



International
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Organization

Project Brief

ASEAN Small Business Competiveness Programme



Development Objective

Providing a set of tools for countries across ASEAN to develop and upgrade specific/micro small business in common sectors, providing entrepreneurs and those who work with them guidance on how to establish, run and improve the business – boosting competitiveness and improving services.

Immediate Objective

Improve capacity of direct recipients of the project to assist the micro, small and medium enterprises in the common sectors identified (current phase: Tourism).

Key Partners

- Ministry of Cooperative and Small Medium Enterprises (SME)
- ASEAN Secretariat and ASEAN SME Working Group
- ILO Decent Work Team – Bangkok

Duration

2 years (Sept 2013- June 2015)

Geographical Coverage

ASEAN countries

Donor

Japan – ASEAN Integration Fund (JAIF)

Budget

USD 350,902

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practices' in rolling out the training modules and assure programme sustainability. The development of the tools stage has been finalised (early February 2015), covering following sectors (8 out of 8 targeted):

Sub-sector specific modules:

- Guesthouse/small hotel owners.
- Homestay owners.
- Restaurants/Food vendors.
- Handicraft makers.
- Smallholder farmers.
- Market vendors (Souvenir sellers).

Generic tourism modules:

- Aspiring entrepreneurs in tourism sector.
- Destination Management (setting up Public-Private Partnership (PPP) collaboration to catalyze local tourism development).

The project is now proceeding onto the next phase:

2. **Dissemination of the tools stage (ongoing) through establishment of multi-media platform and workshops to identify and communicate to key local partners across ASEAN countries on the toolboxes featured.** This project will provide such tools to ASEAN countries and at the same time broaden the scope of potential beneficiaries and intermediaries. The modularity of the SBC approach enables our partner intermediaries to easily incorporate SBC tools into their existing programs of community and sector-based support.

Project Background

Micro, small and medium enterprises (MSMEs) in ASEAN make up more than 90 per cent of all domestic firms and 75-90 per cent of the non-agriculture workforce. MSMEs provide the supplier basis which supports the success and productivity of large international corporations and are therefore an essential foundation of their operations. The great majority of employment creation in ASEAN has taken place in the informal sector, and it is the self-employed operators of micro-enterprises, especially those in marginalised communities, which are the intended targets of this project.

Small Business Competitiveness (SBC) tools are based on the ILO Community-Based Enterprise Development (C-BED) approach, a sectoral diversification of this trainer-less training methodology. The current phase of the SBC project covers the Tourism Sector, based on analysis of different factors: commonality of practices across ASEAN countries, availability of distribution channels, opportunity of SME development, pro-poor and Millenium Development Goals

(MDG) linkages, as well as sound ILO experience in the sector and in the region.

The direct beneficiaries of the project are national and local government agencies, business development services and development projects whom provide services and support to MSMEs. The ultimate beneficiaries are the entrepreneurs in tourism sectors, communities in which the businesses are located.

Project Strategy

To achieve its objective, the Project is being implemented under two-stages :

1. **Preliminary study and development of tools stage (finalised) to determine and identify common and suitable sectors, develop tools and conduct pilots to iteratively boost the quality of the tools developed.** Establish (and experiment) innovative partnerships with a variety of actors (i.e. government officials, NGOs, community leaders) to gain insight on various institutional 'best

Various Dissemination Channels:

- Through national or provincial level ministerial SME capacity building plan, and rural tourism development strategic plans (e.g. Ministry of Cooperative and SMEs Indonesia, Ministry of Tourism Indonesia, Tourism Office of West Sumatra province, Vietnam National Authority of Tourism).
- Three phased implementation to “pass on the baton” from NGO-led to community-led (e.g. in Vang Vieng, Laos, Ranong, Thailand).
- Embedded in ongoing or planned entrepreneurship education programs in several interational NGOs (i.e. CARE, Swisscontact, PLAN-International, etc).
- NGO/Business Development Services (BDS)/Tourism Associations C-BED fair is to be organized with the help of prominent national BDS/Tourism Associations to broaden C-BED and SBC tools outreach.



Developing Existing Institutional Partners' Capacity:

- Ministries/government offices
- Tourism associations
- Rural/community development associations
- Public Private Partnerships (PPP) establishments
- NGOs
- Producers groups
- Cooperatives
- BDS/technical advisors/incubators
- Women associations/self-help groups



Reaching out to Marginalised Communities, and Specialised Beneficiaries:

- Women (handicraft makers in Padang)
- Elderly people
- Youth (countering youth unemployment)
- Farmers for certain commodities
- Refugees
- People with disabilities
- Students and academicians
- etc.

In addition to finalising the current SBC phase, the ILO is currently exploring with ASEAN a possible next phase of SBC addressing the needs of SME sub-sectors in the rural economy.

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