

# Asian Productivity Organization

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## PROJECT NOTIFICATION

9 October 2009

1. **Project Code:** 09-RP-78-GE-STM-A
2. **Title:** Study Meeting on SME Financing in the Aftermath of the Global Financial Crisis
3. **Duration & Timing:** Five days, 23–27 November 2009
4. **Venue:** Jakarta, Indonesia
5. **Implementing Organization:**

Directorate of Productivity  
Directorate General of Training and Productivity  
Development, Ministry of Manpower and  
Transmigration R.I.  
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6. **Number of Overseas Participants:** Up to 18 qualified participants
7. **Number of Local Participants:** Up to six qualified participants
8. **Closing Date for Nominations:** 4 November 2009
9. **Objectives:**

The study meeting is intended to undertake in-depth discussions of SME financing including:

  - Examining SME finance government policy frameworks in the Asia-Pacific region in response to global crisis;
  - Exploring sources of SME financing apart from traditional lending toward post financial crisis; and
  - Identifying best practices and formulating practical, innovative recommendations for strengthening SME financing in member countries.

## **10. Background:**

SME development requires an enabling business environment that fosters new start-ups and enables the growth of existing businesses. A key element in that enabling environment is SME financing. Nevertheless, many SME businesses face difficulties because of the lack of necessary funding or access to finance.

With the current restructuring of financial markets after the occurrence of global financial crisis, the environment of SME financing is even more complex. The major challenges the Asian SMEs currently confronting are: 1) limited working and investment capitals; 2) accumulation of inventory due to contraction of domestic and export markets; 3) excess fixed costs derived from the downsizing of firms; and 4) readjustment of supply chains. In response, majorities of Asian governments are providing schemes of: 1) SME credit guarantee; 2) provisions of low interest rate loans; and 3) extensions of loan period provided to new businesses.

Given the significant implications of SME financing, this study meeting aims to understand the aftereffect of global crisis in member countries. It will analyze effectiveness of the new measures introduced in light of the crisis, particularly how these measures have enabled the SMEs to continue their businesses. The study meeting will also serve as a platform for the APO research on Financing of Small and Medium Business scheduled in January 2010. The study meeting will make practical policy recommendations for strengthening SME financing in APO member countries to assist them in business and encourage entrepreneurship and productivity for the benefit of all.

## **11. Provisional Methodology:**

### ***Scope:***

The coverage will include the following aspects of financing:

- Overview of SME financing in relation to the global financial crisis;
- Nature and scope of SME support policies in member countries;
- National financial systems and traditional and nontraditional sources of funds available to SMEs;
- Factors that hinder credit availability to SMEs; and
- Policy recommendations for strengthening SME financing.

### ***Method:***

Resource person presentations, country paper presentations, and group discussions.

## **12. Qualification of Candidates:**

- |                           |   |
|---------------------------|---|
| (a) Age:                  | Preferably between 27 and 55 years.   |
| (b) Education:            | Preferably university degree or equivalent qualification.   |
| (c) Present Position:     | Senior government officials, senior managers of business corporations, senior researchers, and academics with professional knowledge of or direct involvement and experience in SME financing.<br>Candidates will be considered as potential nominees for the research project on Financing of Small and Medium Business scheduled in January 2010. |
| (d) Experience:           | At least five years of experience in the SME financing field.   |
| (e) Language Proficiency: | Presentations and discussions are conducted in English. Participants are frequently required to make oral and written   |

presentations in English. Those who are not proficient in English should not apply.

(f) Health:

Physically and mentally fit to attend an intensive five-day project requiring participants to complete a number of individual and group activities. It is therefore recommended that member countries refrain from nominating candidates likely to suffer from physical and mental strain.

