

US-ASEAN BUSINESS ALLIANCE FOR COMPETITIVE SMEs

CONCEPT NOTE

Activity Title: DRIVING GLOBAL EXPANSION VIA E-COMMERCE

Date: 3 JUNE 2014, PRINCE HOTEL & RESIDENCE, KUALA LUMPUR, MALAYSIA

A. ACTIVITY BACKGROUND

The US-ASEAN Business Alliance for Competitive SMEs was launched in Washington, D.C. on 4 March 2014. This public-private partnership is co-implemented by the U.S. Agency for International Development (USAID), through the ASEAN Connectivity through Trade and Investment (ACTI) project, and the US-ASEAN Business Council (USABC) through its ASEAN Committee. USABC corporate participants offering expertise and/or financial support for Business Alliance activities include P&G, UPS, HP, GE, Microsoft, Baker McKenzie, Cisco, FedEx, Ford, Google, Hills Companies, IBM, KPMG, MasterCard, Motorola, Qualcomm, Seagate, UL, and VISA.

The overall objective of the Business Alliance is to support the efforts of ASEAN SMEs to become more competitive in domestic markets, and of high-performance SMEs to become world-class suppliers in the regional and global value chains, including through taking advantage of the AEC to be established in 2015.

There are four thematic components in the Business Alliance framework of activities – namely (1) human resource development; (2) access to regional and international market/supply chain competitiveness and readiness; (3) access to finance; and (4) public-private dialogue on business and policy environment. These components aim to assist and complement the implementation of the ASEAN Strategic Action Plan for SME Development (2010-2015). In this context, a series of thematic and tailor-made training activities for SMEs and SME enablers under the Business Alliance were foreshadowed in the 2014 AWP (e.g., Activities 3.13.1 and 3.13.2). This work plan was endorsed by the ASEAN SME Working Group in January 2014.

Thematic component 2 focuses on providing information, and on training and mentoring services on regional and global best practices. These are designed to develop ASEAN SMEs' capabilities to participate in inter-firm linkages and strategic supplier partnerships and, opportunities permitting, to integrate into the U.S., and the regional and global supply chains. Sub-component 2.1 comprises of three sequential and integrated streams of activities. Stream 2.1.1 provides broad-based training activities in e-commerce, exporting to regional/global markets, and best practices for SME competitiveness. Stream 2.1.2 focuses on supply chain readiness training for pre-screened SMEs. Stream 2.1.3 provides one-on-one advisory and tailor-made mentoring sessions for a selected number of these SMEs.

Under Stream 2.1.1, a series of four one-day broad-based training workshops will be convened in 2014. The first workshop in this series was successfully held on 22 April in Ho Chi Min City, Viet Nam. The second workshop is to be convened in Kuala Lumpur, Malaysia, on 3 June 2014. The third and fourth workshops will be held in Thailand (July) and Myanmar (August). The training focuses on broad-based knowledge and skills transfer from MNCs to SMEs on various development trends and tools of critical

importance to SMEs' supply chain linkages and inter-firm networking. Selected high-performance SMEs will be invited subsequently to participate in higher-level streams 2.1.2 and 2.1.3 training activities.

B. OBJECTIVES, ACTIVITIES, OUTPUTS & INDICATORS

Objectives: The main objective of the workshop is to transfer broad-based knowledge and skills from MNCs to SMEs on various areas such as e-commerce, exporting to global markets, and best legal and commercial practices for global suppliers.

Activity: In collaboration with SME Corp, the Business Alliance, UPS and ACTI will organize on 3 June 2014 the second in a series of training workshops which focuses on "Driving Global Expansion through E-Commerce". The workshop will be convened at the Prince Hotel & Residence in Kuala Lumpur, Malaysia.

The training program covers: (a) leveraging e-commerce platform and payment tools; (b) international shipping and delivery services; (c) legal aspects of cross-border e-commerce; and (d) strengthening global market presence via online marketing. Leveraging on the experience of the first workshop in Ho Chi Minh City, there will be clinic sessions and breakout tracks with workshop speakers for advice and mentoring, and for identifying future participants in streams 2.1.2 and 2.1.3 training activities.

Output: The training workshop can accommodate some 150 SME participants. Women and young entrepreneurs are strongly encouraged to participate in this workshop. High performance SMEs will be selected for participation in the higher-level streams 2.1.2 and 2.1.3 training activities to be carried out in 2015.

Indicator:

- Number of workshop participants categorized by gender and business composition.
- Number of participants indicating their satisfaction with the training workshop.
- Number of workshop participants considered or selected for stream 2.1.2 training activities.
- Number of participants planning to apply the gained knowledge and skills in their business

C. COMMUNICATIONS/OUTREACH

An event planner and information kit will be prepared in advance of the training workshop. UPS and USABC in consultation with SME Corp would identify and invite local media agencies for the first (opening) session of the workshop. Furthermore, a press release will be prepared in addition to providing at least three tweets (Twitter) as well as three Facebook updates to be used for the dissemination of information and outcomes from each of the four training activities planned for 2014.

After the event, the communication and outreach strategy for all training workshops for all three streams is to produce three success stories showcasing SMEs who have improved their business operations through applying tools and the knowledge gained from the Business Alliance training activities. These three success stories will be based on follow-up surveys and a series of interviews with select 3 SMEs participating in stream 2.1.3 activities in collaboration, as appropriate, with UPS and the SME Corp.

D. MONITORING AND EVALUATION

The profiles and future performance of the expected 150 current or potential SME entrepreneurs trained in the training workshop will be obtained in the following ways.

To measure the immediate outcomes of the training workshop, a questionnaire will be developed with questions to gauge the participants' skills and knowledge both before and immediately after the workshop. Resources and opportunities permitting, ACTI will then follow up with the selected 24 SMEs from stream 2.1.2 activities and the selected 3 SMEs from stream 3 activities to assess the effect of the trainings on their business operations. This survey will be carried out 6 and/or 12 months after the completion of the ACTI-supported training activities concerned.

E. CROSS-CUTTING

The high performance SMEs will be selected for subsequent participation in higher-level stream 2.1.2 and stream 2.1.3 activities. Furthermore, they are also eligible for selected participation in business talent and leadership development under the US-ASEAN Business Alliance.

F. RISKS

The training subject matter is very technical in nature. Therefore, the extent of gained knowledge and skills may vary among the participating SMEs. This is a challenge for most training programs, especially in trainers' efforts to stimulate interaction and absorption among participants. In addition, language barrier may hinder the full understanding of the subject matters as well as two-way interaction between trainers and participants.