APEC SME Crisis Management Center and Future Cooperation in Training SMEs

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I. Introduction

In consideration of the rapid changes of the global business environment in 2008, suddenly changed to a financial crisis, and now turned to recession, grasping the fluctuation of the global economic environment become a difficult job for SMEs.

SMEs are unable to identify crises and risks in the first place. This is mostly attributable to SMEs’ lack of capacity to analyze economic effects that an economic incident can generate on the overall global economy and its impact on their businesses.

To raise SME crisis management abilities within APEC, Chinese Taipei proposes an 'APEC SME Crisis Management Center' plan that is designed to assist SMEs in solving global economic challenges and offer suggestions for response measures.
II. Purpose

- To monitor and analyze the possible impacts of emerging or existing economic crises and challenges on SMEs to help them conduct early preparedness and response in a timely matter.
- To enhance SMEs’ capacity of rapidly and properly responding to crises and provide them with knowledge about strategies to prepare and cope with these crises.
- To study strategies of SMEs’ responding to new global challenges and risks
- To stimulate cross-border cooperation and interactions on SME crisis management between related stakeholders, experts and SMEs of the APEC region.
III. Operations

Date of Establishment: May 24 2010

Location: Taipei

Organization: One executive director will oversee a staff of full-time researchers comprising academics and experts from Chinese Taipei, and 10 more part-time positions will be filled by academics and experts from APEC member economies.

Main Tasks

1. Monitoring and analyzing the possible impacts of emerging or existing economic crises on SMEs
2. Training APEC SMEs in managing global economic challenges and crises
3. Holding seminars or workshops to discuss global economic challenges and the ways responding to it
4. Providing consulting service to APEC SMEs about crisis preparedness and management
5. Studying global economic crises and strategies of managing new global challenges and risks
6. Buildup of the center website
IV. Main Tasks(1)

Main Tasks

1. Monitoring and analyzing the possible impacts of emerging or existing economic crises and challenges on SMEs

Main Function
- To monitor and analyze how and when an international challenge might affect SMEs operation, and design the strategy for SMEs.

Purpose
- To help SMEs identify crisis as early as possible, and understand the meaning of each global economic signs (mostly unusual signs) to their business

Targets
- To monitor financial crises, currency crises, bank crises, energy crises, inflation, deflation, and other economic crises.

Team
- Experts from APEC economies to monitor economic crises.

Action
- To select key components of the global economy and performance of SMEs as indicators, and then issue the results of monitoring for SMEs for SMEs each month.
IV. Main Tasks (2)

2. Training APEC SMEs in handling global economic challenges and crisis

**Purpose**
- To enhance the ability of SMEs on monitoring, grasping and quickly responding to global economic challenges.

**Places to conduct training**
- Training is to be conducted primarily in Chinese Taipei, but under special circumstances, small training teams can be sent to member states for small scale professional training.

**Stages**
- Stage 1: To train the trainers by global distinguished experts.
- Stage 2: The trainers go back to their home economies to train SMEs.

**The Content**
- Includes new globalization trend, the interconnections of global economy, the routes and methods a crisis spreads to the globe, nature and supply-demand conditions of global oil and other raw material markets, and the operation of global financial markets.
IV. Main Tasks (3)

3. Holding seminars or workshops to discuss global economic crises and the ways responding to it

**Objective**
- To explore the strategies to respond to newly emerging global economic challenges.

**Attendants**
- Mainly experts in this field.

**Timing**
- The beginning of a global economic crisis. They will primarily be used as an opportunity to explore the ways to cope with significant international economic events or crisis when they are taking place.

**Benefit**
- To obtain new knowledge and insight from the interactions between experts. Experts’ professional interactions allow them to cook new strategies to cope with global challenges.
- To develop the means to immediately detect the early warning signs of a crisis and the strategies to effectively respond to different types of crises.
IV. Main Tasks(4)

4. Providing consulting service to APEC SMEs about crisis preparedness and management

**Purpose**

- To provide consulting service to individual SMEs about crisis preparedness and management based on their individual conditions when there is a clear sign of a crisis emerging.

