



Connecting SMEs for CLMV Development

(ERIA: Economic Research Institute for ASEAN and East Asia)

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Greater Mekong Investment Policy Forum

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ERIA (Economic Research Institute for ASEAN and East Asia)

- Established in 2008, based on an agreement at the East Asia Summit (Nov 2007).
- Comprise ASEAN10, Australia, China, India, Japan, Korea, and New Zealand.
- Provide supports for Summits and Ministers Meeting with economic policy analyses.

ERIA Governing Board Members

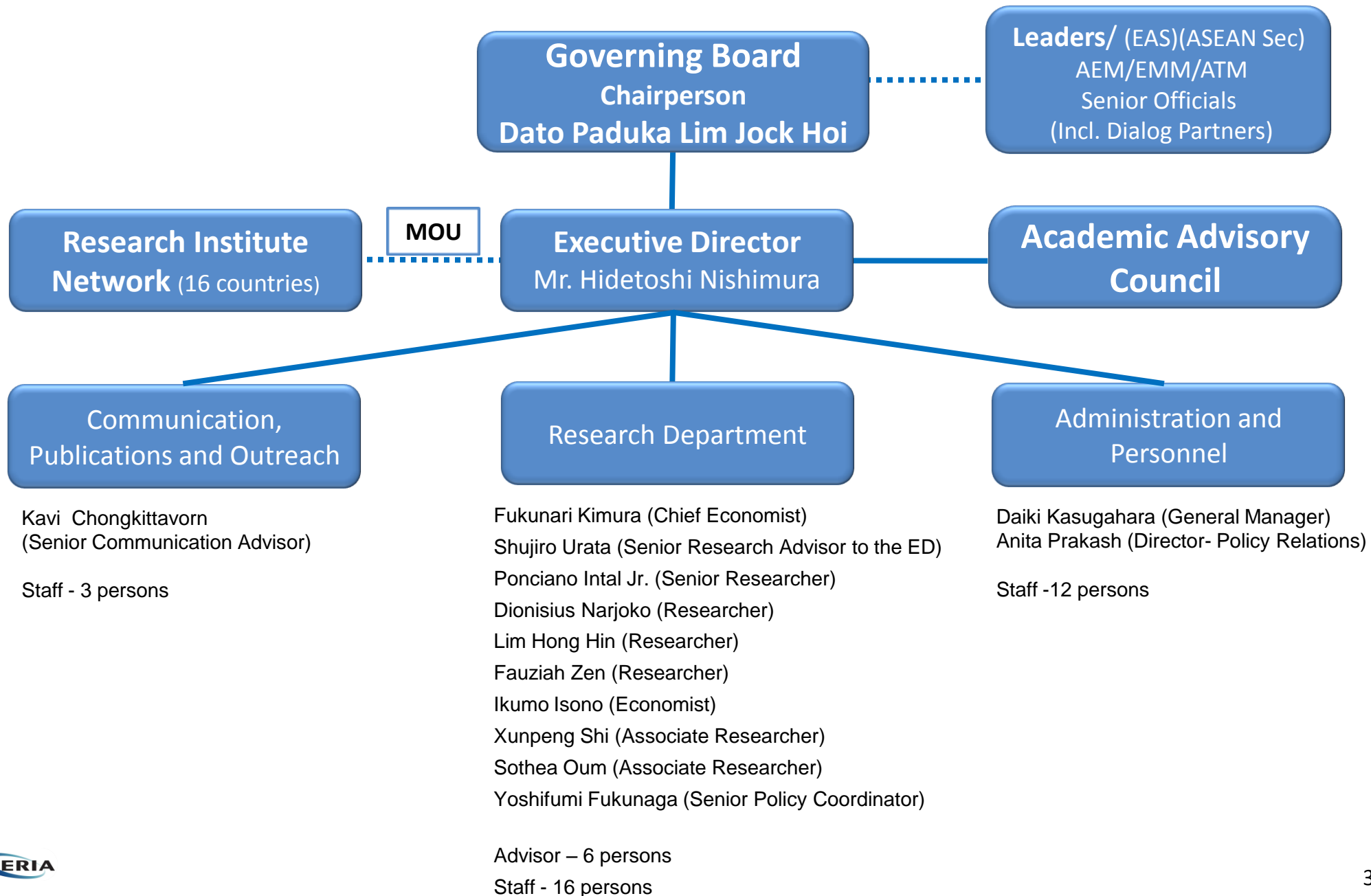


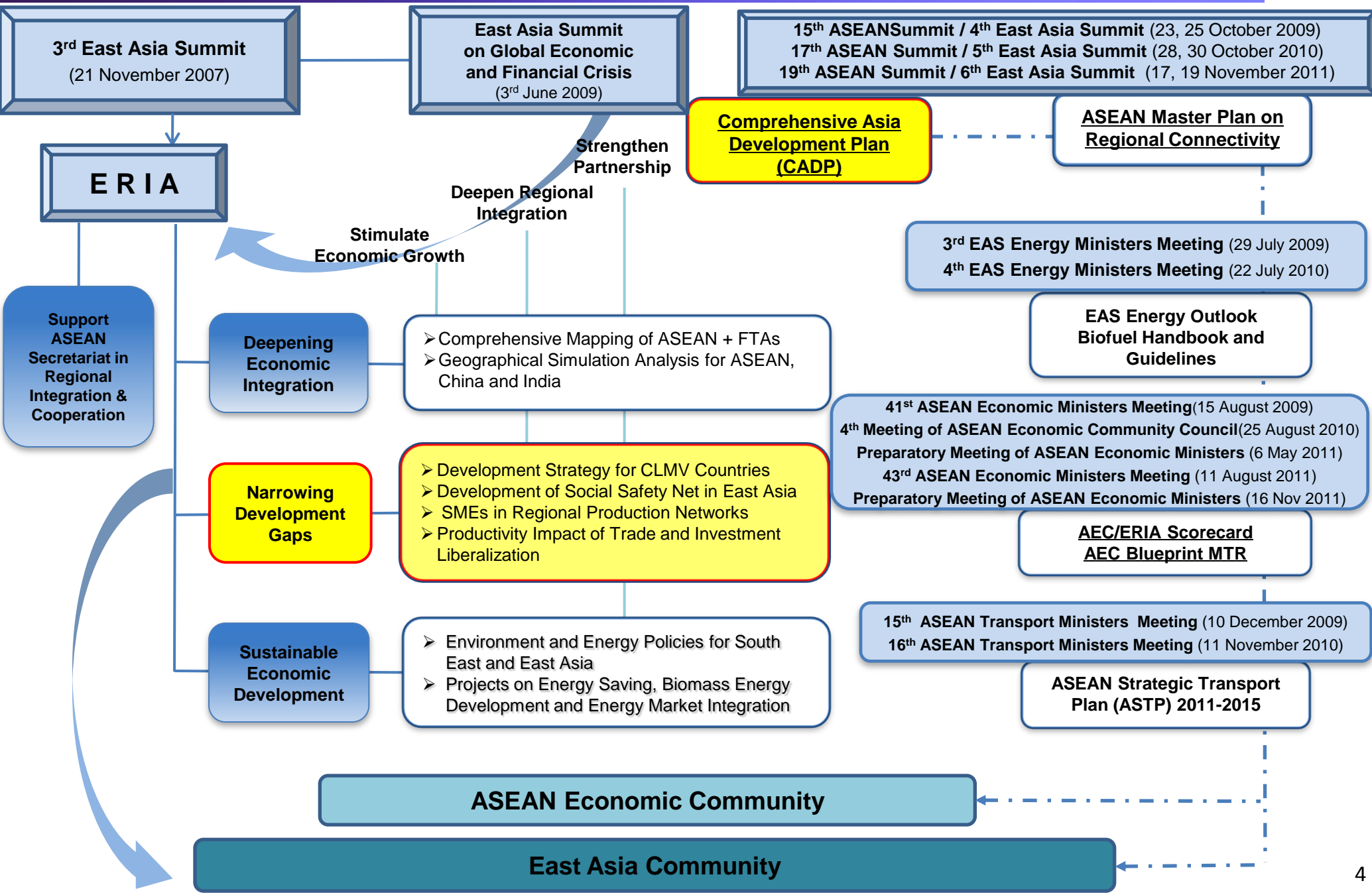
1st ERIA Governing Board Meeting, June 3rd, 2008

Statement on the Establishment of ERIA

1. The Economic Research Institute for ASEAN and East Asia (ERIA) will be temporarily accommodated at the ASEAN Secretariat.
2. ERIA shall function as an independent research institute but shall maintain and develop strong communication ties with policy-making process. The results of its research works shall produce concrete and tangible policy recommendations that shall meet the needs of Ministerial and National Leader's meetings.
3. ERIA shall maintain its highest academic standards in its research activities and provide a tripartite-type forum for policy dialogue and interactions among researchers, policymakers, and civil society.
4. ERIA shall provide meaningful resources for narrowing development gaps and enhancing research capabilities in countries in need for improvement of public policy-making and research abilities.
5. ERIA shall function as a common asset to the ASEAN and East Asian countries in providing a common platform for rigorous economic studies, and its activities shall be open in cooperation with various prominent economic research institutions and organizations around the world, just as the East Asian economic integration shall be wide open.