### 13. Financial Arrangements:

#### (a) To be borne by the APO

- (i) All deputation costs of overseas resource persons.
- (ii) Round-trip economy-class international airfare for overseas participants between the nearest international airport from the place of work and Jakarta by the most direct route. As far as practicable, all participants are strongly encouraged to purchase and use discounted tickets (following IATA PEX or other applicable discount fares). *It is noted that neither the APO nor the host organization will be responsible for paying any additional per diem allowances and hotel accommodation costs due to early arrival, delayed departure, rerouting of tickets, or any other reason whatsoever.*

#### (b) To be borne by the host country (Indonesia)

- (i) Per diem allowances and hotel accommodations for up to 18 overseas participants for up to six days.
- (ii) Deputation costs for local resource persons.
- (iii) Other local implementation costs.

#### (c) To be borne by participants/participating countries

- (i) All participants should be fully insured against accident and illness (including hospitalization) for the principal sum of US\$10,000 for the entire duration of the project and travel. All participants must submit to the APO a copy of the comprehensive travel insurance certificate valid in Indonesia before participation. The cost of such insurance will be borne by the participant or participating country. This insurance requirement is in addition to existing government insurance coverage in some member countries. If any participant is unable to insure himself/herself as stipulated above, he/she should secure this insurance in the host country at the commencement of the project and pay the premium himself/herself. The APO Secretariat or the implementing organization will not be responsible for any eventuality arising from accident or illness.
- (ii) Any expenses incurred for stopovers on the way to and from Jakarta or for any extra stay in Indonesia before and/or after the official project period due to early arrival, late departure, or any other reason whatsoever must be borne by the participants themselves.
- (iii) Any expenses related to visa fees and airport taxes.

### 14. Actions by Member Countries:

- (a) Each member country is requested to nominate two or more candidates for selection. Please ensure that candidates nominated meet the qualifications specified above.
- (b) Kindly note that selection is at the discretion of the Screening Committee. A basic criterion for selection is the homogeneity of the participants in terms of qualifications and work experience. Nonselection therefore does not mean that the candidates concerned are not competent enough.

- (c) Each nomination should be accompanied by the documents listed below. A nomination lacking any of these documents may not be considered:
- (1) Two copies of the candidate's biodata on the APO biodata form together with passport-sized photograph. The biodata form can be downloaded from the APO Web site. Downloading information is also available from *www.apo-tokyo.org*. We encourage submitting the biodata form to the APO Secretariat in electronic form as an attachment to a cover e-mail message from the APO Director, Alternate Director, or Liaison Officer.
  - (2) APO Medical and Insurance Declaration/Certification Form. Every candidate must complete and submit a copy of the APO Medical and Insurance Declaration/Certification Form with his/her biodata at the time of nomination. Please note that for this particular project self-declaration is sufficient for candidates without any of the health conditions or illnesses enumerated on the reverse side of the medical form. However, for all others, medical certification by a recognized physician on the reverse side of the medical form is required.
- (d) Member countries are encouraged to submit the required documents electronically. In that case, there is no need to send a hard copy by postal mail. However, if the documents are submitted by fax, member countries are requested to mail the originals of the documents to the APO Secretariat as well. If a digital photograph of a nominee is not attached to the electronic biodata form, a hard-copy photograph should be sent by postal mail. Please specify the candidate's name and the project code on the reverse side of the photograph.
- (e) Member countries are requested to abide by the ***nomination deadline of 4 November 2009***.
- (f) Member countries are requested to inform candidates upon selection that they are not to bring family members or to engage in any private business activities during the entire duration of the project. Further, if they should become unable to take part, the NPOs concerned are requested to inform the APO and the host country promptly of this and their reasons for withdrawal.
- (g) All selected candidates are required to arrive in Indonesia one day before the start of the official project. Also, they are expected to return home upon completion of the official project because they are visiting the host country for the specific purpose of attending this APO project.

**15. Predeparture Preparation:**

The selected participants are required to prepare country paper presentations in PowerPoint files containing: 1) example(s) of successful SME access to financing while overcoming obstacles; and 2) example(s) of successful government support to SMEs in accessing financing. The PowerPoint presentations should be submitted to the APO Secretariat **by 18 November 2009**.



Shigeo Takenaka  
Secretary-General