective and/or efficient (in the case of overseers and project participants). There was also a space for any additional comments to be made.

Several caveats should be mentioned in terms of reading the survey results. The response to each of the three surveys was low. However, this was not unexpected as internet based surveys traditionally return very low results. Furthermore, the use of a simple scoring system to measure how much someone appreciates what they have received (i.e. participation in a workshop) tend to naturally produce high scores. The best way to read the survey scores is to compare individual questions scores against the other questions' scores. Doing so, provides a comparative level in relation to other questions.

Looking first at the responses from the SMEWG delegates, Table 3 below shows that delegates believed that project selection and activities aligned well with APEC priorities (scoring 8.3 and 8.2 respectively). In contrast, cooperation with civil society and international organisations was perceived to be the areas where the SMEWG performed least well (scoring 6.3). This result was substantiated through the interviews where delegates and other respondents indicated that cooperation was an area for possible improvement. Interviews also indicated that the issue of cooperation between various APEC fora was also an area frequently selected for possible improvement.

In the part of the survey for comments, were respondents were asked: *how could the SMEWG be more effective and/or efficient in terms of its functions and operations?* Several themes were apparent and were consistent with the scoring part of the survey and with individual interviews held with delegates. The strongest comments for improving effectiveness and/or efficiency were around cooperation, this included not only greater cooperation with other international organisations and civil society but also with other APEC fora and the private sector. In regards to other international organisations, comments from the surveys showed there was a strong desire on the part of delegates to link more with multi-lateral

organisations such as the World Bank Group and ADB, both in terms of joint projects and capturing the learning and experience within these institutions.

Table 3 SMEWG Delegate's Survey Results

No.	SMEWG performed in regards to:	Average Score
1	SMEWG supporting APEC goal of sustainable economic growth and prosperity in the Asia-Pacific region	7.5
	APEC's three pillars:	7.3
	a) Supporting APEC's agenda of Trade and Investment Liberalization	7.9
	b) Supporting APEC's agenda of Business Facilitation	7.5
2	SMEWG contributing to Leaders and Ministerial objectives (as set out in Leaders and Minister's statements, e.g. Bogor Goals (1994), APEC Leaders Growth Strategy (2010) and AMM statements and Sectoral Ministerial statements)	7.4
3	SMEWG Projects:	8.3
	a) Project <b>selection</b> aligning with APEC Priorities	8.2
	b) Project <b>activities</b> aligning with APEC Priorities	7.6
4	Implementation of SMEWG strategic plan 2013-2016	7.8
5	<b>Effective operations</b> of the SMEWG forum	7.8
6	Cooperation with other APEC fora	7.1
7	Cooperation with APEC Business Advisory Council	7.3
8	Cooperation with the private sector (SMEs, business associations etc.)	7.0
9	Cooperation with civil society	6.3
10	Cooperation with other international organisations (UN, EU etc.)	6.3
11	Considering gender in accordance with directions outlined by the Policy Partnership on Women and the Economy	7.3

Source: Delegates' Surveys.

The other main theme that came through from the delegates' survey comment section was the need for measuring projects' impact and outcomes. Despite, the previously mentioned poor performance in the completion reports in measuring outcomes, delegates were aware that this was an area that needed strengthening. This was stated not so much in terms of wanting to have best practice in monitoring and evaluation but more pragmatically; delegates wanted to know what was achieved from the various workshops and projects.

The SMEWG project participants and overseer survey results are shown in Table 4 below. The results of the two surveys are shown in the one table as the two groups were asked the same questions. For the purpose of this survey, both groups primary relation to APEC was their involvement in the SMEWG projects.

Both surveys showed similar if not exactly the same results. In regards to relevance (question 1) both saw the projects as highly relevant for SMEs and least for trade and investment liberalisation. In terms of how well the project was organised, overseers scored the projects slightly higher than participants, as might be expected, but both set of results were comparable with overseers scoring in the high 8's and participants in the low 8's. In regards to gender issues being considered in the design and implementation of the project, the score for the two surveys was very similar (7.4 and 7.2) and comparable to the delegates scoring for this same question (7.3). If we compare the gender score to other scores in the survey, we can see it fell in the lower half of the scoring. Finally, question seven asked; *how often (if at all) have you recommended the outputs from the Project to others?* This is both a measure of the projects usefulness and impact. For project participants, they scored this lowest of all the

questions and for overseers, it was the second lowest score, suggesting a limited “life” outside the project event itself.

**Table 4 SMEWG Project Participants / Overseer Survey Results**

No.	How well did the SMEWG Project perform in regards to:	Overseers Average	Participants Average
1	How <b>relevant</b> was the Project for:		
	d) Small & Medium Enterprises (SMEs) in your economy	9.0	7.9
	e) Supporting trade and investment liberalisation	6.5	7.1
	f) Supporting business facilitation	7.6	7.3
2	How useful was the Project for networking	8.3	7.8
3	How well was the Project <b>organised</b> in terms of:		
	d) Relevant event and/or speakers	8.8	8.1
	e) Efficient management of event(s)	8.8	8.3
	f) Producing and making available final outputs	8.8	8.0
4	To what extent were gender issues considered in the design or implementation of the project	7.4	7.2
5	How useful was the Project for you personally	8.3	8.3
6	How useful was the Project for your organisation	8.7	7.8
7	How often (if at all) have you recommended the outputs from the Project to others	7.3	6.7

**Source:** Overseers and Project Participants Surveys.

Not unexpectedly, since the survey was about the SMEWG projects and most projects were workshops, the surveys’ comment section focused a great deal on how the workshops could be improved. While suggestions for improving workshops varied, a large number converged around better use of technology. This included suggestions for more participatory and interactive workshops, making material more readily available on the web and the use of live streaming and podcasting. A related but second area for suggestions on how to make projects more effective and or efficient, focused around improved networking and communication, including greater use of the internet and web, as well as, increased networking between SMEs and with potential available resources.

### SMEWG Projects: Findings and Recommendations

A large number of projects focus on workshop that attempt to directly assist SMEs through either providing information, technical expertise or linking to finance or other forms of support. The largest number of beneficiaries are often SMEs in the host economy where the project is being implemented. Out of the total potential pool of SMEs or MSMEs that could attend only a small number actually participate. Time constraints, lack of information and funding, are some of the key factors that limit participation.

While there is a good case to be made for projects that encapsulate such direct support measures and possibly for certain types of workshop, the balance of the SMEWG activities seemed to be overly skewed towards workshops that directly attempt to support SMEs. In this regards, greater emphasis should be given to advancing projects that address issues of policy and focus more on activities that build consensus or analyse reforms across the APEC economies. See for example the case study box on the next page.

Where some form of workshops is the predominant delivery mode, greater attention should be given to designing the project so that it utilizes a range of technologies and particularly draws on the internet so as to maximize participation. Workshops should also maximize as much as possible interactive participation of attendees to enhance the learning experience.

Further, to ensure maximum impact of workshop, where possible, consideration should be given to having as one output from a workshop an APEC publication and/or a depository of the material on a suitable website. If the material is primarily for the use of MSMEs, consideration should also be given to improving access by translating the material into several different languages.

Measuring impact of projects continues to be an ongoing problem. The *Guidebook on APEC Projects 2015* continues to improve the format for prescribing the completion report and the guidance it gives to project overseers. Measuring project outcomes are usually difficult to do in the best of circumstances. As an initial suggestion, the Guidebook could provide more detailed guidance on how to measure outputs and provide links to several existing tool and publications freely available on the internet. The World Bank and OECD both provide several publications to support measuring outcomes. The guidebook could also separate out outcomes into immediate, medium and long term expected and realised outcomes.

#### Business Ethics for SMEs, 2011

The SMEWG multi-year initiative on Business Ethics for SMEs has helped small and medium enterprises in the bio-pharmaceutical and medical device industries develop codes of ethics to self-regulate their business practices.

Codes of ethics have been adopted and are undergoing implementation by around 60 biopharmaceutical and medical device industry associations and their member companies from 19 economies across the Asia-Pacific, representing more than 14,000 firms.

Unethical practices increase the cost of doing business and adversely affects SMEs in the sector.

As trade among APEC economies continue to grow, ethical business practices that are shared across the region help to sustain and expand trade.

One possible suggestion, that has resource implications, is to carry out on a regular basis an independent assessment of one or more projects. This could also be done for individual projects or a cluster of similar projects i.e. group of three workshop targeting assistance to MSMEs versus a group of projects focused on improving policies/regulations/processes. Such an evaluation is beyond the scope of this review and requires follow up with project overseers and beneficiaries. The aim would be to generate evidence of what types of project are likely to provide the greatest return on investment and help feedback to delegates' better project design lessons.

Despite explicit mention of gender in the APEC Project Proposal templates and a significant number of actual project proposals having substantial coverage of this issue, and to a lesser extent, the issue of youth, the perception of delegates and participants is that this still lacks the effort required. Related to this is the noticeable issue of projects' formal links with other fora. By seeking actively and more formally to involve the participation of the Policy Partnership on Women and the Economy (PPWE) in project proposals there is an opportunity to improve cross fora coordination and elevate the issue of women in the SMEWG.

Over the last four years, and perhaps much longer than that, more than one third of APEC economies have not been the primary sponsor or overseer of a SMEWG project. The largest number of projects are managed and overseen by a concentration of four or five economies. These economies have consistently worked at identifying projects and should receive credit for making the SMEWG an active group. However, given the broad spectrum of capacity of APEC economies, consideration should be given to helping less developed economies participate more through the implementation of projects and activities.

## C. SMEWG Operations

Some of the issues related to the SMEWG operations have already been covered in the previous sections on the forum and project's alignment with APEC priorities. Here, as in the next section, issues that have not been covered will be briefly discussed.

