

## Statement on Facilitating SMEs in the Global Marketplace

It is widely recognized that access to the Internet, and the associated elements of a sound e-Business infrastructure, can greatly facilitate the participation of small and medium enterprises (SMEs) to the global marketplace. However, there remains a clear disparity within economies and between economies regarding the ability of SMEs to "get online."

Work is underway in the APEC forum to promote closer collaboration and cooperation on e-Commerce infrastructure development and capacity building. PBEC supports APEC's work with the private sector to develop and adopt basic tools for global SME e-Business among Asia-Pacific SMEs. PBEC notes that these tools should include the following elements:

- Availability of an open and accessible e-Business infrastructure.
- Transformation from a paper-based local market to an electronic global market in product and service information and transactional ability.
- Basic elements of e-Business: domain name and address, electronic facilities and the knowledge to operate in the e-Environment.

PBEC recognizes that there are common characteristics in all successful e-Business infrastructure services for SMEs: low cost; Internet access available (via fixed or wireless networks); reliability of services; secure services; scalability; and open standards. There also are key utility services that must be developed to facilitate SME e-Business transformation. These include: technology transfer centers; small business portals; shared data center facility; on-demand services that charge only for what is used when it is used; core services such as payment, audit, shipping, delivery, and accounting; and electronic B2G regulatory requirements. Not only will SME's be users of these services, but growing demand will create opportunities for SMEs to become providers of these services as well.

PBEC therefore encourages public sector leaders in the Asia-Pacific region to engage the private sector in the e-Business transformation of SMEs. The public sector must create the legal/regulatory frameworks that permit the competitive provision by firms from throughout the region of the myriad of enabling elements, whether they be the underlying telecom infrastructure or Web site design or smallpackage delivery. Meanwhile, PBEC stands ready to help mobilize the private sector to develop the portals, exchanges, etc. that possess the characteristics necessary to facilitate e-Business and SME prosperity in the global marketplace.

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