Organizational Structure of ERIA





Comprehensive Asia Development Plan (CADP)

Researches & Capacity Building

- (a) Development of CADP
- (b) Enhancement of the Implementation of CADP, and other ASEAN Initiatives

➔ ERIA's supports were welcomed by Leaders in ASEAN Summit & East Asia Summit

Narrowing Development Gaps <http://www.eria.org>

Researches & Capacity Building

- (a) Upgrading SMEs and Inclusive financing
- (b) Agricultural Development, Trade and Regional Cooperation
- (c) Establishing appropriate Social Safety Net
- (d) Improving the Initiative for ASEAN Integration (in AEC Midterm Review Project)

➔ ERIA's activities were appreciated by Leaders in ASEAN Summit

New Initiatives on SME 2011-2012

(a) ASEAN SME Policy Index

(b) SME Credibility Index—Facilitates business tie-up, joint venture among SMEs

Collaboration with **APEN**

(Asian Professional Education Network)

—Critical Role of SMEs—

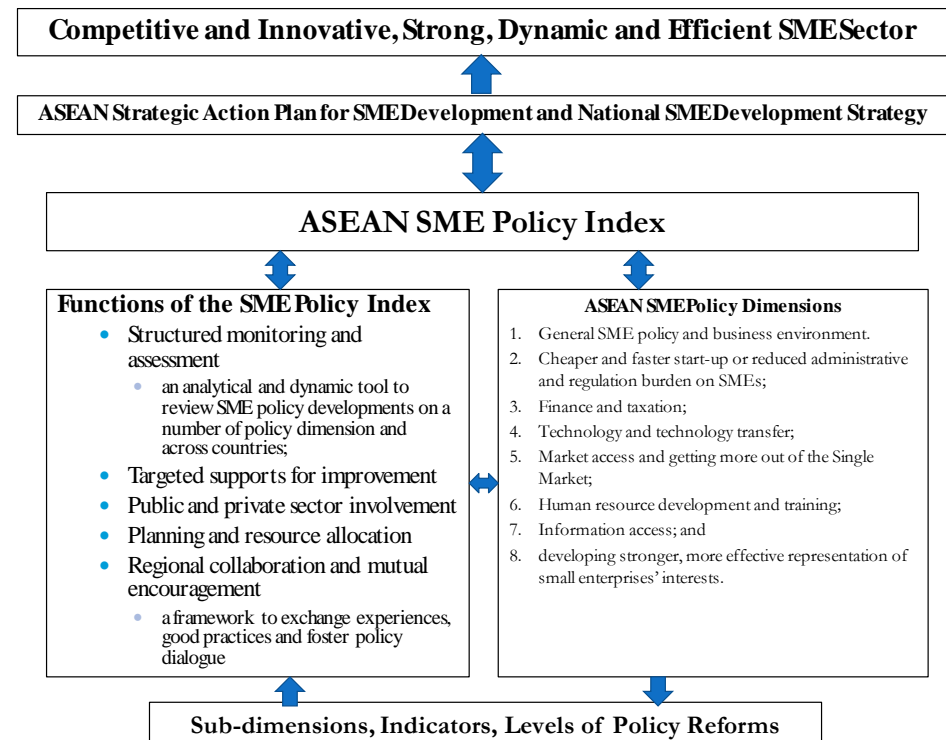
▪ SMEs are Major source of **employment**;

▪ SMEs have a great potential for **economic growth** when participating in global production networks; and,

▪ Existence of high-quality SMEs (and human resources) are condition for **quality investment** into CLMV.

ASEAN SME Policy Index

- Same methodology as the **OECD Policy Index**; but reflecting **realities in ASEAN**
- Enables structured **evaluation** for **better planning** (regional cooperation).
- Captures a variety of policy dimensions
 (e.g., information access; finance & taxation; technology; reduced administrative burdens; market access; getting more from single market; human resource development.)
- **Request by ASEAN Summit (2011)**
- Scheduled to complete in 2012.



Competitive and Innovative, Strong, Dynamic and Efficient SME Sector

ASEAN Strategic Action Plan for SME Development and National SME Development Strategy

ASEAN SME Policy Index

Functions of the SME Policy Index

- Structured monitoring and assessment
 - an analytical and dynamic tool to review SME policy developments on a number of policy dimension and across countries;
- Targeted supports for improvement
- Public and private sector involvement
- Planning and resource allocation
- Regional collaboration and mutual encouragement
 - a framework to exchange experiences, good practices and foster policy dialogue