The SMEWG is an extremely active and productive APEC fora. In comparison to other WGs, the SMEWG has a much greater calendar of activities. The box on this page takes 2014 as a sample year and compares the SMEWG to a randomly selected group of seven other WGs under the SCE umbrella. It shows that by far the largest number of events are hosted by the SMEWG (19 events) and outperformed all the other WGs sampled, with the highest number of meetings being five for the PPSTI (data was taken from the APEC website). While number of meetings is not the only criteria for measuring the SMEWG operations, it is indicative of the very active nature of the group.

From discussions with various delegates and other informants, it was clear that the SMEWG consisted of a core group of delegates that had been involved a long time and came from a small subset of economies. These members provided a core group of dedicated officials that brought a corporate memory to the group and the backbone for much of the fora activities. A number of other economies also had a keen interest in the fora but were restricted through limited capacity and/or regular changes in the delegates attending.

Anecdotal evidence and comments from interviews indicated that a significant amount of work occurred inter-sessionally amongst a core group of delegates and bilaterally. Such inter-sessional exchanges are important to advance agendas, coordinate work and allow for the advancement of ideas. While the scale and impact of such inter-sessional work is hard to measure, the importance and advantage of it was a common theme touched on by many of the delegates interviewed.

One challenge of the SMEWG was to cater for a wide range of economies that had very different MSME priorities. For example, for a significant number of developing economies the issue of informal sector economic activities were of primary concern, whereas, for other economies the issues of leading edge technology based SMEs was of greater concern.

The SMEWG ToR were amended and finalised in September 2014 at the 39<sup>th</sup> SMEWG Meeting. The revised ToR covered the process for appointing the SMEWG chair and the deputy Chair. Since the new process has only been in affect a short time, it's too early to evaluate what impact this has on the operation of the WG. Nevertheless, all delegates interviewed thought the process was an improvement on previous arrangements. One issue that will arise with the alphabetic rotation of the Chair and Vice Chair will be the capacity of smaller and less developed economies to manage the process of chairing and hosting. While the ToR allow for postponing the hosting or chairing, it does so only for one year and does not allow for passing over the responsibility of chairing.

The goals and objectives of the SMEWG as stated in the ToR are relevant and in line with the APEC broader goals and nature of the APEC association. The SMEWG ToR and its Strategic Plan (2013 – 2016) cover similar ground and are consistent with each other. However, the emphasis in the ToR and the Strategic Plan are slightly different. The ToR favours more a “*strengthening the policy dialogue*” and building the capacity of member economies, whereas the Strategic Plan favours more helping “*SMEs and MEs, individually and collectively, to attain their fullest growth potential*”. The difference is one of emphasis and where to place the SMEWG efforts. Based on the available evidence as presented in the analysis of projects, it can be argued that the emphasis in the SMEWG operations' has been placed too much on the latter and that a rebalance is necessary.

This also leads to the next point; consistently, in almost every interview and discussion with delegates, there were two comments or views expressed that were “two sides of the same coin”. On the one side almost all delegates identified the exchange of information and views about good practice and policies as a central benefit of the WG, on the other side, all the same delegates, indicated that one of the weakest aspects of the WG meetings and operations was the lack of real debate around issues of best practice policy, regulations and standards etc. for SMEs. The discussion around evidence of best

Fora	No.
SMEWG	19
ATCWG	1
EPWG	4
PPWE	1
HRDWG	3
OFWG	4
TELWG	3
PPSTI	5

practice was seen as important for validating and supporting delegates with advocating changes and policy initiatives in their own bureaucracy.

Finally, in terms of operations the use of KPIs for the Strategic Plan (2013 – 2016) is an important element for measuring progress. However, the selection and use of KPIs in reviewing progress could be improved to make them more useful. First, the current set of KPIs are difficult to measure without significant work being carried out. Second, the relationship between the objectives and the KPIs are not necessarily clear. That is, if the objective were achieved would the current KPIs represent a useful measure to capture this? At a minimum, a logical framework needs to be developed around what changes we would expect to observe if the objectives were achieved.

## D. Cooperation

The issue of cross fora cooperation was consistently raised by delegates and flagged in many of the documents and minutes of meetings. The APEC and its many sub-committees and working groups consistently identified this as an area of concern. The SOM Steering Committee on ECOTECH – Committee of the Whole (SCE-COW) provides an annual meeting for all the SCE Lead Shepherd/Chair fora to come together. In 2013 the SCE-COW moved to change the format of the meeting to try and create greater discussion among the Lead Shepherd/Chair attending, rather than merely be a forum for presenting work plans. The annual SCE-COW meeting should therefore provide a platform for cross fora discussion, however, a review of the minutes from the SCE-COW meetings from 2011 to 2014 shows a sharing of information but limited cross fora cooperation occurring.

This is all the more concerning given the SMEWG wide mandate for supporting MSMEs through policy dialogue and assistance, and the possibility of overlap with other fora. For example, the APEC focus on Global Value Chains (GVC) cuts across a number of different fora and runs the risk of duplication. The APEC host economy focus in 2015 on SMEs, also creates a need for many of the working groups and sub-fora to focus on this topic with the potential of overlap. The SCE-COW meetings provide an opportunity to reduce such overlap but do not seem to foster greater inter-fora cooperation or significantly breakdown the silo-structure of APEC sub-fora. The cross cutting thematic issues such as GVC or cross cutting issues such as gender and youth, should be used to capture synergies between different fora.

At all the SMEWG meetings other fora chairs' and representatives were invited, as were the privates sector, through representatives of ABAC. Despite this, there was a desire on the parts of many delegates to have a greater dialogue with the private sector. This came through both in the interviews and the survey results. The purpose of such a dialogue would be to better inform the agenda and priorities of the SMEWG. It would also provide greater legitimacy as it could claim its priorities were a result of an ongoing dialogue with the private sector. While ABAC attended the SMEWG meetings, the issue of consultation is more an issue of the level of interaction and creating a process for a dialogue where ideas could be exchanged with the private sector.

Cooperation with other international organizations was identified both as a key function that delegates placed great value on and one that they saw as being neglected. There exists a wide range of organisations that have a similar mandate and interest in MSMEs, these include: The World Bank Group (especially the International Finance Corporation), the Asia Development Bank, UNCTAD, ASEAN, OECD, ESCAP etc. A review of the project proposals, completion reports and minutes from the SMEWG meetings showed that there was very little cooperation with these or other international organisations.

The difficulty of cooperating is partly a reflection of the nature of the SMEWG and its emphasis on directly supporting SMEs through the various projects. The rationale given by delegates, and supported through this report, for greater cooperation with other international organizations was that there was a great deal of expertise and knowledge in these organisations that could complement and support what the WG is doing. Through publications, manuals and workshops, as well as, a significant amount of "on the ground" activity, these international organisations contain a significant body of knowledge and experience of economies in the Asia Pacific. For the SMEWG with limited funds available it also makes good sense not to reinvent what is already out there and to strategically link and leverage of other organisations.



### 3. Summary of Recommendations

Throughout Chapter Two there a number of recommendations made that are summarised here. These recommendations are at various levels. Some are recommendations, others suggestions. Some are operational issues and others more fundamental issues of the SMEWG direction. The recommendations identified here are based on issue identified during the course of the independent assessment. Consideration of the resources and capacity needed to implement, form the bases for the next Chapter.

Many of the recommendations are similar to the findings for other WGs and identified in a similar form in the previous SMEWG Independent Assessment in 2011. They are also echoed by leading figures from the SMEWG recent past. As Mr Png Cheong Boon (Chief Executive of SPRING Singapore, and Chair of APEC SME Working Group from 2009 to 2010) recommended at a presentation given during mid-2015, and endorsed by this review<sup>3</sup>:

- a. SMEWG must continue to promote policy best practices amongst APEC economies; and
- b. Consider developing a common benchmarking tool to measure effectiveness of SME policies and performance of SMEs in each economy. Such information would enable policy-makers to fine-tune policies to address SMEs' needs.

The following then are a summary of the recommendations found elsewhere in this independent assessment.

**In the next strategic plan, consideration should be given to “tightening” the scope by focussing more on the three priority areas identified in the current strategy.**

Any sub-objectives should be more closely tied to the three main themes. The logic and link how sub themes connect to achieving the three main themes need to be clear in the strategy and should be clearly identified in all project proposals.

**The SMEWG Strategic Plan should be used to provide greater guidance for the activities that are carried out.** The Alignment of SMEWG outputs with APEC priorities could be improved through the strategic plan's priority areas more directly driving the prioritised implementation schedule. As it is, the implementation schedule represents a list of projects that have been advanced by member economies. These projects and other initiatives often align strongly with the proposing economies' own priorities and political-economy situation. This does not negate their relevance, but does mean they are less strategic to

#### Where to Place Emphasis in Helping SMEs?

It is possible to think of a simple dichotomy of how to help SMEs:

- On the one hand, emphasis can be placed on direct support for MSMEs. This can be through support programs of various types. Examples would be training programs, helping SMEs with access to finance and markets etc.
- On the other hand, emphasis can be placed on indirect support through getting the policy framework right, or at least improving them. This is typified by the World Bank's doing business indicators and is usually referred to as the investment climate.

MSMEs support programs are not always so clearly one or the other, but the distinction is worth noting.

For the second type of SME support (improving investment climate) a significant body of best practice evidence already exists, however, much is still to be learned about how to implement these reform processes in various scenarios of development. Moreover, all APEC economies have opportunities to improve their investment climate for MSMEs.

Building evidence and support across economies for various reforms can do much to help support individual SMEWG delegates to engage policy makers in their own economy and can have significant impact on very large numbers of MSMEs.

