



## **Joint Statement**

### **ASEM Conference on Fostering Green Business of SMEs**

1. The ASEM Conference on Green Business was held in Jakarta from 19 to 20 June 2014 in conjunction with the 12<sup>th</sup> SMEsCO Festival, hosted by the Ministry of Cooperatives and Small and Medium Enterprises of the Republic of Indonesia. The Conference was officially opened by the Minister of Cooperatives and SMEs of the Republic of Indonesia and attended by representatives of ASEM Partners consisting of senior government officials, experts and business people from Asia and Europe and discussed policies and best practices related to SMEs' Green initiatives. Participants of the Conference summarized the discussions and came up with a Joint Statement at this Conference.

#### **Introduction & Findings**

2. It is widely recognized that SMEs represent the majority of enterprises and play a significant role for social and economic development. They are main contributors to the employment creation and serve as an engine of innovation as well. Therefore, they are expected to play a critical role in the promotion of economic growth.
3. SMEs are important as key players in emerging green industries. Growing opportunities exist in many fields with greener business activities. Highly creative and innovative SMEs contribute increasingly to the growth of green industries.
4. Participating in the greener economy may be more difficult for SMEs. The willingness and capability of SMEs to adopt new green technologies might not be as easy as big companies. Financial institutions find difficulties as well to see the feasibility of SMEs' green business. And most importantly, it is also very challenging to market green products.
5. The full participation of SMEs in the green industries requires, first of all, identification and removal of the main barriers. It is also crucial that consistent strategic enabling policies and affirmative programs are identified and implemented to encourage SMEs in green industries engagement.
6. ASEM Partners shared their experiences in this conference in promoting SMEs in green business by creating affirmative policy initiatives in the areas such as innovation/research and development, financing and human capacity building, especially training.
7. Marketing of green products is considered crucial for SMEs. The conference took note of the need of facilitating SMEs to access market opportunities.

Incubation is one example to enable SMEs to take part in new market opportunities.

### **Recommendations**

8. It was recommended that ASEM Partners should be encouraged to actively promote the green SMEs. Collaborative efforts among ASEM Partners will be crucial in enabling the SMEs in Asia and Europe to play their vital roles in the emerging green global economy.
9. The conference recognized that SMEs are now facing new business opportunities in the green industries. Therefore, it was recommended that international collaboration under ASEM is essential to encourage SMEs in Asia and Europe to effectively utilize those opportunities.
10. Participants discussed many areas of concern regarding SMEs' participation in green business, including promotion, network building, marketing, and access to finance. Enabling policy initiatives by ASEM Partners in these areas are essential.

### **New Initiatives**

11. The conference acknowledged that priority measures should be taken in order to translate the above concerns into specific and practical actions. We further recommend establishing an international network on the promotion of SMEs' green products as one of the ASEM strategic means for its partners to collaboratively promote and market SMEs green products.
12. Indonesia suggested that ASEM Partners should collaboratively support the effort of SMEs in promoting green products.
13. The conference furthermore supports Indonesia to initiate the establishment of the 'ASEM SMEs Promotion Network'. Indonesia will prepare the proposal that will be submitted to the ASEM Senior Officials' Meeting. The proposed network shall assist the SMEs in Asia and Europe to promote their green products.

### **Acknowledgment**

14. Participants praised and thanked the Government of the Republic of Indonesia for hosting this Conference and offering to ASEM Partners to utilize the event to promote their SMEs, in conjunction with the 12<sup>th</sup> SMEsCO Festival, the biggest event for Indonesian SMEs to expose their products including the green products.