

SMALL AND MEDIUM ENTERPRISES WORKING GROUP TERMS OF REFERENCE

2025-2028

Introduction

The Terms of Reference give the guiding principles on how the Group operates.

SMEWG Strategic Plans set out the Group's vision, mission and priorities, as well as the implementation plan over the relevant period.

Priorities and Objectives

SMEWG priorities and objectives are developed in the four-year Strategic Plan.

Each year the group establishes a work plan comprising deliverables, activities, projects and outcomes aimed at advancing the priorities established in the Strategic Plan.

Structure

Each economy determines the composition of its delegation to the SMEWG. For the APEC SME Ministerial Meeting, Ministers responsible for SMEs should attend.

The Group responds to other APEC reform or review processes as required.

Leadership

The Chair of the Working Group will rotate among economies in an alphabetical order for a two-calendar year term. Before assuming the position of the Chair, the incoming Chair will undertake the role of Vice Chair for one year. This is to enable a smooth transition and continuity of the Working Group's priorities and work plan, as well as to allow for the Vice-Chair to understudy the Chair. The Chair will continue as Past Chair for one year to support the incoming Chair.

The Chairperson, appointed by the Chair economy, must

- I. be competent with all aspects of the Group's activities; and
- II. be capable of presiding over all aspects of the Group's meetings and activities, *in accordance with APEC Guidelines for Lead Shepherds/Chairs*.

The Vice-Chair's role would be:

- I. To chair the Working Group's meetings on behalf of the Chair if the Chair cannot perform his/her duty or in contingency situations; and
- II. To understudy the Chairperson.

Should the incoming economy not be able to provide a Chair to take their turn in the alphabetical order, they are required to announce this at least one (1) year before the commencement of their term and swap its term with the next-in-line economy. The former economy remains liable for fulfilling their Chairmanship, after the latter economy has served its term.

The Past-Chair's role would be:

- I. To chair the Working Group's meetings on behalf of the Chair if the Chair cannot perform his/her duty or in contingency situations; and
- II. To support the incoming Chairperson.

Meeting arrangements

The Working Group will meet twice per year. The host of the first Working Group meeting of the year shall be rotated in alphabetical order. The second meeting of the year should take place immediately prior to the SME Ministerial Meeting and the host shall be the APEC Host Economy.

Should the incoming economy not be able to host the first meeting in the scheduled year, they are required to announce this at least within the first half of the previous year and swap with the next-in-line economy after them. It means that the former economy remains liable for hosting a Working Group meeting after the latter economy has done so.

Fora Review

An independent assessment of achievements against stated objectives and outputs of the Working Group will be undertaken every four years. The findings and recommendations from the Independent Assessment will be taken into account when the new four-year Strategic Plan is developed.

The Terms of Reference shall be reviewed every four years, or when necessary upon the consensus of all member economies.

Quorum

Quorum for SMEWG Meetings constitutes attendees from 14 economies. Should the SMEWG fail to meet quorum for two consecutive meetings, it shall be referred to Senior Officials for a decision on whether it should continue to exist.

Sunset Clause

The SMEWG has a term of four years starting from 2025. At the expiration of this and any subsequent term, the mandate of the SMEWG and its TOR shall be reviewed by the SMEWG and the SCE and a recommendation on renewal shall be put forward for Senior Officials' approval.

Websites and Centres

All websites established under the SMEWG must be kept up-to-date and accurate. All Centres established under the SMEWG must be active in advancing issues and priorities consistent with the APEC Putrajaya Vision 2040, the Aotearoa Plan of Action and the SMEWG Strategic Plan, among other framework documents. As such, economies responsible for satellite website and bodies under the SMEWG must report on an annual basis to the SMEWG on their status and activities, including the decision to discontinue them. When a subsidiary body is established, the responsible economy is required to draft and present respective Terms of Reference (ToR) to the SMEWG for endorsement, before submitting it to the SCE for approval. The timeframe of the ToR should be aligned with that of the SMEWG.

Annex: List of Tentative Chair/Vice Chair/Past Chair and Host of SMEWG's 1st Meeting

Economy	Chair	Vice Chair	Past Chair	Economy Hosting 1st meeting	Host year of 1st meeting
Canada	2023 – 2024	2022	2025	Hong Kong, China	2023
Chile	2025 – 2026	2024	2027	Indonesia	2024
China	2027 – 2028	2026	2029	Japan	2025
Hong Kong, China	2029 – 2030	2028	2031	Korea	2026
Indonesia	2031 – 2032	2030	2033	Malaysia	2027
Japan	2033 – 2034	2032	2035	Mexico	2028
Korea	2035 – 2036	2034	2037	New Zealand	2029
Malaysia	2037-2038	2036	2039	Papua New Guinea	2030
Mexico	2039-2040	2038	2041	Peru	2031
New Zealand	2041-2042	2040	2043	Philippines	2032
Papua New Guinea	2043-2044	2042	2045	Russia	2033