

15th APEC SMALL AND MEDIUM ENTERPRISES MINISTERIAL MEETING

CHICLAYO, PERU- 28- 29 AUGUST 2008

JOINT MINISTERIAL STATEMENT

"Sustainable Local Development to Foster SMEs Growth"

1. APEC Ministers and their representatives responsible for SMEs gathered in Chiclayo, Peru from 28 to 29 August 2008.¹

Sustainable Local Development to Foster SMEs Growth

2. The policy theme of the meeting was "Sustainable Local Development to Foster SMEs Growth" which complemented Peru's APEC 2008 theme of "A New Commitment to Asia-Pacific Development".
3. Ministers agreed to promote policy, business and regulatory environments that foster the establishment, growth and development of MEs and SMEs. Ministers emphasized the importance of fostering SME growth as part of sustainable economic development strategies. Ministers discussed policies designed to support SME development and reduce poverty within local communities across a range of areas including sustainable environmental initiatives, corporate social responsibility, innovation management, public-private partnerships and regional economic integration.
4. Local development strategies that cover economic, social and labor aspects create a good governance framework conducive to SMEs. Ministers commended the holding of the "APEC High Level Meeting on Driving SMEs to Promote Local Development" held in Kaohsiung, Chinese Taipei in April 2008 and encouraged economies to adopt best practice principles for local development.

New SMEWG Strategic Plan

5. Ministers endorsed the new four-year SMEWG Strategic Plan 2009-2012, and agreed that projects endorsed by the SMEWG will be linked to advancing at least one of the priorities identified in the Strategic Plan. The Strategic Plan complements the 1998 SME Integrated Plan of Action (SPAN) which was endorsed by the Leaders in Malaysia, and later the framework was enhanced in Mexico in 2002.
6. Ministers also took note that the key performance indicators (KPIs) for the Strategic Plan will be developed by the next SMEWG meeting in Thailand.
7. Ministers recognized the specific challenges faced by youth, women and minority-led SMEs and supported the inclusion of "Youth, Women and Minorities" as the cross-cutting theme within the priorities of the Strategic Plan. Ministers agreed to continue inter-fora collaboration between the SMEWG and the Gender Focal Point Network (GFPN).

¹ The meeting was also attended by the APEC Senior Official for Peru, the Executive Director of the APEC Secretariat and the APEC Business Advisory Council (ABAC). The Gender Focal Point Network (GFPN) and the Women Leaders' Network (WLN) attended as invited guests.

8. Ministers endorsed the following six priority areas to guide the work of the SMEWG for 2009-2012:
 - i. Business Environment
 - ii. Building Management Capability and Promoting Entrepreneurship
 - iii. Market Access and Internationalization
 - iv. Innovation
 - v. Financing
 - vi. Raise Awareness of Sustainable Business Practices

SMEWG Activities

9. Ministers recognized the work done by the APEC SME Consumer Education Protection Initiative (CEPI) since its inception in 1999 and welcomed receiving information on its 10-year anniversary regional program in 2009.
10. Ministers agreed with APEC Telecommunications Ministers Declaration (TELMIN 7 Bangkok 2008) that “ensuring universally accessible ICT infrastructure and services to bridge the digital divide is crucial to our future social and economic prosperity.” Ministers recognized that SMEs play a valuable role in bridging this divide.
11. Ministers agreed that the SMEWG should continue its focus on promoting and encouraging innovation management in SMEs and welcomed initiatives such as the APEC MSME Innovation Management Seminar and the Daegu Initiative.
12. Ministers commended the APEC SME Innovation Center on its activities to promote SME innovation since its inception in 2006. Ministers also encouraged member economies to more actively join the Daegu Initiative to conduct voluntary self-assessment on the progress of SMEs innovation in 2010.
13. Ministers welcomed the increasing levels of awareness of Corporate Social Responsibility (CSR) in the Asia-Pacific region. CSR is gradually being recognized as an important part of a sound long-term business strategy and corporate governance. Ministers agreed that the implementation of CSR practices by SMEs can impact positively on their competitiveness and requested the SMEWG to identify the best ways to integrate awareness of CSR for SMEs into SMEWG activities.
14. Ministers welcomed Peru’s initiative to make the SMEMM, SMEWG and related meetings in Chiclayo carbon neutral and encouraged similar arrangements for future meetings, as appropriate.
15. Ministers welcomed the update on work related to Pandemic Preparedness for SMEs since their last meeting in March 2007. They recognized the need for on-going education and supported the translation of materials into Spanish.

Co-operation and Collaboration with Related Organizations

16. Ministers welcomed the participation of the GFPN, APEC Business Advisory Council (ABAC), and the Women’s Leaders Network (WLN), and noted their role in advancing APEC’s SME agenda and encouraged wider collaboration in areas of mutual interest.
17. Ministers appreciated the effort of ABAC for holding the Second ABAC SME Summit in Hangzhou, China, August 2008 and a second session to be held in Lima, Peru, November 2008. Ministers welcomed the ABAC statement on SMEs that urges APEC to continue to give

importance to SME development by implementing special support programs on technological infrastructure, financing capacity building, and training.

18. Ministers welcomed the current OECD Innovation Strategy. While recognising the importance of the local dimension of entrepreneurship and SME performance, Ministers encouraged the SMEWG to continue its cooperation with the OECD, especially in the areas of Globalisation, Entrepreneurship and SMEs. This will build on the successful joint initiative on SME Access to International Markets.

APEC 2009 SME Theme and Sub-Themes

19. Ministers noted that the APEC 2009 SME theme will be “Helping SMEs Access Global Markets and Overcoming Trade Barriers” with the sub-themes:

- Market liberalization to enhance market access amongst SMEs in member economies
- Facilitate business collaboration by encouraging cross-border networks/platforms
- Support for SME internationalization

20. Ministers also noted that the next SME Ministerial Meeting will be held in Singapore in October 2009.

Way Forward

21. Ministers adopted the “Chiclayo Joint Ministerial Statement on Sustainable Local Development to Foster SME Growth” and agreed to give effect to it, where practicable, in their economies.
22. Ministers agreed to present the Chiclayo Joint Ministerial Statement at the Economic Leaders’ Meeting and Ministerial Meeting in Lima, Peru in November 2008.
23. Ministers requested that the SMEWG report on the progress of the finalization and implementation of its Strategic Plan at the 16th SMEMM to be held in Singapore in October 2009.