<sup>3</sup> See: [http://www.sincpec.sg/wp-content/uploads/2015/02/D2-Lunch\\_Png-Cheong-Boon\\_Speech.pdf](http://www.sincpec.sg/wp-content/uploads/2015/02/D2-Lunch_Png-Cheong-Boon_Speech.pdf).

the overall direction of the SMEWG as they otherwise could be. APECs' voluntary and none binding nature makes it difficult to direct the implementation of the strategy from top down. Rather, what we see is that the strategy is implemented from the bottom up through economies selectively identifying and proposing projects. The identification and sequencing of actions to be taken for implementing the SMEWG strategic plan can be more strategically developed through a process of developing a more detailed work program identifying actions needed to be taken.

**Greater number of projects should be sponsored which focus on best practice policy amongst APEC economies.** Greater emphasis should be given to advancing projects that address issues of policy and focus more on activities that build consensus or help implement reforms across the APEC economies. The SMEWG ToR favours a “strengthening the policy dialogue”, whereas the Strategic Plan favours helping “SMEs and MEs, individually and collectively, to attain their fullest growth potential”. The difference between the two objectives is one of emphasis, and therefore, where to place the SMEWG efforts. Overwhelmingly, past projects focused more on supporting SMEs through improving their capacity than strengthening the policy dialogue among member economies’.

**The format and process of reporting at the SMEWG meetings on “best practice” should shift to a more genuine dialogue process.** The discussion around evidence of best practice was seen as important for validating and supporting delegates with advocating changes and policy initiatives in their own bureaucracy. Currently, delegates report on various projects and programs within their own economy without discussion or benchmarking against best practice. Moreover, the presentations, while organised within the agenda by themes under the Strategic Plan, cover such a wide range of topics as to make it impossible to have a coherent dialogue. The current reporting seems to have limited value and could be done differently so as to either reduce the time taken up or increase their usefulness. The presentation of best practice can be improved through actual evidence presented of best practice and benchmarking. This does not require substantial amount of work. Already a significant body of literature exists on what constitutes best practice and benchmarking of SMEs is already being done by OECD and ASEAN.

**The impact of workshops should be improved through the use of a range of technologies wherever possible.** Workshops are the predominant delivery mode. Therefore, greater attention should be given to designing projects so they utilize a range of technologies and particularly draw on the internet to maximize participation. Workshops should also maximize as much as possible interactive participation of attendees to enhance the learning experience. This could include more participatory and interactive workshops, making material more readily available on the web and the use of podcasts and live streaming. A related but second area for making projects more effective and or efficient, is to improve the use of networking and communication in the design of projects. This can include greater use of the internet and web, as well as, increased networking between SMEs and potential resources.

**As part of the project design and implementation, consideration should be given to having as one output an APEC publication and/or a depository of the material on a suitable website.** Not all workshop lend themselves to such an output. But at least this should be considered in the project design stage. The outreach of publications, particularly ones that are highly relevant to SMEs, far outweigh the numbers reached by the workshop itself.

**For publications considered likely to have great appeal to MSMEs, consideration should be given to translation into other languages besides English.** While English is the official language for APEC business, the reality is that the use of English as the exclusive language of publications excludes most MSMEs in APEC and favours the more advanced economies. Even those MSMEs with a rudimentary level of English tend to not seek out English publications.

**The Guidebook on APEC Projects should provide a more detailed description and guidance on how to measure outputs.** This can be done through additional instructions in the Guidebook itself and through links to several existing tool and publications freely available on the internet.

**For measuring results the Guidebook on APEC Projects should break down outputs into several subcategories.** Outcomes could be categorised into immediate, medium and long term. The immediate outcomes should be able to be measured at or soon after completion of the project, whereas long term outcomes, often more significant, are likely to be more speculative in their description. Such longer term outcomes will need some type of framework to explain how they are achieved. Various methods can be used, including a logical framework or theory of change to describe how long term results are expected to come about.

**To measure more accurately the impact of projects carried out, on a regular basis an independent assessment should be done of one or more projects.** Such an assessment could represent a category of projects. Where more than one project is assessed they could be from the same category type (i.e. workshops) of projects so that the evidence is stronger or it could be from different categories, to provide a contrast and comparison. Ideally, such a review would be able to measure the impact of the project(s) and tie it back to the functions of the SMEWG and its strategy. The results should be made widely available and form part of the SMEWG dialogue on “best practice”.

**It is recommended, where appropriate, that the Policy Partnership on Women and the Economy (PPWE) is consulted on SMEWG project proposals.** Many projects directly address the issue of gender and youth in their project proposal. However, projects would benefit from a more formal cross fora dialogue. This could be through seeking comments on project proposals and where possible joint sponsorship of projects. Such a dialogue and its outcomes should be recorded in the project proposal.

**The cross cutting thematic issues of GVC and cross cutting issues such as gender and youth, should be used to capture synergies between different fora.** Through the Project Director and the Secretariat internal processes overlap of projects is usually avoided. However, given the SMEWG wide mandate and the overlap of its interest with several other fora, it should go beyond avoiding overlap and actively seek to promote and benefit from synergies between different fora.

**Greater dialogue should be established with the private sector.** A better dialogue process and more frequent dialogue will give greater legitimacy to the SMEWG and allow it more closely to align its agenda with those of the private sector, which they seek to support. ABAC is invited and does attend the SMEWG meetings. However, the issue of consultation is more an issue of the level of interaction and creating a process for a dialogue where ideas could be exchanged with the private sector.

**Consideration should be given to helping less developed economies who wish to participate more through the implementation of projects and activities.** Currently a small group of dedicated economies tend to carry out most of the projects and take significant responsibility for supporting the Working Group. By encouraging and having some of the less developed economies that have limited capacity and not carried out any projects in the last four years, participate more, all 21 economies would benefit.

**Consideration should be given to adjusting the SMEWG ToR to include the possibility of economies declining to chair after they have postponed their responsibility for a year.** This would be consistent with the voluntary nature of APEC and addresses the issues of economies that do not have the capacity or face political-economic circumstances that make it difficult to chair, even after having postponed it for one year.

**The current KPIs should be reviewed.** The purpose is twofold; first to adjust the KPIs to make them more meaningful to measure progress; second, to make them easier to measure.

## 4. Implementation Advice

The previous chapter listed a range of recommendations. This chapter is more practical in that it focuses on how some of these recommendations can be implemented. Not all recommendations are covered as some are more aspirational than others and some are also self-evident in how they are to be implemented. Given the non-binding and voluntary nature of APEC, as well as limited resources, the focus is on those recommendations that will have the greatest impact and/or are more likely to be implementable.

All change is difficult. In organisations, maintaining the status quo is often the easiest and default setting. Changing organisational structure and behaviour, whether an SME, a multinational, government department or the SMEWG, requires leadership and commitment. To change, an organisation must believe that the changes are for the better or necessary. Without such belief and commitment changes are doomed to fail. Therefore, before embarking on implementing recommendations, the SMEWG must be convinced of the arguments presented in the previous chapters.

The implementation advice presented in this chapter is one possible direction to achieve the outcome desired. Other possibilities exist and it is a decision for the SMEWG Chair and implementers to work out the final design for implementing reforms. The three key areas for which implementation advice has been provided are all interlinked and can be part of one reform program or can be done individually, depending on buy-in. Implementation advice focuses around three key areas of improving:

- a. Activities and projects alignment with the SMEWG Strategic Plan;
- b. Best practice dialogue and benchmarking; and
- c. Dialogue with the private sector.

### A. Activities and Projects Alignment with the SMEWG Strategic Plan

The objective is for activities and projects to more closely reflect the SMEWG Strategic Plan. Two parts exist for achieving this objective. First, in the new Strategic Plan, a tighter focus should exist between the three key areas (assuming these remain) and the various objectives. This will require a greater description within the document as to the intent of the WG.

Better flow of logic between the SMEWG Strategic Plan and the SCE and other parts of the APEC strategic direction is also required. Given the broad scope and numerous statements within the APEC family, a clearer flow of logic needs to exist within the SMEWG Strategic Plan of how the broader APEC priorities, as set out in the numerous statements available, is translated into its own priorities.

The SMEWG Strategic Plan's prioritised implementation schedule is not strategic. Therefore, second, and most important, the SMEWG needs to provide greater guidance and a framework for prioritising projects and activities. The current process for project proposals reflects individual economies' interest broadly mapped against the Strategic Plan.

The question is how to do this within a framework of non-binding and voluntary organisation? We can learn some lessons from the ASEAN Economic Community Blue Print, which provides a detailed work program of activities needed to be undertaken to achieve the single economic community across its 10 member countries'. There are some significant differences between APEC's SMEWG and ASEAN. Nevertheless, there are some lessons to be learned. Foremost, if the SMEWG wishes to be more targeted and have a sharper focus, it needs to have a more detailed work program to translate its Strategic Plan into action.

Through a sub-committee of the SMEWG led by the Chair, the Strategic Plan could be developed into a more detailed work program that identifies specific projects and action and possible timelines. To make sure that there is buy-in from other economies, the draft work program should be reviewed by the SMEWG and modified (without loss of strategic focus) as necessary. Once this is finalised, member economies could selectively identify which of the projects in the work program they are interested in and wish to advance as project proposals for approval. The sub-committee could be further tasked to work with economies proposing projects to advise them on alignment with the work program.

There are other ways to achieve greater alignment between the Strategic Plan and the projects. But given the nature of the SMEWG, any approach will need to contain the elements of providing guidance within a framework of voluntarism and non-binding commitments.

## B. Improving Dialogue of Best Practice and Benchmarking

A fundamental aspect of all regional organisations is the sharing of information and the learning that occurs from each other. In this regard APEC and its Working Groups are no different than a number of other regional or global organisations. This includes OECD, ASEAN, Organization of African Unity, Organization of American States (OAS) and the UN group of organisations, as well as many others.

Under this recommendation, the objective for the SMEWG is to improve the dialogue of best practice and benchmarking. This requires first that the SMEWG meetings and inter-sessional activities provide a better and more focused forum for a dialogue of what constitutes best practice and the benchmarking against them. The collection of evidence and identification of issues to be addressed will be useful for government bureaucrats to use in advocating change within their own economies.

