

# **Forum of East Asian and Latin American Cooperation**

**Invitation Program for Young Leaders on  
Small and Medium Enterprises (SME) Promotion and IT**

**GROUP 3: Brazil, China, Chile, New Zealand, Nicaragua, Panama, Paraguay, Philippines**

**Key Characteristics**

**Problems & Barriers**

**Tools & Environment**

**FEALAC SME Working Group**

**Recommendations**

**Desired Outcomes**

# Key Characteristics

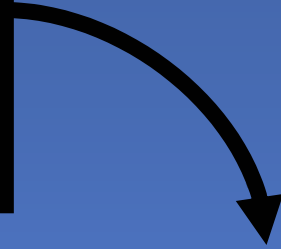
- Strengths and Weaknesses
- Facts
- IT in FEALAC countries

# Problems & Barriers

- Difficulty in accessing finance
- Accessing market information and appropriate education
- Lack of business skills and training
- Sub-optimal interaction between SMEs & business/industry associations
- Limited market in small countries
- High cost of transport and protecting IP
- Recruiting competent skilled employees
- Low uptake and utilisation of IT and telecommunications

### **External Factors:**

- Existing trade**
- Regulation**
- IT Infrastructure**
- Culture**



## **Enhancing Tools & Business Environment for SMEs**

### **Access to Finance:**

- Debt and equity**
- “where do I go?”**

### **International Market**

### **Information:**

- Statistics**
- Local suppliers, etc**
- Regulation**

### **Best Practice:**

### **GOVERNMENT**

- Policy for SMEs**
- Programmes**

### **PRIVATE**

- Capability**
- Business Systems**
- Benchmarking**

### **Role of IT**

### **Responsibilities of FEALAC**

# FEALAC



## FEALAC SME Working Group

Web-based SME information exchange

Info  
Support

Local or  
Country  
Data /Best  
Practice

### National & Local Institutions

Info  
Services

Info  
Feedback

### Small & Medium Enterprises



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# Working Group Role

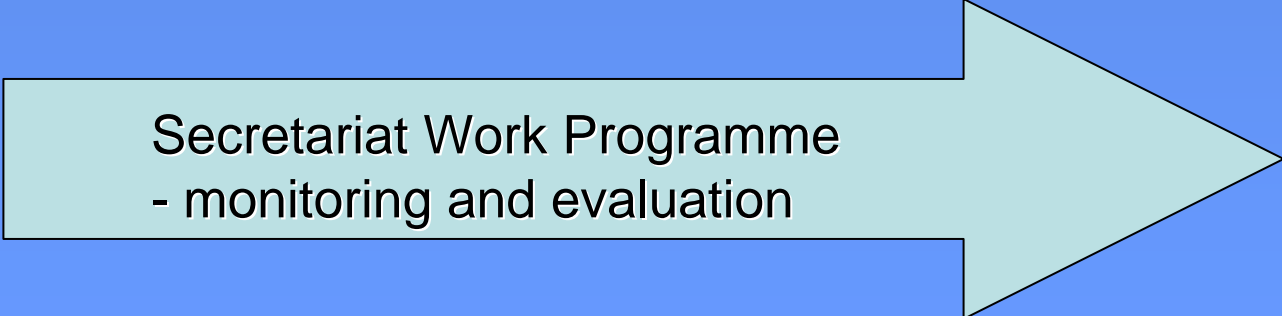
## 1. FEALAC SME Website (finance, market info, best practice)

- Employ IT to alleviate the problem of information asymmetry
- Enable SMEs to use IT to improve efficiency and productivity
- Government procurement

# Working Group Role

## 2. Other Initiatives (finance, market info, best practice)

- SME co-operatives to reduce fixed costs for exporting
- Labour sharing to solve skills shortages and encourage knowledge transfer
- Utilize universities in FEALAC as sources of innovation & Research and Development
- Provide incentives (grants, tax credits) to enhance IT uptake, joint ventures and exporting



Secretariat Work Programme  
- monitoring and evaluation



# Desired Outcomes

- Business growth in FEALAC
- Increased trade between FEALAC countries
- Inter-FEALAC collaboration & joint ventures
- Greater movement of labor locally and internationally
- More FEALAC firms using IT and E-commerce

# Thank You!