**APEC High Level Meeting on
Driving SMEs' Growth to Promote Local Development**

Chinese Taipei, 31 March – 1 April 2008

Opening Remarks

APEC High Level Meeting on Driving SMEs' Growth to Promote Local Development

Salutations to:

Mr. Yeng-Shiang SHIH, Deputy Minister of Economic Affairs, Chinese Taipei.
Mr. Tai-San CHIU, Vice Mayor of Kaohsiung, Chinese Taipei.
Mr. J ohann Spitzer, Acting Chair of S MEWG and Dir ector G eneral of Industry, Min istry of Production, Peru.
Mr. Robert LAI, Director General, Small and Medium Enterprise Administration of Chinese Taipei.

Main Ideas/Introduction:

- SMEs promote private ownership, stimulate innovations and d evelop entrepreneurial skills.
- Their flexibility enables them to match quick changes in market demands.
- They g enerate t he ma jority of jobs , pr omote diversification o f e conomic ac tivities, support sustainable development and make a significant contribution to exports and trade.
- SMEs a re t he ke y pl ayers in l ocal e conomy an d also a ke y force to lo cal development.
- SMEs bring employment and prosperity to local society
- SMEs are able to increase social cohesion and stability in the communities
- Local env ironment conducive to SMEs ' g rowth is need ed in order to g rasp the advantage brought by them.
- SMEs' contribution t o local development depends on a g ood governance and policy environment on the local level.

Background:

- In 2003 SME Min isterial Mee ting, th e Minis ters en couraged member economies to expand the local sponsorship of investment fora on a regional basis and supported the development of regional networking conferences and activities where venture markets are already advanced.
- In 2003 AMM, the Ministers also commended the initiative to promote micro-enterprises development with emphasis on economic growth and shared prosperity.
- In 2004 SME Ministerial Meeting, the Ministers identified the need for member economies to continue t heir efforts to s trengthen b oth the loc al and international mark ets to which SMEs provide products and services through the removal of regulatory impediments to business development and trade.
- In 2006 SME Ministerial Meeting, the Ministers recognized the importance to assist those SMEs and micro-enterprises in local cultural industries that have high potential but lack a channel to conduct export.
- In 2006 AMM, t he Minis ters stre ssed the ne ed to realiz e the potential o f loc al communities in the APEC r egion by, amo ng oth ers, p romoting loc al k nowledge and principles that inspire innovation and productivity.
- The Se minar " *One Village One Product"* organized b y Japan in 20 07 referred to th e development of local and cottage industries through sharing experiences.
- CT project 2007 Enhancing the Market Development of Local Cultural Industries in APEC included actions:
    - APEC Local Cultural Industry Virtual Exposition (ALCIVE); action taken to expand markets and conduct export t hrough t he buildup of e-Commerce c apacity a nd transform digital divides into digital opportunities.
    - APEC OVOP Tra ining Workshop on e-Commerce th at seeks to train exporters and assist enterprises in l ocal cultural in dustries in the APEC region to sell their products overseas through e-Commerce.

Importance of the project:

- APEC High Level Meeting on Driving SMEs' Growth to Promote Local Development is a project proposed by Chinese Taipei and co-sponsoring by Peru and Mexico.
- Aim s:
    - explore the local development strategy driven by SMEs in the APEC region,
    - search the best practices guidelines on SMEs and local development especially suitable for the APEC economies.
- Good opportunity to exchange their experience on the SMEs and local development and discuss the ways to promote SMEs growth in the local context.

Beneficiaries:

- Local community that provides guidance to S MEs and creates a favorable pro-business friendly environment.
- SMEs and Micro enterprises
- National and lo cal a gencies dea ling with SMEs cooperating among them and sharing experiences and best practices.