Second, to support this dialogue, a greater number of projects should focus on best practice policy amongst APEC economies. Greater emphasis should be given to advancing projects that address issues of policy and focus more on activities that build consensus or help implement reforms across the APEC economies. A rough target might be that half of all projects should focus on issues of policy and linked to the best practice dialogue of the SMEWG. In doing so, the dialogue and the projects can mutually reinforce each other.

The following is a description of a process for achieving the above objective. Following the description of the process a brief discussion is provided of how this might be operationalised.

First and foremost the process for achieving greater dialogue needs to be set out in the development of a more detailed work program as mentioned in the previous section. Following this, the key steps in the process are:

1. The work program to identify key issues relevant for ME and/or SME that will form the basis for the dialogue process. Such key issues or topics should have at their core the role of government in policy making for SMEs. Only one topic should be chosen for each SMEWG meeting. This should be a specific well defined topic. For example:
  - a. Access to finance
  - b. SMEs and innovation
  - c. SME exporters
  - d. GVC and SMEs
  - e. Improving the regulatory environment for SMEs
  - f. Start-ups and closure of businesses
  - g. Trade facilitation and SMEs
  - h. Business registration and licensing etc.
2. Intercessional work should be as described below and distributed to all stakeholders and eventually available on the APEC public website:
  - a. Commission a brief overview paper on the chosen topic prepared by an expert in the field (i.e. an academic) that identifies best practice characteristics, benchmarks and examples. This is not an onerous task as most of this already exists and only needs to be put together in a succinct form. This can be distributed intercessional.

- b. SMEWG delegates to prepare short papers (say no more than 2 to 4 pages) outlining their economies program(s) related to the chosen topic. This could include links to other publically available documents. This process would be similar to the PowerPoints now presented at the SMEWG meetings, with two differences; the information would be circulated before the meeting and it would only be for the chosen topic. While delegates should be encouraged to participate it is understood that not all delegates will present material.
3. At the SMEWG meeting the author of the overview paper briefly present an outline of best practice and benchmark programs against these with a focus on where we can see best practice being applied and what we can learn.
4. During the SMEWG meeting and after the bench marking presentation, the delegates to break into smaller groups to discuss specific themes within the chosen topic. For example, if the topic was SME access to finance, the group could break into developed and developing economies, or by the type of programs being implemented or by discussion of evidence collecting, reform processes and design of programs. For any one topic there will be multiple ways of dividing up the issue to allow for smaller group discussions. Following the discussion each group to report back to the plenary meeting.
5. The author(s) of the overview paper to provide a follow up report that synthesises the delegates' short papers and discussion and focuses on bench marking best practice of the available evidence presented by delegates. Best practice will vary from economy to economy and related to geo-political economic variables.

The information should eventually be on the APEC website and under the SMEWG section. The collection of evidence overtime would provide a strong body of evidence for policy advocacy. Topics such as access to finance could be further broken down and visited more than once given its importance. If there was enough support among delegates the presentation of how different economies benchmarked against best practice could be an explicit feature of the dialogue. As previously mentioned, SMEWG projects that focus on related policy issues should feed into this process.

The above process could be operationalised in several different ways. However, the easiest would be for the SMEWG to put forward a multiyear project proposal that outlines the above process, and thereby provides funding for the implementation of the process. The project could identify or bid the work out to one contractor who would, in consultation with the Chair or a sub-committee of delegates, draw on expertise from across the APEC region depending on the topic and host economy location. Alternatively, the SMEWG could make each of the focused key issues a separate project, although this would be administratively a greater burden.

Finally, the process outlined here is just that - an outline. For such a significant change in the function of the SMEWG there will need to be a more detailed and formal process of designing the process in consultation with delegates.

## C. Dialogue with the Private Sector

The objective is to have an active ongoing dialogue with the private sector. Such a dialogue would increase the legitimacy of the SMEWG – which is made up of government officials representing the interest of small businesses. The current process is for representatives of ABAC to be invited to all meetings of the WG. However, this does not reflect an active dialogue.

All APEC economies have various bodies representing the interest of business. These can be national or sub-national chambers of commerce or industry specific sectoral bodies. Many of these bodies represent the interest of large and small businesses, others focus only on SMEs. Furthermore, it should be recognised that many of the issues facing SMEs are common to most businesses, irrespective of size.

Given that the SMEWG rotates from economy to economy, it is an opportunity to institute a dialogue process with the private sector of the host economy. Such a dialogue will help identify priorities and

validate the Working Group's program and actions. The dialogue could be in the form of a half day workshop back to back with, and an integral part of, the SMEWG meeting.

The host economy should be tasked with identifying the various representative bodies of the private sector with a focus on SMEs but not necessarily to the exclusion of other private sector groups. The host economy delegates could further be tasked with organising the dialogue. Delegates would be encouraged to participate in the dialogue.

To give focus to the dialogue the discussion should be around the three main themes of the SMEWG Strategic Plan and, as mentioned above, the specific topic chosen for the best practice dialogue and benchmarking. Delegates from the SMEWG previous host economy could present a summary of the previous dialogue meeting to the current private sector dialogue forum. An option could be to have breakout groups around the specific themes and topic with a reporting back process. At the end of the process, the private sector could present their main findings/issues as a summary report at the SMEWG delegates meeting.

The summary report should be included separately on the APEC SMEWG website and provide an ongoing engagement with the private sector. Given there are 21 economies and the process is for a rotating hosting system, it should provide for significant process of private sector consultation.

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## List of Annexes

- A. Terms of Reference (ToR)
- B. APEC Priorities
- C. Table of APEC SMEWG Projects
- D. Table of APEC SMEWG Publications
- E. Table of APEC SMEWG Calendar of Events
- F. Types of SMEWG Projects and Strategic Alignment
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## A. Terms of Reference (ToR)

**Ref: SCE/IA/2015**  
**Independent Assessment of the Small and Medium Enterprises Working Group  
(SMEWG)**

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### **Background**

The Senior Officials Steering Committee on ECOTECH (SCE) has a requirement for an independent consultant to review the operations and structure of APEC working groups to ensure economic and technical cooperation (ECOTECH) activities are targeted, effective, efficient, and make the best use of scarce resources. The output of the independent assessments is a report providing recommendations designed to ensure that the working group is responsive to APEC's current priorities and contributes to the achievement of APEC's overall vision and objectives.

To continue with the program of regular reviews, the SCE has decided to undertake an independent assessment of the SMEWG. This independent assessment will address a wide range of needs of SMEWG in order to strengthen its work processes. The recommendations of the assessment will be provided to the SCE in 2015.

### **Consultancy Terms of Reference (ToR)**

The Contractor will be engaged by the APEC Secretariat to provide the following consultancy services:

- Work cooperatively with the SMEWG Chair and members, the SCE, and the APEC Secretariat to provide a robust analysis of the work and operations of the group and recommendations for ways to ensure the overall goals and objectives of APEC are met. In undertaking the tasks the consultant will:
- Review key APEC policy documents, including Leaders' and Ministers statements, SMEWG records of meetings, key project documentation and activities to assess the outcomes and how SMEWG supports the main objectives/goals of APEC and their impacts in APEC member economies;
- Evaluate whether SMEWG is operating effectively and efficiently;
- Whether the group's Terms of Reference, strategic plan or operations could be modified to better respond to APEC ECOTECH priorities and contribute to the achievement of APEC goals;
- Identify ways to strengthen SMEWG's strategic priorities and direction for future work;
- Provide recommendations on how the forum can better focus and more efficiently and effectively manage its tasks and assure that its capacity building activities are providing benefits according to Leaders' and Ministers' priorities;
- Identify ways to develop synergies among the work of the forum and other relevant APEC groups;
- Identify opportunities and provide recommendations for greater collaboration with non-APEC parties, including the private sector, civil society and other international organizations; identify ways for SMEWG to tap resources for programs;
- Explore how SMEWG can better take into account the APEC commitment to give gender greater consideration in accordance with directions outlined by the Policy Partnership on Women and the Economy;

- Finalize an array of recommendations on the above-mentioned areas. Recommendations are to be provided in two lists: the first list containing a maximum of 5 decision points for consideration by SCE to provide further instruction to the group, and the second list covering those recommended actions that can be further discussed for implementation by the SMEWG itself
- Provide a draft report on initial findings, of no more than 30 pages, written clearly and containing robust analysis to be conveyed to the APEC Secretariat, members of SCE and SMEWG.
- Analyze member economies' responses to the draft report on initial findings;
- Produce and present the final report employing a clear and diplomatic style of presentation. Final reports are expected to be delivered to the second SCE meeting of 2015 (date is still to be determined but is anticipated for May 2015) unless the first meeting of the SMEWG is held less than 4 weeks prior to SCE2 in which case the timelines will be agreed between contractor and the SCE Program Director.

To prepare the assessment report, the contractor will:

- Submit a detailed work plan and timelines to be agreed with the SCE Program Director;
- Work closely with APEC Secretariat staff;
- Become familiar with APEC key documents, APEC goals/objectives and procedures, other official and non-official assessments of APEC sectoral work;
- Review and evaluate previous and current goals, objectives, relevant work plans and documents, and activities;
- Attend relevant forum meetings and activities to gain a deeper understanding of the group's operation;
- Conduct a survey of APEC member economies participating in the SMEWG;
- Quantify the number of people affected, directly and indirectly, by relevant APEC programs; evaluate the cost effectiveness of select programs; estimate the sustainability and replicability of relevant programs.

In the preparation, presentation and dissemination of the report, the consultant must keep the focus on the following criteria:

**1. Intended audience:**

- APEC Fora: Delegates to the SCE, SMEWG and other APEC fora; and
- High level decision makers: APEC Senior Officials.