**The Channel**

- Through the Internet, telephone, or on-site, if necessary. If it required on-site consultation, the center will first ask local experts that have received training in the center to visit the SMEs.
IV. Main Tasks (5)

5. Studying global economic crises and strategies of managing new global challenges and risks

Purpose

- To systematically explore the origin and spread of a crisis and design responding strategies that may apply to different economies and situations

The Role of Studies

- Crisis preparedness by which studies can provide SMEs with principles and checklist to deal with crises.
- Examine different kinds of crisis including financial, currency, banking, natural resource, and commodity crises, as well as the responding strategies

The Enhancement of SMEs Fundamental Capabilities

- Researchers can integrate the six priority areas of “APEC SME Strategy Plan" into their studies. SMEs’ capability of crisis response will be further identified and developed based on specific research within these six areas.
IV. Main Tasks (6)

6. Buildup of the center website

**Purpose**

- To build an official website as a platform to release crisis alarms, news, meeting papers, and research results.

**Functions**

- To provide a place for SMEs to subscribe to the Monitor and the Monitor will also be posted upon the website. In addition to information sharing, this platform can also play functions on e-learning and dialogue.

**Schedule**

- The construction of the platform will be completed by the end of 2010.
V. Activities of the Year 2010(1)

A. The Crisis Monitor

The Team
This center will recruit 9 experts to form a team to monitor and analyze the possible impacts of emerging or existing economic crises and challenges on SMEs. The team will observe key components of the global economy and indicators about SMEs development.

Tasks
To issue electronically the “APEC SME Economic Crisis Monitor” in a form of newsletter for APEC SMEs each month, and it will also be issued any time when deemed necessary.

Content of the Monitor
Includes the signs of possible crises, interpretation of possible developments of emerging crises and their impact on SMEs, initial suggestions to conduct early preparedness, alarms and information issued by other international organizations, and a number of important indicator data concerning global economics. Suggestions about how to deal with emerging crises.

Team Meeting
The “Workshop on SME Economic Crisis Monitor” in Taipei was held from May 21 to May 22, 2010. The 2-day meeting will offer an excellent opportunity for an exchange of views among team members.
## V. Activities of the Year 2010(2)

### B. The Training Workshop

<table>
<thead>
<tr>
<th>Objective</th>
<th>To enhance the skill and knowledge of SMEs to prepare and cope with a variety of economic crises. Such as new globalization trend, the interconnections of global economy, the routes and methods a crisis spreads to the globe, nature and supply-demand conditions of global oil and other raw material markets, and the operation of global financial markets.</th>
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<tbody>
<tr>
<td>Schedule</td>
<td>To be held on June 2010 in Taipei with 5-day meeting.</td>
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<tr>
<td>The Trainers</td>
<td>To invite APEC leading scholars, experts, bankers, government officials and/or business.</td>
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<tr>
<td>Trainees</td>
<td>To invite APEC 11 developing economies with each economy dispatching two delegates. The trainees are expected to train the SMEs of their home economies when finishing the training.</td>
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<tr>
<td>Training Course</td>
<td>A set of training courses to suit the special needs of APEC developing economies will be designed.</td>
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</tbody>
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VI. Training Workshop and Future Cooperation

The trainees of this training workshop are expected to train the SMEs of their home economies when finishing the training, meaning that the workshop is designed as “train the trainers”

In order to maximize the effect of the workshop, starting from next year (2011), The Center will cooperate with volunteering developing economies to hold one-day training workshops in their economies with the help of the trainees of this Workshop.
VI. Training Workshop and Future Cooperation

These workshops will utilize the trainees that have received training in Taipei to be the trainers.

The Center will sponsor them with the rental cost of the meeting room and trainers’ honorarium. Chinese Taipei will also dispatch experts to help if necessary.

In next few days, the Center will distribute a questionnaire to you to ask your intention to cooperate with the Center to hold the workshop in your economies.