

Building SMEs' Capacity on Climate Action in South-East Asia

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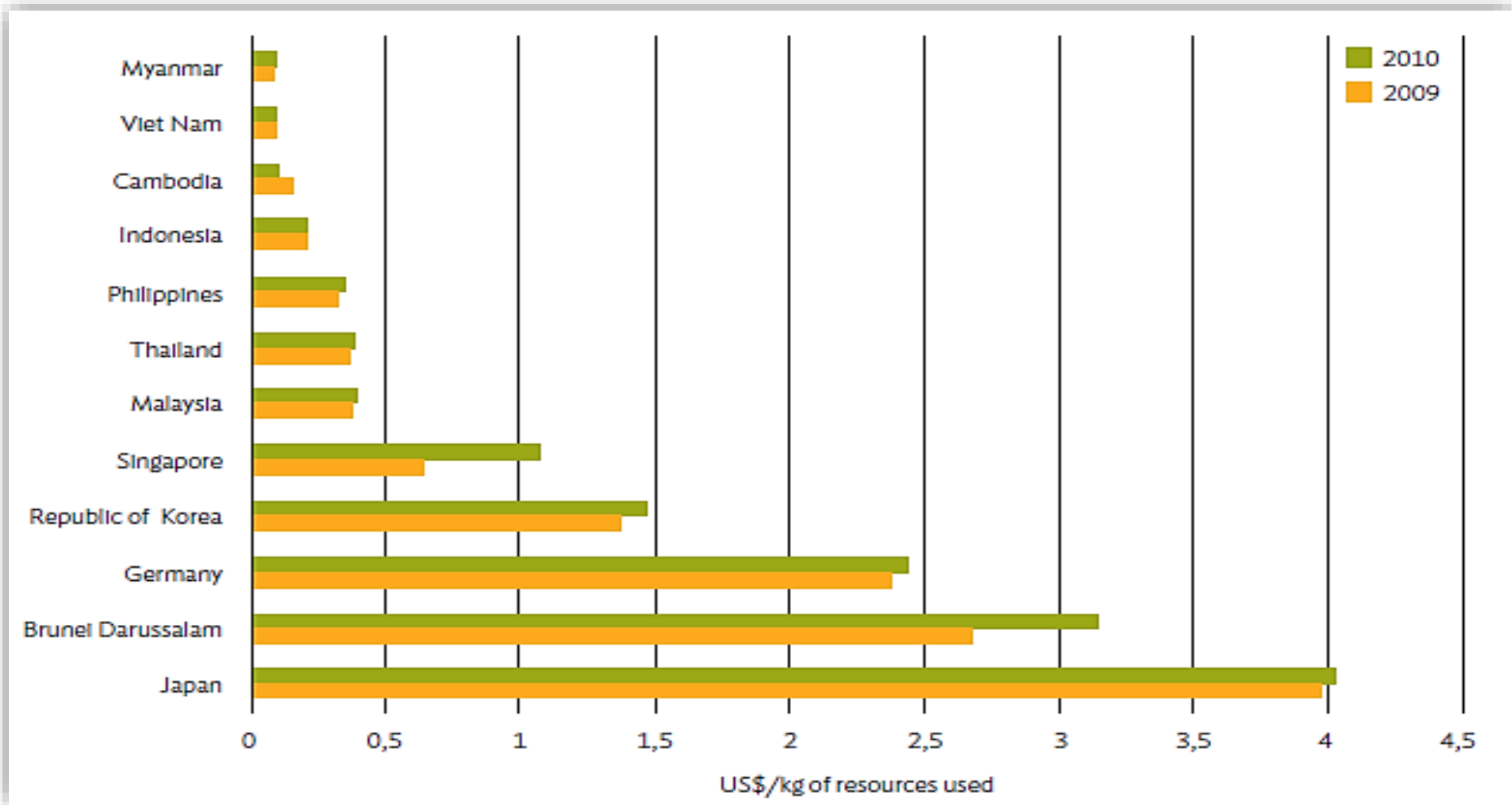
SME share of industry, Exports and Outputs in major Asian Countries

