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

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Key Characteristics

- Strengths and Weaknesses
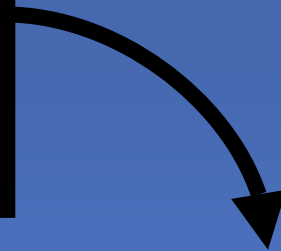- Facts
- IT in FEALAC countries

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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

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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
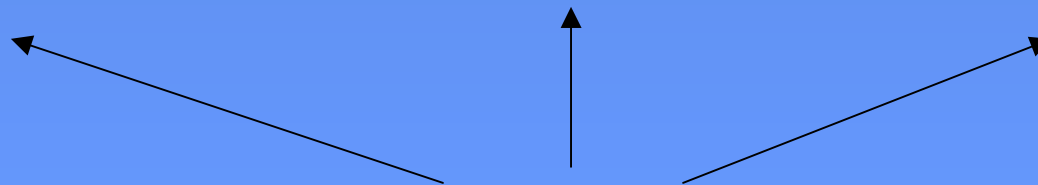- Regulation

Best Practice:
GOVERNMENT
- Policy for SMEs
- Programmes
PRIVATE
- Capability
- Business Systems
- Benchmarking

Role of IT

Responsibilities of FEALAC

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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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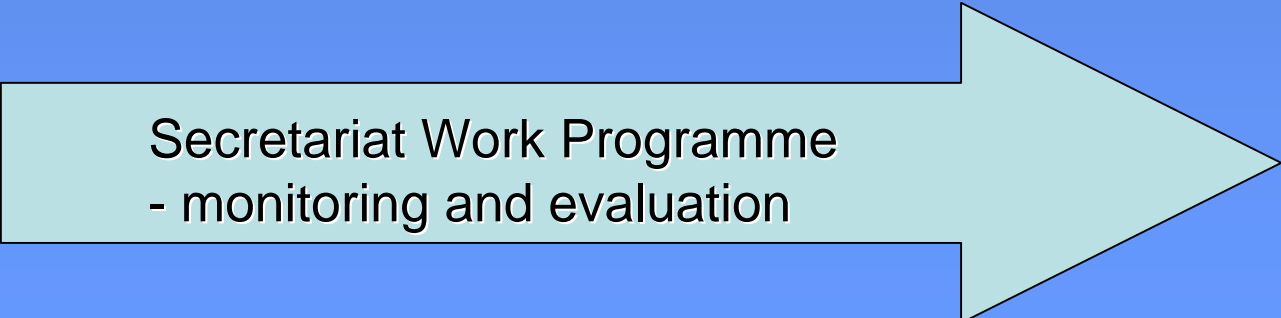
Working Group Role

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

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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

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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

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Thank You!

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