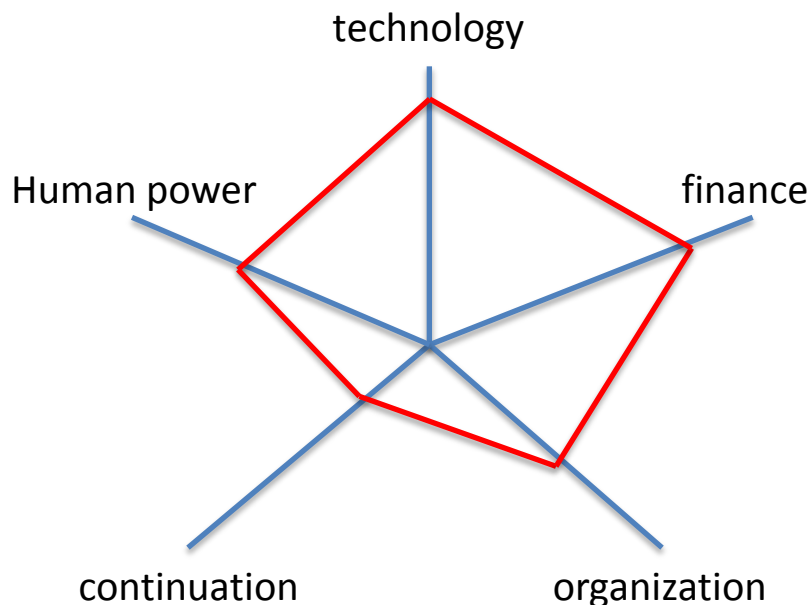
ASEAN SME Policy Dimensions

1. General SME policy and business environment.
2. Cheaper and faster start-up or reduced administrative and regulation burden on SMEs;
3. Finance and taxation;
4. Technology and technology transfer;
5. Market access and getting more out of the Single Market;
6. Human resource development and training;
7. Information access; and
8. developing stronger, more effective representation of small enterprises' interests.

Sub-dimensions, Indicators, Levels of Policy Reforms

APEN's SME Credibility Index

- Another index to assess the credibility of SMEs, supported by ERIA
- Helps Asian SMEs in finding the right partners in their new investment, business expansion, and or gaining appropriate financing by proving “credibility”
- Captures five key aspects of SMEs
- Model works initiated in Vietnam



red circle : an example of a venture firm

Technology

share of the market, patents, spill-over effects, maturity, originality, c.

Finance

the capital ratio, a profit rate, current assets, reserve capital

Organization

organization balance, personnel system, documentation system, communication

Continuation

establishment date, numbers of customers, managers talent, business models

Human power

numbers of employees, per capita sales, human resource level, distribution of age bracket, human resource development system

SME Credibility Index

Vietnam –Japan



- Kick off meeting of VietNam-Japan Joint working Group in Hanoi March 9 2012
- Examining and finalizing CIS (April, 2012-)
- Finalizing the implementation mechanism of CIS
- Preparation of implementation of CIS
- Implementation of CIS

Thailand –Japan



- Basic agreement in Bangkok March 2012
- Preparatory works for kick off meeting (April, 2012-)



<http://122.212.155.115/>

APEN is the network (incorporated in the future) of Asian Universities / Academic Entities / industries.

APEN has been established on June 6, 2011.

Purpose of APEN

APEN aims at development and diffusion of the PBL (Project Based Learning) methodology all over the Asia, in order to provide sufficient number of qualified top and middle managers in Asian industrial sectors, and thus to contribute Asian prosperity in the 21st century.

Members of APEN

Founding Members

Chinese Chapter : Shanghai Jiao Tong University

Korean Chapter : Pohang University of Science and Technology

Japanese Chapter : Advanced Institute of Industrial Technology

Vietnamese Chapter : University of Engineering and Technology,
Vietnam National University, Hanoi

Newer Members

Cambodian Chapter : Institute of Technology of Cambodia

Indonesian Chapter : Institut Teknologi Bandung

Thailand Chapter : Thammasat University

Malaysia Chapter : Universiti Teknologi Malaysia

Laos Chapter : National University of Laos

Singapore Chapter : Nanyang Technological University

APEN's only One SME Mission

→ Robust SME Networking in CLMV

— **“Only One” SME mission to CLMV countries from Japan** —

- **First mission to Vietnam** (December 2011).
- The **SMEs with world leading high technology** in specific areas (“Only One” technology); interests in investment and business expansion in Vietnam.
- Dialogues with key politicians, including the President H.E. Truong Tan Sang.
- Coordinated by APEN (Asia Professional Education Network); supported by ERIA & JETRO.



Mr. Truong Tan Sang, the President of Vietnam (right)



Dr. Nguyen The Phuong, the Vice Minister, Ministry of Planning and Investment of Vietnam (third from the left, first row)

ERIA

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Thank you !

