



Small and Medium Enterprises





ASEAN Small and Medium Enterprises (SMEs)

Backdrop

Small and Medium Enterprises (SMEs) are the backbone of ASEAN economies. Generally, they account for more than 96% of all enterprises and between 50% to 85% of domestic employment in many ASEAN Member States. In addition, the contribution of SMEs to GDP is between 30% and 53% and the contribution of SMEs to exports, between 19% and 31%.

Regional cooperation to foster SMEs is guided by the ASEAN Policy Blueprint for SME Development 2004-2014. Building on the progressive work under this Blueprint, the Strategic Action Plan for ASEAN SME Development 2010-2015 covering the regional commitments on SME developments was adopted by SMEWG in 2009 and endorsed by SEOM in 2010 to further enhance the competitiveness and flexibility of SMEs in moving towards a single market and production base in ASEAN.

Current Focus

The Action Plan comprises strategic work programmes, policy measures and indicative outputs which are undertaken by the ASEAN SME Working Group (composed of the SME agencies of all Member States) with the SME agencies and the private sector.

In particular, five major deliverables targeted for the SME section under the AEC Blueprint are the establishment of (a) a common curriculum for entrepreneurship in ASEAN, with Indonesia and Singapore as lead countries (2008-2009); (b) comprehensive SME service centre with regional and sub-regional linkages in Member States, with Thailand and Viet Nam as lead countries (2010-2011); (c) SME financial facility in each Member State, with Malaysia and Brunei Darussalam as lead countries (2010-2011); (d) a regional program of internship scheme for staff exchanges and visits for skills training, with Myanmar and Philippines as lead countries (2012-2013); and (e) a regional SME development fund for use as a funding source for SMEs that are undertaking business in the ASEAN, with Lao PDR and Thailand as lead countries (2014-2015).

Challenges in Implementation

Funding the activities of the SMEs remains a challenge. To-date, some of the SME initiatives have been implemented under the self-help or ASEAN-helps-ASEAN approach whereby individual Member States mobilise their own resources for the implementation of SME development projects or to facilitate the participation of other Member States in these projects.

For more information:

Competition, Consumer Protection and Intellectual Property Rights Division
Penchan (Penchan.Manawanitkul@asean.org)