

Reaping Benefits from ICT: a Look at SMEs

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Greetings from ASEM Trade Facilitation Action Plan on eCommerce

- launched in year 2000
- developed recommendations to ASEM Governments on creating a favourable regulatory environment for growth of eCommerce
- inventory of ASEM partner country legislative measures promoting user rights, digital signatures, cyber-security, IPR
- pilot projects and guidelines for paperless trade
- website www.asemec.org

NEXT EVENT:

- **5th ASEM Conference on eCommerce** to be hosted by China in Jiaxing City on 2 to 4 November 2006 addressing:
 - applications of eCommerce
 - eGovernment
 - eLogistics
 - eLearning
 - eHealth

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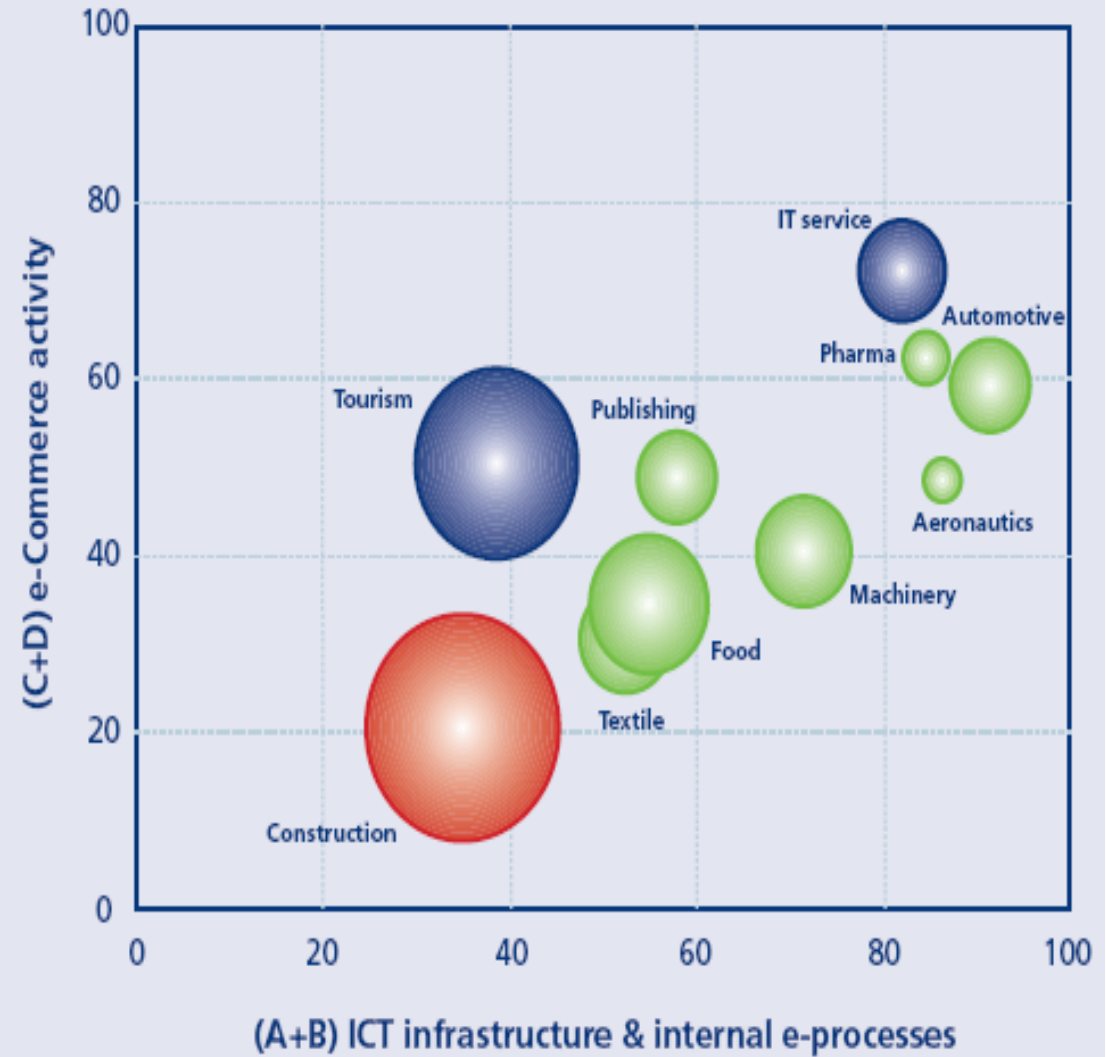
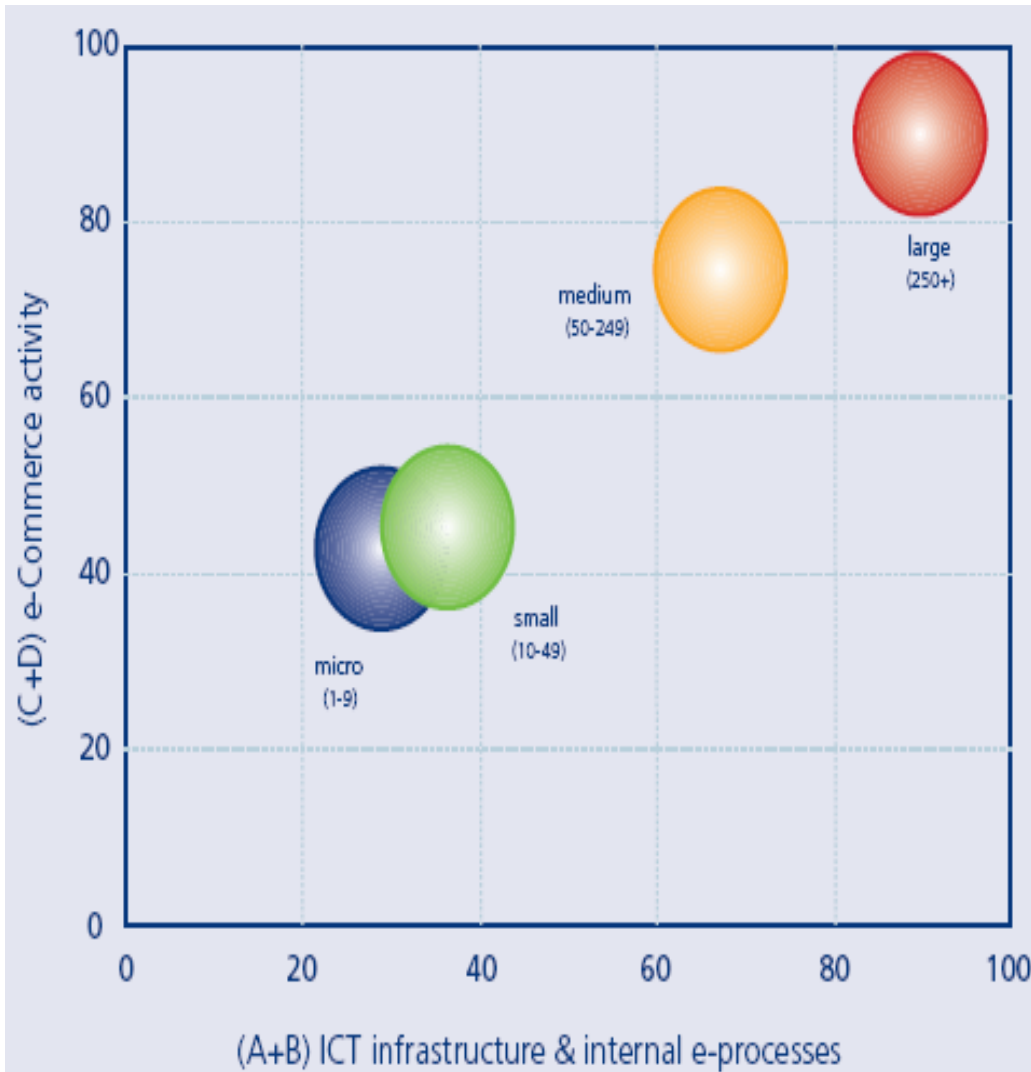
Creating a favourable environment for diffusion of ICT to enterprises

