

COMPENDIUM ON METHODOLOGIES FOR SMES INTERNATIONALIZATION
Proposal by Peru, Malaysia and Mexico
Co-sponsored by the Philippines, Chinese Taipei

Background

In 2015, Leaders adopted the Boracay Action Agenda to Globalize MSMEs and instruct Ministers to implement actions laid out in the Agenda and report their progress to Leaders by 2020.

“MSMEs are significant contributors of economic growth, trade, employment poverty alleviation and innovation, and their internationalization is key to realizing inclusive growth and development”¹. Given the great importance of SMEs in the APEC region as the economy’s backbone, APEC priorities for 2016 were defined to take into consideration the aspect of Modernization of SMEs, including their internationalization.

In 2016, Ministers Responsible for Trade held a special session on SMEs internationalization. The session brought together the participation of the Ministers, and international organizations, corporations, as well as selected SMEs who presented on their successful internationalization experiences. During the discussion, a proposal was mooted for APEC to make a concrete effort in compiling the methodologies on how to position a brand internationally and how to increase its product value in the global markets.

This initiative is envisaged as a contribution to the MSMEs Marketplace established under the Iloilo Initiative. It also addresses Leader’s instructions to implement the Boracay Action Agenda (BBA), and facilitate SMEs access to regional and global markets. Particularly, this initiative will achieve the Common Goals towards 2020 outlined in the BAA, where the indicators include case studies of MSMEs participation in international markets and global value chains, and the increase in internationalization activities. In addition, this compendium will add value to the existing work programme under work stream 5 of the APEC Strategic Blueprint on Global Value Chains on Assisting SMEs to Benefit from GVCs.

Action and objectives

To develop a compendium of APEC best practices, methodologies and successful stories on SMEs internationalization, in order to:

- exchange APEC member’s policies, strategies and measures to achieve SMEs’ internationalization in their economies;
- exchange private sector’s initiatives on:
 - MNCs’ programme to include MSMEs in their GVCs;
 - MSMEs’ own programmes to go global.
- develop a compendium of successful programmes that can be used as reference tool to discuss on an APEC benchmarking methodology;
- align economies’ efforts in positioning SMEs into regional and global markets.

Time Plan

2016

CTI 3 – Discuss proposal and share proposal with SMEWG

¹ Boracay Action Agenda

SOM3 – To take note of the proposal and provide direction intersessionally
 CSOM – Approve proposal

2017

SOM 1 – Discuss template for reporting. Identify, on voluntary basis, the economies that will collaborate to contribute to the compendium

SOM 2 / MRT – Agree on the template for reporting

SOM3/CSOM – Economies to provide their inputs on the reporting template

2018

SOM1 – Present the first draft of the compendium

MRT – Endorse final version of the compendium

SOM3 – Discussion on a possible benchmarking methodology and explore new pilot projects by volunteer economies

2019

Implementation of the Best Practices Methodology for MSMEs Internationalization

SOM3 – Assessment of pilot project implementation

Working mechanism

Contributions to the compendium will be on voluntary basis.

CTI and SMEWG will take the lead of the initiative and coordinate for inputs and relevant contributions to the compendium.

Contributing economies are encouraged to engage their ABACs for inputs and contributions.

Template for reporting

(Proposal to be discuss at CTI1-2017)

A. Executive Summary

B. Methodology (for each programme, if more than one)

- I. Export or MSME Development Programme (definition, objective)
- II. Coordinating institutions/organizations involved in implementing the programme
- III. Company/ies selection process
- IV. Beneficiary/ies selection process
- V. Progressive Implementation of export or MSME development programme,
- VI. Monitoring tools
- VII. Assessment tools, including to analyse the success factors and implementation challenges

C. Successful stories

Company Presentation	(300 words)
Summary	What is the company's business? When and why was it created? (100 words)
	What are the objectives of the company? (100 words)
	What were the challenges the business had to face? (100 words)
	Which have been the achievements reached? (100 words)
	How did the public institution responsible for promoting exports helped with the development of the business? (100 words)
	Was there any programme developed by MultiNational Companies that helped your business to grow global? (100 words)
	Was there any financial assistance for your business? If yes, what kind of assistance?
	How did you prepare your business to go global? (100 words)
Beneficiaries' report	Case #1: (130 words). Case #2: (130 words) Case #3: (130 words)
Highlights (<i>milestones, major events, achievements</i>)	Case #1: (300 words) Results: Case #2: (300 words) Results: Case #3: (300 words) Results:
Infographic or time line	Include an infographic illustrating the business performance
Future steps and comments	(600 words)