**2. Form and content:**

The report must follow the format and contents as set out in Annex, contents will include:

- Background information on the study and the methodologies employed;
- Assessment of efficiency and effectiveness the group, and the impact of work of the group on the sector in member economies;
- Identification of best practices in ECOTECH in the relevant area;
- Recommendations for improving the forum's project formulation, management and coordination to ensure APEC's ECOTECH programs have the greatest impact possible; and

- Recommendations for improving strategic priorities and direction; recommendation for improving the operation of the group, including the improvement in coordination with other APEC fora, private sector, civil society and other international organizations.

Recommendations are to be provided in two lists: the first list containing a maximum of 5 decision points for consideration by SCE to provide further instruction to the group, and the second list covering those recommended actions that can be further discussed for implementation by the group itself.

### **3. Reporting Requirements:**

The report must:

- be accurate and not misleading in any respect;
- be written in a manner that will be easily accessible to the targeted audience;
- be prepared in accordance with APEC Guidelines;
- be provided at the time specified in this Request For Proposal; and
- be provided in Microsoft Word Format

The Contractor must provide the following reports by the date, in the format and the number of copies indicated:

1. A draft report on findings, of no more than 30 pages, including an Executive Summary (maximum of 3 pages) and a summary of the recommendations. The report will be provided in MS Word format;
2. Following the SMEWG and SCE's comments, a final report on survey findings of no more than 30 pages, including an Executive Summary (maximum of 3 pages) and a summary of the recommendations;
3. If requested by the SCE, the report will be presented in a SCE or SMEWG meeting in 2015, in a clear, concise and diplomatic style.
4. The electronic copy will be uploaded to the APEC Secretariat website and be accessible by the SCE and members of the relevant fora.

## **Annex**

### **Structure and Contents of the Independent Assessment Report**

The structure of the report should follow the format below, it is expected that recommendations provided will follow directly from the analysis contained in the report. This reporting template is not intended to limit the scope of the work of independent assessments. It provides guidance on the types of inquiry that have been of value in previous assessments and in a format conducive to taking effective implementation actions based upon the rationales behind each recommendation.

The limit of 30 pages is a maximum but it is not expected that every report will reach this limit. APEC experience suggests that a shorter report can have a greater impact as more people will take the time to read and understand the recommendations. For this same reason the value of the Executive Summary cannot be overstated as stakeholders less involved in the process may rely on this summary to learn the key messages of the report.

The divisions between the sections of this report are not fixed. For example an overarching goal of the assessment is to determine the extent to which the work of the forum aligns with APEC priorities: this work includes projects, forum operations and cooperation with other organizations including the private sector. The assessor is expected to use their best judgment on how to manage these linkages to ensure a coherent and comprehensible approach.

There are also some overarching concerns that should be taken into consideration throughout the report, this includes the impact of gender on the work of the forum. Notably, the creation of the Policy Partnership on Women and the Economy has placed significant emphasis on promoting practical ways of integrating gender concerns in APEC activities. It is also

anticipated that the results of the survey and observations made during attendance at the forum meeting will inform the contents of all sections of this report.

## **Executive Summary**

Maximum of 3 pages containing a summary of:

- Topic/Issue of Concern
- Key findings
- Key recommendations

## **1. Methodology**

Methodology of the assessment

## **2. Alignment with APEC Priorities**

### **A. Alignment of Forum Outputs with APEC priorities**

- Analysis of the forum priorities alignment with larger APEC priorities
- Value of current forum outputs to APEC ECOTECH priorities (medium-term priorities from 2010 SOM Report on ECOTECH) and annual APEC objectives as set by the host
- Contributions to Leaders and Ministerial objectives (Leaders and Minister's statements)
  - Bogor Goals (1994)
  - APEC Leaders Growth Strategy (2010)
  - AMM statements and Sectoral Ministerial statements

### **B. Alignment of Forum Projects with APEC Priorities**

- Quantitative analysis of projects (where possible)
- Qualitative analysis of the contributions of the projects to APEC and forum priorities

### **C. Forum Operations**

- Structure of the forum
- Relevance of the Terms of Reference of the forum
- Compliance with APEC policies:
  - Guidelines for Lead Shepherd/Chair and Deputy Lead Shepherd/Chair of APEC Working Groups and SOM Task Forces
  - Policy on Scheduling of Sub-fora Operations to Enhance Effectiveness
- Candidate for streamlining / merger with other APEC fora

### **D. Cooperation**

- With other APEC fora
- With stakeholders
- With other international organizations

## **3. Summary of Recommendations**

List of all recommendations made in the report

## **4. Implementation Advice**

Suggested steps towards implementing the recommendations

## B. APEC Priorities

### Larger APEC Priorities

APEC is the premier Asia-Pacific economic forum. Its primary goal is to support sustainable economic growth and prosperity in the Asia-Pacific region.

APEC is united in its drive to build a dynamic and harmonious Asia-Pacific community by championing free and open trade and investment, promoting and accelerating regional economic integration, encouraging economic and technical cooperation, enhancing human security, and facilitating a favorable and sustainable business environment. APEC initiatives turn policy goals into concrete results and agreements into tangible benefits.

The Three Pillars of APEC's agenda focus on are:

1. Trade and Investment Liberalization
2. Business Facilitation
3. Economic and Technical Cooperation (ECOTECH)

ECOTECH builds the technical capacity of APEC's diverse members to promote trade, investment and robust, secure and sustainable economic growth that widely benefits the region's people. Priorities include strengthening anti-corruption, cross-border education and skills training, emergency preparedness, energy security, environmental protection, defense against pandemics and infrastructure development, among others.

### Bogor Goals (1994)

The **Bogor Declaration**, issued during the 1994 APEC Economic Leaders' Meeting in Bogor, Indonesia established the direction for APEC's progress. APEC sets the Bogor Goals of: "the industrialized economies achieving the goal of free and open trade and investment no later than the year 2010 and developing economies no later than the year 2020".

The main objectives of the Bogor Declarations are:

- Strengthening the open multilateral trading system;
- Enhancing trade and investment liberalization in the Asia-Pacific; and
- Intensifying Asia-Pacific development cooperation.

These are to be achieved through economic cooperation:

- To find cooperative solutions to the challenges of our rapidly changing regional and global economy;
- To support an expanding world economy and an open multilateral trading system;
- To continue to reduce barriers to trade and investment to enable goods, services and capital to flow freely among our economies; and
- To ensure that our people share the benefits of economic growth, improve education and training, link our economies through advances in telecommunications and transportation, and use our resources sustainably.

### APEC Leaders Growth Strategy (2010)

The following is a summary of the Yokohama, Japan, 14 Nov 2010 APEC Leaders' Growth Strategy.

The APEC Leaders agreed on a growth strategy (the "APEC Growth Strategy") as follows:

1. Formulate a Growth Strategy to Match a Changing Economic Environment and that is more balanced, inclusive, sustainable, innovative, and secure;
2. Focus on five desired attributes for economic growth, namely:

- a. **Balanced Growth:** Seek growth across and within APEC economies through macroeconomic policies and structural reforms that will gradually unwind imbalances and raise potential output.
  - b. **Inclusive Growth:** Seek to ensure that all APEC citizens have the opportunity to participate in, contribute to, and benefit from global economic growth.
  - c. **Sustainable Growth:** Seek growth compatible with global efforts for protection of the environment and transition to green economies.
  - d. **Innovative Growth:** Seek to create an economic environment that promotes innovation and emerging economic sectors.
  - e. **Secure Growth:** Seek to protect the region's citizens' economic and physical well-being and to provide the secure environment necessary for economic activity.
3. An Action Plan to guide APEC and its members in aligning critical work with these priorities that encompasses the following critical integrated work elements:
- a. Structural Reform;
  - b. Human Resource and Entrepreneurship Development;
  - c. Green Growth;
  - d. Knowledge-Based Economy;
  - e. Human Security

### APEC ECOTECH Priorities (priorities from 2010 SOM Report on ECOTECH)

In 2010, Senior Officials endorsed a new Framework to Guide ECOTECH activities to guide APEC-funded capacity building and all ECOTECH activities. This framework adopted a holistic approach by:

- Revising APEC ECOTECH priorities
- Introducing a uniform set of criteria for all project funding, where funding is based on the link between proposals and APEC's core objectives.

Within this framework, five areas were identified as medium-term ECOTECH priorities:

- Regional economic integration;
- Addressing the social dimensions of globalisation (inclusive growth);
- Safeguarding the quality of life through sustainable growth;
- Structural reform; and
- Human security.

### SMEWG Strategic Plan 2013 - 2016

**Vision:** The SMEWG shall promote competitive, balanced, inclusive, sustainable, innovative, and secure growth of SMEs and MEs in the APEC region.

Three priority areas:

1. Building Management Capability, Entrepreneurship, and Innovation;
2. Financing; and
3. Business Environment, Market Access and internationalization.

### Annual APEC Host Theme and Priorities

Year	Host Economy	Theme and Priorities
2014	China	<b>Shaping the Future through Asia-Pacific Partnership</b> <ul style="list-style-type: none"> <li>• Advancing regional economic integration;</li> <li>• Promoting innovative development, economic reform and growth; and</li> <li>• Strengthening comprehensive connectivity and infrastructure development.</li> </ul>
2013	Indonesia	<b>Resilient Asia-Pacific, Engine of Global Growth</b>

		<ul style="list-style-type: none"> <li>• Revalidate Bogor Goals;</li> <li>• Achieving Sustainable Growth with Equity by focusing on increasing the competitiveness of SMEs; and</li> <li>• Promoting Connectivity by focusing on investment in infrastructure.</li> </ul>
<b>2012</b>	Russia	<p><b>Integrate to Grow, Innovate to Prosper</b></p> <ul style="list-style-type: none"> <li>• Liberalizing trade and investment &amp; Expanding Regional Economic Integration;</li> <li>• Strengthening Food Security;</li> <li>• Establishing Reliable Supply Chains; and</li> <li>• Foster Innovative Growth.</li> </ul>
<b>2011</b>	USA	<p><b>Toward a Seamless Regional Economy</b></p> <ul style="list-style-type: none"> <li>• Strengthening Regional Economic Integration and Trade and Investment Liberalisation;</li> <li>• Promoting Green Growth; and</li> <li>• Expanding Regulatory Cooperation and Advancing Regulatory Convergence</li> </ul>

### Annual Ministerial Meetings Statements

The following are selected extracts taken from the relevant years' Annual Ministerial Meeting Statements.