- functioning markets
- open access
- interoperability
- international standards
- eGovernment services

ASEM TFAP on eCommerce:

- ASEM recommendations on favourable regulatory framework for growth of eCommerce
 - general principles
 - user trust
 - cyber security
 - IPR

Differences in ICT use: company size, industry



Source: European eBusiness W@tch 2005

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Significance of SMEs – Case: Enterprises in Finland

Size / Personnel	Number of Co's	Turnover	Personnel
Micro (1-9)	93.1%	17.6%	24.6%
Small (10-49)	5.7%	15.6%	19.5%
Medium (50-249)	1.0%	19.1%	17.6%
Large (>249)	0.2%	47.6%	38.3%
TOTAL	232,000	300 bill €	1,3 mill

Source: Statistics Finland,
Finnish Enterprises in 2004

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Barriers to ICT use by SMEs

- benefits of ICT not seen
- asymmetric benefits
- SMEs not seeing ICT as strategic tool
- lack of resources, time
- lack of ICT applications suitable for SMEs
- will the ICT solution work? what if not?
- concern for information security
- partners not ready
- lack of competitive pressure
- lacking interoperability

What ASEM governments can do

- invest in R&D and ICT education
- offer easy-to-use eGovernment services
- adopt eProcurement
- promote information security
- promote fora for public-private partnerships
- promote awareness and activity of SMEs on ICT standardisation

- ensure the functioning of the market



What the private sector in ASEM partner countries can do

- invest in R&D
- invest in ICT training
- make use of eGovernment services
- promote international standardisation
- promote information security
- be active in public-private partnerships promoting ICT diffusion of SMEs

- increasingly, competition takes place between networked businesses and business networks where SMEs play an important role

Thank you!

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