

Introduction

It is widely recognized that small and medium enterprises (SMEs) play a crucial role for social and economic growth and development in East Asia and Latin America. On the other hand, the SME policy varies depending on the development stage of each country. In light of this situation, it is very useful for the countries of both regions to exchange information and share experiences on policies for promoting SMEs development, especially in the area of IT.

The group has discussed and identified the following problems which are generally found in all or some of our countries. Corresponding solutions have been proposed for each of the problem.

Problems Identified and Proposed Solutions

Area of Concern	Problems	Solutions
E-awareness	1. Lack of consciousness amongst companies of the possibility/necessity of IT adoption a No innovation using technology b SME are owned by less IT literate people	1. Transmitting experience from big renowned companies and SME that have adopted technology to incentivate IT adoption for growing business. 2. Creating consciousness for the media to cover technology from a business perspective and not a technology only perspective to incentive IT adoption in companies
	2. Lack of knowledge regarding IT at Government and Academia	3. Create a training program for Governmental & Academia officials that strives understanding of IT business opportunities for growth with IT companies and SME IT users. 4. Promote IT usage within Government and Academia.
e-finance	1. Limited financing for IT solutions	1. Grants given by Government 2. Venture Capital from Government & NGO's and companies interested 3. Low interest rates loans 4. Alternative approach to IT sales (renting IT solutions) that will minimize initial investment and possibly stimulate lower tax payments 5. Abolish import tax on IT
	2. Lack of collaboration limits capacity for lowering costs and sharing solutions between SMEs	6. Promote collaboration between companies through business organizations and chambers
e-education	1. Lack of IT expertise in current adult workforce (0 years to prepare)	1. Create two levels of training a. Basic IT skills training (Computer driver's

		license)
		I. Government initiative
		II. Funding (Government/NGO, Employer, Employee)
	a	b. Industry specific IT consciousness (vertical solutions)
		I. Industry specific IT solutions training, seminars and workshops
		II. Create non-technical database of solutions for industries
	2. Lack of training for students in the following areas:	2. Create 2 levels of training in schools:
	b. Kindergarten, elementary students & high school (10-15 years to prepare)	a. Compulsory IT skills basic training according to different levels of education and make it a part of the core courses (not a separate subject)
	c. University students (3-5 years to prepare)	b. Promote university faculties to adopt and implement specific solutions according to career needs in order to technify professionals
	3. Incipient e-consumers and/or e-culture on buyer's side	3. Continuously make available easy-to-read guides for making online transactions
	4. Language barrier for accessing foreign Internet content	4. Continuously make available foreign language programs to train the staff/ future employees
e-policy	1. No salary incentives IT skilled employees	1. Modify Minimum Wage Laws to include a percentage increase for IT qualified professionals and non-professionals
	2. High cost for telecom	2. Government must promote growing competition through FDI and regulate for lower telecom rates
	3. Low promotion of local/indigenous IT industry	3. Government must promote growth of local IT industry and linkage with SMEs
	a. Lack of solutions and Internet content in local language.	a. Incubators
		b. VCs
		c. Education
	2. Lack of confidence/trust in IT	4. Promote lower cost country IT providers to supply local market when no local IT industry is present
		5. Promote Cyber Law drafting
		a. E-commerce laws
		b. Digital Signature
		c. Privacy of Information
		d. Digital equivalence for accounting documents (receipts, proofs of purchase, etc.)
		e. Intellectual Property Rights