**2014 Focus:** We assembled under the theme of "Shaping the Future through Asia-Pacific Partnership", and focused on three priority areas, Advancing Regional Economic Integration, Promoting Innovative Development, Economic Reform and Growth, and Strengthening Comprehensive Connectivity and Infrastructure Development.

**2013 Focus:** Under the APEC 2013 theme of "Resilient Asia Pacific, Engine of Global Growth," we are committed to deepen our efforts towards attaining the Bogor Goals, promoting connectivity, and achieving sustainable growth with equity.

**2012 Focus:** Under the APEC 2012 theme of "Integrate to Grow, Innovate to Prosper" we reviewed the current state of affairs in the Asia-Pacific region. We reiterate our strong commitment to implement 2010 and 2011 Leaders' instructions to achieve balanced, inclusive, sustainable, innovative and secure growth, and to build a seamless regional economy by strengthening regional economic integration, expanding trade, promoting green growth, and advancing regulatory coherence. With these goals in mind, we discussed a number of outlined below issues under the APEC priority areas for 2012.

- Trade and Investment Liberalization, Regional Economic Integration;
- Strengthening Food Security
- Establishing Reliable Supply Chains
- Intensive Cooperation to Foster Innovative Growth

**2011 Focus:** In 2011, our focus is on achieving concrete and meaningful results to translate this vision into reality. With this goal in mind, we discussed the following outcomes under APEC's three priority areas for 2011.

- Strengthening Regional Economic Integration and Expanding Trade
- Promoting Green Growth
- Advancing Regulatory Convergence and Cooperation
- Addressing Key Cross-Cutting Issues



## SME Ministerial Meeting Statements

The following are selected extracts taken from the relevant years' SME Ministerial Meeting Statements.

**2014 Focus:** 21st APEC SMEEMM theme "**Innovation and Sustainability**", emphasized the great significance of innovative development to SMEs and made a commitment to encourage increasing the innovation capacities of SMEs, improving the policy environment for innovation and promoting SMEs growth through innovation. Sub-themes included:

- Promoting Technology Cooperation among SMEs in a Practical Manner;
- Facilitating Ethical Business Environments for SMEs; and
- Strengthening Dialogue with the Business Sector.

**2013 Focus: SME Global Competitiveness** is a key to enable SMEs in the APEC region to actively participate toward a common goal of integration and development of the economic potential of APEC. The SME Global Competitiveness theme includes the following sub-themes:

- Entrepreneurship Development for SMEs;
- Increasing Access to Finance for SMEs; and
- Empowering SMEs to Expand to International Market.

**2012 Focus: Promoting SME Cooperation for Innovative Growth in the APEC Region.**

Advancing SME cooperation for innovative growth can be enhanced through promoting start-ups, considering it is the most important stage of entrepreneurship. Sub-themes included:

- Assisting SMEs and MEs in Internationalization and Supporting Export-Oriented SMEs and MEs;
- Fostering Innovative SMEs and MEs; and
- Supporting Start-Ups and Young Entrepreneurs.

**2011 Focus: Leveraging Partnerships with APEC Small Businesses to Foster Innovation and Create an Entrepreneurial Society.** Sub-themes included:

- Embracing Business Ethics to Enhance SMEs' Competitiveness;
- Promoting SMEs' Use of New Technologies to Reduce the Costs of Doing Business; and
- Identifying Policies to Support Green SMEs.

## C. Table of APEC SMEWG Projects

Title	Number	Proposed By	Total value '000	Non-APEC funding '000	Funding source
<b>2014 Projects</b>					
APEC SME Business Forum 2014	SME 01 2014S	China	180	180	Self-funded
APEC Public-Private Dialogue on Facilitating SMEs Goods and Services Providers and Exporters to Better Integrate into Regional and International Markets	SME 06 2014A	Viet Nam	168	32	APEC Support Fund
Facilitating SME Trade through Better Understanding of Non-Tariff Measures in the Asia-Pacific Region	SME 03 2014	Philippines	198	36	Operational Account
Supply Chain Capacity Building for SMEs - Supply Chain Management, Cold Chain Storage and Technical Regulations	SME 04 2014	United States	146	73	Operational Account
APEC Accelerator Network for Early-Stage Investment	SME 01 2014	Chinese Taipei	245	143	Operational Account
APEC Start-Ups Conference III 2014 - Global Thinking to Make Global Business	SME 02 2014	Peru	194	86	Operational Account
Assisting Women-Owned SMEs Access the Global Market	SME 02 2014S	Australia	100	100	Self-funded
APEC SME Business Matching and Internship Consortium for Global Value Chain Integration	SME 05 2014A	Philippines	165	51	APEC Support Fund
<b>2013 Projects</b>					
APEC Train-the-Trainer Training Course for Women SME Service Exporters	SME 11 2013	Viet Nam	152	25	Operational Account
APEC Public-Private Dialogue on Addressing Impediments of Small and Medium Sized Enterprises (SMEs) and Micro Enterprises (MEs) in Accessing Trade Finance	SME 06 2013	Viet Nam	153	15	Operational Account
APEC Green Business Forum - Preparing SMEs for International Green Supply Chain	SME 08 2013A	Korea	89	13	APEC Support Fund
Facilitation of Women's Entrepreneurship with the Use of the One Village One Product (OVOP) Method for SME Development in the APEC Region	SME 09 2013A	Japan	149	93	APEC Support Fund

APEC Start-up Accelerator Initiative - Start-up Leadership Summit 2013	SME 01 2013	Chinese Taipei	276	147	Operational Account
Directory of Initiatives Used by APEC Economies to Assist SMEs' Access to Global Markets (Directory of Initiatives to Support SME Exporters)	SME 02 2013	Australia	19	00	Operational Account
The Promoting Innovation Seminar - How Smart IPR Policies Can Encourage SMMEs' Research and Development	SME 04 2013A	Thailand	82	2	APEC Support Fund
Research and Assessment of Prospects for Development of An Integrated Information Tool to Stimulate Involvement of SMEs of the Asia-Pacific Region into the Global Trade System, Global Production and Supply Chains	SME 05 2013A	Russia	140	40	APEC Support Fund
Financing APEC SME Innovation Workshop: Identifying Government Policies that Promote Venture Capital investment in APEC Economies	SME 03 2013A	Thailand	82	2	APEC Support Fund
The 8th APEC Small and Medium Enterprises Technology Conference and Fair (APEC SMETC)	SME 01 2013S	China	800	800	Self-Funded
SME Seminar on Cross Border Trade (CBT) in APEC Region	SME 07 2013A	Indonesia	84	15	APEC Support Fund
APEC Business Ethics Forum - Building the Ethics Capacity of SMEs	SME 14 2013A	United States	481	142	APEC Support Fund
APEC Start-up Accelerator Initiative – APEC Accelerator Network (AAN)	SME 10 2013	Chinese Taipei	311	183	Operational Account
The Seminar of Financing Innovation of Small and Medium-Sized Enterprises (SMEs)	SME 13 2013A	China	120	20	APEC Support Fund
Integrating SMEs into Global Value Chains	SME 12 2013A	United States	91	22	APEC Support Fund
<b>2012 Projects</b>					
Seminar on the dynamics of SME - Informality and Women Entrepreneurship	SME 06 2012A	Indonesia	72	11	APEC Support Fund
APEC Carbon-Labeling Workshop	SME 07 2012A	Korea	97	20	APEC Support Fund
Start-Up APEC Conference II 2013 - Business to Global Market	SME 05 2012	Peru	143	30	Operational Account
APEC SME Trade Finance	SME 02	United	124	37	Operational

Conference	2012	States			Account
APEC SME Workshop on Reducing High Transportation and Related Costs	SME 01 2012A	Chinese Taipei	80	14	APEC Support Fund
Green Technology Initiative - Establishing Green Technology Innovation Network to Support SME Development	SME 04 2012A	Indonesia	170	51	APEC Support Fund
APEC International Symposium and Workshop on Enhancing the Competitiveness of SMEs through the Innovative Cooperative Business Model	SME 03 2012	Peru	169	39	Operational Account
<b>2011 Projects</b>					
Business Ethics Capacity Building for SMEs in the Medical Devices, Construction and Bio-Pharmaceutical Sectors	MYP SCE 01 2011A	United States	1,210	753	APEC Support Fund
Improving Natural Disaster Resilience of APEC SMEs to Facilitate Trade and Investment	MYP SCE 02 2011A	Chinese Taipei	833	433	APEC Support Fund
APEC Global OVOP Support Measure Best Practices	SME 03 2011A	Japan	195	100	APEC Support Fund
Green Initiative Workshop 2	SME 08 2011A	Korea	143	15	APEC Support Fund
International Workshop and Training "the Role of Business Incubators in Developing Green Technology-Based SMEs"	SME 04 2011A	Indonesia	90	14	APEC Support Fund
APEC Workshop on SMEs' Access to Technology	SME 06 2011A	Indonesia	60	7	APEC Support Fund
APEC Start-Up Conference	SME 09 2011A	Korea	168	60	APEC Support Fund
Green Initiative Study and Workshop	SME 05 2011A	Korea	100	20	APEC Support Fund
Seminar on Developing Business Value Proposition through Innovation for Young Entrepreneurs	SME 07 2011A	Malaysia	188	81	APEC Support Fund
APEC Codes of Business Ethics in Sectors of Export Interest	SME 01 2011	United States	351	203	Operational Account
Ease of Doing Business Seminar on Women's Entrepreneurship	SME 02 2011T	United States	151	107	TILF Special Account

