



## PROJECT NOTIFICATION

Ref. No.: 21-CL-01-GE-OSM-A-PN2100082-001

<b>Date of Issue</b>	24 September 2021
<b>Project Code</b>	21-CL-01-GE-OSM-A
<b>Title</b>	Multicountry Observational Study Mission on Support for Digital Transformation for SMEs
<b>Timing and Duration</b>	10–12 November 2021 (three days)
<b>Hosting Country(ies)</b>	Republic of China
<b>Modality</b>	Digital Multicountry
<b>Implementing Organization(s)</b>	China Productivity Center and APO Secretariat
<b>Participating Country(ies)</b>	All Member Countries
<b>Overseas Participants</b>	57
<b>Local Participants</b>	12
<b>Qualifications of Participants</b>	Government officials, policy research officers, and senior representatives of industrial associations involved in industrial policy, development strategies for the SME and manufacturing sectors, and productivity improvement initiatives
<b>Nomination of Participants</b>	All nominations must be submitted through National Productivity Organizations of member countries
<b>Closing Date for Nominations</b>	22 October 2021

## 1. Objectives

- a. Introduce key elements and current trends in facilitating digital upgrading of SMEs.
- b. Share good practices from the Republic of China (ROC) and selected countries on how to initiate and sustain collaborations among stakeholders in ecosystems that support the Industry 4.0 transformation.
- c. Provide references for government policies and organizational strategies for SME digital upgrading.

## 2. Background

Digitalization of businesses continues to be a major strategy for companies to raise productivity and for countries to improve the competitiveness of their industries. According to the statistics of the EU and OECD in 2021, firms of all sizes and sectors are increasingly deploying digital tools and equipment and building capabilities for their staff, although smaller businesses move much more slowly than larger firms in this transformation. The reason for such discrepancy in pace and scale is that digitalization is a complicated process, which involves adopting suitable technologies, redesigning procedures and practices, leveraging financial and human capital, and exploring new strategies and business models. However, SMEs usually lack the resources, capacity, or simply information to start and continue the journey; therefore, to ensure timely digital transformation of SMEs, assistance that addresses their specific needs is indispensable.

APO research in 2019, *Gearing Up to Industry 4.0: Digitization Strategies for SMEs*, found that awareness, skill development, and access to infrastructure and funding were the core issues that SMEs in the Asia-Pacific needed to address in their digitization strategies. Key stakeholders in addition to SMEs, such as policymakers, academia, business advisers, investors, intermediary organizations, and larger companies, need to be engaged to create a digital innovation ecosystem that can facilitate and sustain the dynamic process of digital upgrading. The research also recognized that a number of APO members had started to develop such ecosystems or observe their formation. Among them, the ROC has demonstrated strategic initiatives that mobilize different actors to create mutually beneficial conditions to support SME digital upgrading.

The APO has conducted various activities to raise awareness of digital transformation, provide technical assistance, and share good practices to assist its members in developing their Industry 4.0 strategies. This digital study mission aims to provide references from the ROC to enhance member countries' efforts in building ecosystems for digital transformation.

## 3. Scope, Methodology, and Certificate of Attendance

The duration of each day's sessions will be around three hours, comprising presentations by experts, group discussions, and other relevant learning methods. The indicative topics of the presentations are:

Day 1:

- Digital transformation for SMEs: Reasons and challenges
- Creating an ecosystem for SME digital upgrading

Day 2:

- Breaking technological barriers: Technical assistance for SMEs
- Catalyzing transformation: Intermediary organizations and business advisers

Day 3:

- Complementary strategies for SME digital upgrading
- Good practices and policy programs from the ROC

The detailed program and list of speakers will be provided two weeks prior to the sessions with announcement of the names of the selected participants.

The participants are required to attend all sessions. This full participation is a prerequisite for receiving the APO certificate of attendance.

#### **4. Financial Arrangements**

- a. The APO will meet the assignment costs of overseas resource persons and honorarium for up to two local resource persons.
- b. The host country will meet the costs for a virtual site visit(s), either broadcast live or recorded as applicable.

#### **5. Implementation Procedures**

Please refer to the implementation procedures for APO digital multicountry projects circulated with this document.

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Dr. AKP Mochtan  
Secretary-General