## D. Table of APEC SMEWG Publications

Title	Year	ISBN	Publication no	No times accessed <sup>4</sup>
<b>2014 Publications</b>				
Enhancing the Competitiveness of SMEs through the innovative Cooperative Business Model (CBM)	2014	-	APEC#214-SM-01.1	43,360
APEC Train-the-Trainer Training Course for Women SME Service Exporters – Summary Report	2014	-	APEC#214-SM-01.4	38,779
Financing APEC SME Innovation Workshop: Identifying Government Policies that Promote Venture Capital Investment in APEC Economies	2014	-	APEC#214-SM-01.5	1,903
Promoting APEC SME Innovation through Smart IPR Policy: How Smart IPR Policies Can Encourage SMMEs' Research and Development	2014	-	APEC#214-SM-01.6	563
<b>2013 Publications</b>				
Guidebook on SME Business Continuity Planning	2013	-	APEC#213-SM-03.1	51,199
Directory of initiatives to assist small and medium enterprises access global markets	2013	-	APEC#213-SM-03.2	12,905
<b>2012 Publications</b>				
APEC Workshop on SME's Access to Technology	2012	-	APEC#212-SM-01.1	1,612
The Green Initiative: Second Cycle of Daegu Initiative	2012	-	APEC#212-SM-01.2	1,154
<b>2011 Publications</b>				
Supply Movement Framework and Tools (Phase IV of Models for Supporting Women's Micro-Enterprise Development)	2011	-	APEC#211-SM-01.1	18,305
Promoting Sustainable, Market-based Microfinance: Viet Nam Case Study and Lessons Learned for APEC Economies	2011	-	APEC#211-SO-01.4	15,352
Promoting Commercially Sustainable Microfinance for the Underserved	2011	-	APEC#211-SO-01.3	22,227
Study on SME Internationalisation Best Practices Across Selected APEC Economies	2011	-	APEC#211-SM-01.2	16,403
Phase 3 of Three-Phase Study on SME Internationalisation across APEC	2011	-	APEC#211-SM-01.3	9,476

<sup>4</sup> No of times accessed was measured on April 13<sup>th</sup> 2015.

Economies				
The Role of Business Incubators in Developing Green Technology-Based SMEs	2011	978-981-07-0609-8	APEC#211-SM-01.5	7,351
Popular Book: Role of Business Incubators in Developing Green Technology-Based SMEs	2011	-	APEC#211-SM-01.6	8,029
Best Practice Guide Improving Business Regulation In APEC Member Economies	2011	978-981-07-0210-6	APEC#211-SM-03.1	8,434
Research Study of the Main Benefits of Investing in the use of ICT in Selected Economies	2011	-	APEC#211-SM-01.7	4,857
2011 APEC SME Green Innovation Conference	2011	-	APEC#211-SM-07.1	760

## E. Table of APEC SMEWG Calendar of Events

Date	Event	Location
<b>Year 2014</b>		
<b>March</b>		
24 Mar 2014	Workshop on Integrating SMEs into Global Value Chains	Taichung, Chinese Taipei
24 Mar 2014	APEC High Level Policy Dialogue on Resilient SMEs for Better Global Supply Chains	Taichung, Chinese Taipei
25 Mar 2014	APEC Accelerator Network Forum	Taichung, Chinese Taipei
26 - 27 Mar 2014	38th APEC Small and Medium Enterprises Working Group (SMEWG) Meeting	Taichung, Chinese Taipei
27 - 29 Mar 2014	APEC Public - Private Dialogue on Addressing Impediments of SMEs in Accessing Trade Finance	Ha Noi, Viet Nam
<b>April</b>		
23 - 24 Apr 2014	Train-the-trainers workshop on Promoting SME Business Continuity Plan	Jakarta, Indonesia
<b>June</b>		
17 Jun 2014	APEC Construction Stakeholders Awareness Workshop	Manila, Philippines
17 - 18 Jun 2014	APEC Train-the-Trainer Training Course for Women SME Service Exporters	Ho Chi Minh City, Viet Nam
18 - 19 Jun 2014	Financing APEC SME Innovation Workshop: Identifying Government Policies that Promote Venture Capital Investment in APEC Economies	Bangkok, Thailand
19 - 22 Jun 2014	8th APEC SME Technology Conference and Fair (SMETC)	Yiwu City, Zhejiang Province, China
21 Jun 2014	APEC Seminar of Financing Innovation of SMEs	Yiwu City, Zhejiang Province, China
<b>August</b>		
6 - 7 Aug 2014	APEC Accelerator Network Summit 2014 and Intel Asia Pacific Challenge & Siemens New Ventures Forum, with APEC	Taipei, Chinese Taipei
<b>September</b>		
1 Sep 2014	APEC Seminar of Financing Innovation of SMEs	Nanjing, China
2 Sep 2014	APEC Business Ethics Forum: Building the Ethics Capacity of SMEs	Nanjing, China
3 - 4 Sep 2014	39th Small and Medium Enterprises Working Group Meeting	Nanjing, China

5 Sep 2014	21st Small and Medium Enterprises Ministerial Meeting (SMEEMM)	Nanjing, China
TBC	Promoting Innovation Seminar: How Smart IPR Policies Can Encourage SMMEs' Research and Development	Bangkok, Thailand
<b>October</b>		
28 - 29 Oct 2014	APEC Start Ups Conference III 2014- Global thinking to make global business	Lima, Peru
<b>December</b>		
TBC	APEC Construction Stakeholders Awareness Workshop	Manila, Philippines
<b>Year 2013</b>		
<b>March</b>		
<b>11 Mar 2013</b>	APEC Small and Medium Enterprise (SME) Trade Finance Conference	Makati City, Philippines
<b>12 Mar 2013</b>	2nd APEC Focal Point Network and Expert Meeting on Improving SME Disaster Resilience	Makati City, Philippines
<b>13 - 14 Mar 2013</b>	36th Small and Medium Enterprises Working Group Meeting	Makati City, Philippines
<b>August</b>		
<b>5 - 9 Aug 2013</b>	APEC Train-the-Trainer Workshop on Promoting SME Business Continuity Plans	Taipei, Chinese Taipei
<b>13 Aug 2013</b>	APEC Start-up Accelerator Leadership Summit	Taipei, Chinese Taipei
<b>14 Aug 2013</b>	Intel APEC Challenge	Taipei, Chinese Taipei
<b>26 - 30 Aug 2013</b>	APEC SME Train-the-Trainer Workshop for Voluntary Codes of Business Ethics in the Medical Device, Biopharmaceutical and Construction Sectors	Kuala Lumpur, Malaysia
<b>September</b>		
<b>3 Sep 2013</b>	APEC Healthcare Stakeholders Awareness High-Level Workshop: Fostering Ethical Business Environments in the Medical Device and Biopharmaceutical Sectors (USA)	Bali, Indonesia
<b>4 - 5 Sep 2013</b>	37th Small and Medium Enterprises Working Group (SMEWG) Meeting	Bali, Indonesia
<b>4 Sep 2013</b>	Seminar on the Dynamics of Small and Medium Enterprise (SME): Informality and Women Entrepreneurship	Bali, Indonesia
<b>4 Sep 2013</b>	Women's One Village One Product (OVOP) Seminar	Bali, Indonesia
<b>7 Sep 2013</b>	20th Small and Medium Enterprises Ministerial Meeting (SMEEMM)	Bali, Indonesia



<b>7 Sep 2013</b>	Joint Small and Medium Enterprises (SME) and Women Minister Meeting	Bali, Indonesia
<b>24 - 25 Sep 2013</b>	Start-up APEC Conference II 2013: Business to Global Market Workshop (S SME 0512)	Lima, Peru
<b>November</b>		
<b>19 - 20 Nov 2013</b>	International Symposium and Workshop – Enhancing the Competitiveness of SMEs through the innovative cooperative business model	Lima, Peru
<b>Year 2012</b>		
<b>April</b>		
<b>23 - 26 Apr 2012</b>	34th Small and Medium Enterprises Working Group Meeting	Brunei Darussalam
<b>June</b>		
<b>11 - 12 Jun 2012</b>	APEC Start-up Conference: Start-up APEC, booting-up Economy	Seoul, Korea
<b>July</b>		
<b>29 - 31 Jul 2012</b>	Drafting Voluntary Codes of Business Ethics for the Biopharmaceutical Sector	St. Petersburg, Russia
<b>August</b>		
<b>1 - 2 Aug 2012</b>	Meeting of Small and Medium Enterprises Working Group	St. Petersburg, Russia
<b>3 Aug 2012</b>	Small and Medium Enterprises Ministerial Meeting	St. Petersburg, Russia
<b>16 Aug 2012</b>	2012 Green Freight Seminar	Chinese Taipei
<b>Year 2011</b>		
<b>April</b>		
<b>19 - 20 Apr 2011</b>	APEC SME Green Innovation Conference: "Green SMEs: Champions of APEC's New Growth"	Seoul, Korea
<b>May</b>		
<b>7 - 21 May 2011</b>	Senior Officials' Meeting 2 and Related Meetings	Big Sky, Montana, United States
<b>July</b>		
<b>20 - 22 Jul 2011</b>	Annual Meeting of the APEC Financial Institutions dealing with SMEs	Mexico
<b>August</b>		
<b>16 - 17 Aug 2011</b>	APEC Symposium on Enhancing SME Capacity of Managing the Risks Associated with Trade Liberalization	Taipei, Chinese Taipei

<b>September</b>		
<b>26 - 28 Sep 2011</b>	Business Ethics for the Bio-Pharmaceutical Sector	Mexico City, Mexico
<b>27 - 29 Sep 2011</b>	APEC workshop and training on the Role of Business Incubator in developing green technology-based SMEs	Yogyakarta, Indonesia
<b>5 - 7 Oct 2011</b>	Business Ethics for the Construction Sector	Hanoi, Viet Nam
<b>25 - 26 Oct 2011</b>	International Seminar and Workshop on Policies to Promote the Use of ICTs by SME Experiences in APEC Economies	Lima, Peru
<b>November</b>		
<b>1 Nov 2011</b>	Green Initiative Workshop	Bangkok, Thailand
<b>1 Nov 2011</b>	Workshop on Innovation, Entrepreneurship, and Cloud Computing	Bangkok, Thailand
<b>2 Nov 2011</b>	Workshop on APEC Innovative / Creative Clusters: Trends and Emerging Issues for Policy Makers	Bangkok, Thailand
<b>2 Nov 2011</b>	Seminar on APEC Global "One Village One Product" Models: Best Practices of OVOP targeting Global Market	Bangkok, Thailand
<b>3 - 4 Nov 2011</b>	33rd Small and Medium Enterprises Working Group Meeting	Bangkok, Thailand
<b>TBC</b>	Workshop on SME Financing	Shanghai, China
<b>December</b>		
<b>13 Dec 2011</b>	Workshop on Innovation, Entrepreneurship, and Cloud Computing	Bangkok, Thailand
<b>13 Dec 2011</b>	Green Initiative Workshop	Bangkok, Thailand
<b>14 Dec 2011</b>	APEC Innovative / Creative Clusters: Trends and Emerging Issues for Policy Makers	Bangkok, Thailand
<b>14 Dec 2011</b>	APEC Global "One Village One Product" Seminar - Success Factors of OVOP Targeting Global Market	Bangkok, Thailand
<b>15 - 16 Dec 2011</b>	33rd Small and Medium Enterprise Working Group (SMEWG) Meeting	Bangkok, Thailand

## F. Types of SMEWG Projects and Strategic Alignment

SMEWG Project	APEC 3 Pillars			SMEWG Strategic Plan 2013 - 2016								Type of Project				Other Fora involved
	Trade & Investment Lib.	Business Facilitation	Eco. & Tech. Coop. (ECO/TECH)	Building management capacity, Entrepreneurship & innovation				Financing		Business Env., Market Access & internationalization		Workshop, forum etc.	Study, Database	Training Program	Reform programs	
				Start-ups etc.	Innovation	Green growth	Business resilience	Awareness	Strengthen Access	Transparency etc.	Internationalization					
SME 01 2014																
SME 01 2014S																
SME 02 2014																
SME 02 2014S																
SME 03 2014																
SME 04 2014																
SME 05 2014A																
SME 06 2014A																
SME 01 2013																
SME 01 2013S																
SME 02 2013																
SME 03 2013A																
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SME 05 2012																
SME 06 2012A																
SME 07 2012A																
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SME 02 2011T																
SME 03 2011A																
SME 04 2011A																
SME 05 2011A																
SME 06 2011A																
SME 07 2011A																
SME 08 2011A																
SME 09 2011A																
<b>Total</b>	<b>0</b>	<b>7</b>	<b>34</b>	<b>11</b>	<b>6</b>	<b>6</b>	<b>1</b>	<b>3</b>	<b>0</b>	<b>5</b>	<b>9</b>	<b>30</b>	<b>7</b>	<b>3</b>	<b>1</b>	<b>2</b>

Source: APEC Database, SMEWG project proposals.

In making the assessment for each of the four categories above, the project proposals were examined slightly different:

- For assessing where projects fitted within the three APEC pillars a judgement was made based on reading the document and an understanding of what the three pillars included;

- For alignment with SMEWG Strategic Plan, the proposal could self-identify or if this was not clear a reading of the document was used to most accurately place it in one of the eight objectives;
- For categorising the type of project, four broad categories were developed and again, based on reading of the document a judgement was made. Some projects could fit under more than one category but were fitted where it only under one heading. Workshops was a general category that included, seminars, conferences and other various types of gatherings.
- Finally the identification of whether other fora were involved was determined by whether this section of the project proposal was filled in. In many cases the proposal showed that there was significant consideration of gender issues and targeting of women as part of the design.

## G. Evaluation of Project Completion Reports

SMEWG Project's Completed	Objectives	Outputs	Outcomes
SME 02 2014			
SME 14 2013A			
SME 13 2013A			
SME 12 2013A			
SME 11-2013			
SME 10 2013			
SME 08 2013A			
SME 07 2013A			
SME 06-2013			
SME 04 2013A			
SME 03 2013A			
SME 01 2013			
SME 07 2012A			
SME 06 2012A			
SME 05 2012			
SME 03 2012			
SME 01 2012A			
SME 09 2011A			
SME 08 2011A			
SME 07 2011A			
SME 06 2011A			
SME 05 2011A			
SME 04 2011A			
SME 03 2011A			
SME 02 2011T			
SME 01 2011			
<b>Green: Report clearly described achievements</b>	8	10	1
<b>Amber: Report was ambiguous about what was achieved</b>	13	9	8
<b>Red: Report did not make it clear what was achieved</b>	5	7	17
<b>Total No. of Projects</b>	<b>26</b>		

**Note:** Criteria used to judge: Report:

- For Objectives: a) identify what the objectives were and b) describe how it met these;
- For outputs: List measurable/observable outputs with some level of detail;
- For outcomes: a) list outcomes and b) how they are attributed to the project's activities.

## H. SMEWG Survey Instruments and Results

### SMEWG Delegate's Survey 2015

Economic Development Services Pty Ltd has been commissioned by APEC to carry out an independent assessment of APEC's Small and Medium Enterprise Working Group (SMEWG). As part of the review **we seek your help in evaluating the SMEWG.**

It should take you no more than 15 minutes to complete this very short survey.

**Please fill in the survey below, save it and email back**

In which APEC Economy do you live: [Click here to enter text.](#)

Gender:  Male  Female

Affiliation: Choose an item.

Looking back over the last four years (2011 to 2014) and using a scale from 1 to 10, with 1 being the lowest and 10 the highest score, how well has the SMEWG performed in regards to the following:

No.	SMEWG performed in regards to:	Average Score
1	SMEWG supporting APEC goal of sustainable economic growth and prosperity in the Asia-Pacific region	7.5
	APEC's three pillars:	7.3
	g) Supporting APEC's agenda of Trade and Investment Liberalization	7.9
	h) Supporting APEC's agenda of Business Facilitation	7.5
	i) Supporting APEC's agenda of Economic and Technical Cooperation (ECOTECH)	7.5
2	SMEWG contributing to Leaders and Ministerial objectives (as set out in Leaders and Minister's statements, e.g. Bogor Goals (1994), APEC Leaders Growth Strategy (2010) and AMM statements and Sectoral Ministerial statements)	7.4
3	SMEWG Projects:	8.3
	g) Project <b>selection</b> aligning with APEC Priorities	8.2
	h) Project <b>activities</b> aligning with APEC Priorities	7.6
	i) Projects making a <b>noticeable contribution</b> to APEC's goals (as described in question 1 above)	7.8
4	Implementation of SMEWG strategic plan 2013-2016	7.8

<b>5</b>	<b>Effective operations</b> of the SMEWG forum	7.8
<b>6</b>	Cooperation with other APEC fora	7.1
<b>7</b>	Cooperation with APEC Business Advisory Council	7.3
<b>8</b>	Cooperation with the private sector (SMEs, business associations etc.)	7.0
<b>9</b>	Cooperation with civil society	6.3
<b>10</b>	Cooperation with other international organisations (UN, EU etc.)	6.3
<b>11</b>	Considering gender in accordance with directions outlined by the Policy Partnership on Women and the Economy	7.3

**Using the above questions as a guide, how could the SMEWG be more effective and/or efficient in terms of its functions and operations?**

**Any other comments you may wish to make in regards to APEC SMEWG?**

## SMEWG Project Participants / Overseer Survey 2015

Economic Development Services Pty Ltd has been commissioned by APEC to carry out an independent assessment of APEC's Small and Medium Enterprise Working Group (SMEWG). As part of the review ***we seek your help in evaluating SMEWG Projects.***

This quick survey should take no more than 10 minutes to complete.

**Please fill in the survey below, save it and email back**

In which APEC Economy do you live: [Click here to enter text.](#)

Gender:  Male  Female

Affiliation: Choose an item.

Looking back at your experience in managing one or more SMEWG Project and using a scale from 1 to 10, with 1 being the lowest and 10 the highest score, how well has the SMEWG Project performed in regards to the following (leave blank any question that does not apply to you):

No.	How well did the SMEWG Project perform in regards to:	Overseers Average	Participants Average
<b>1</b>	How <b>relevant</b> was the Project for:		
	j) Small & Medium Enterprises (SMEs) in your economy	9.0	7.9
	k) Supporting trade and investment liberalisation	6.5	7.1
	l) Supporting business facilitation	7.6	7.3
<b>2</b>	How useful was the Project for networking	8.3	7.8
<b>3</b>	How well was the Project <b>organised</b> in terms of:		
	j) Relevant event and/or speakers	8.8	8.1
	k) Efficient management of event(s)	8.8	8.3
	l) Producing and making available final outputs	8.8	8.0
<b>4</b>	To what extent were gender issues considered in the design or implementation of the project	7.4	7.2
<b>5</b>	How useful was the Project for you personally	8.3	8.3
<b>6</b>	How useful was the Project for your organisation	8.7	7.8
<b>7</b>	How often (if at all) have you recommended the outputs from the Project to others	7.3	6.7



**In your experience, what could be done to make SMEWG Projects more effective and/or efficient?**

Enter text here...

**Any other comments you may wish to make in regards to SMEWG Projects?**

Enter text here...