A	Share of all enterprises	Share of exports	Share of output
Bangladesh	99.0	-	25
Cambodia	99.8	-	-
China, People's Republic	97.3	-	-
India	-	42.4	37.5
Indonesia	99.9	15.7	60.3
Japan	99.7	-	43.7
Kazakhstan	96.1	-	23.1
Korea, Republic	99.9	18.8	47.6
Malaysia	97.3	-	35.9
Philippines	99.6	-	35.7
Singapore	99.4	-	45.0
Sri Lanka	99.5	20.0	30.0
Thailand	99.7	26.3	39.6
Vietnam	97.7	-	-

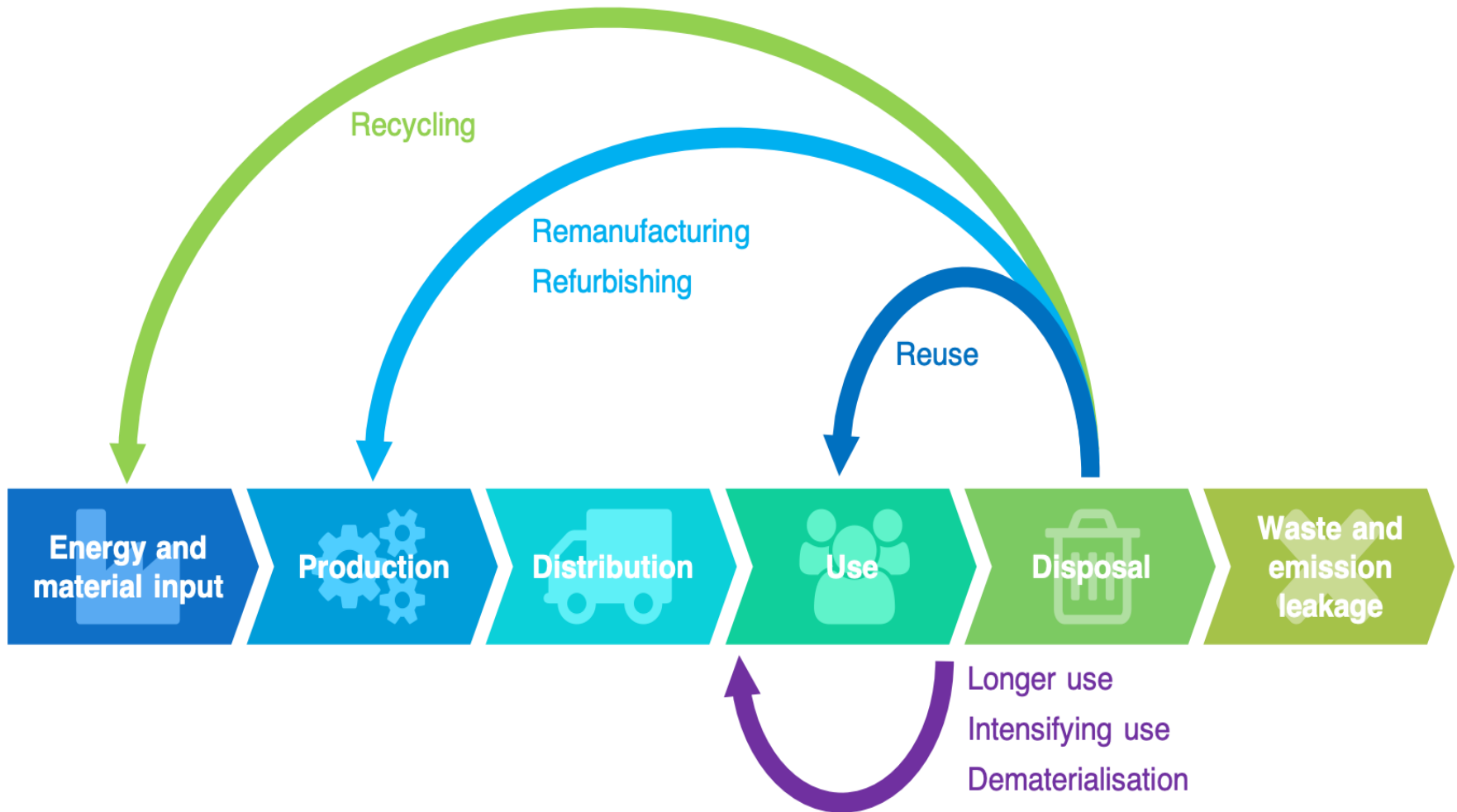
Source: ERIA, 2020

ASEAN's Prerogatives for Climate Action

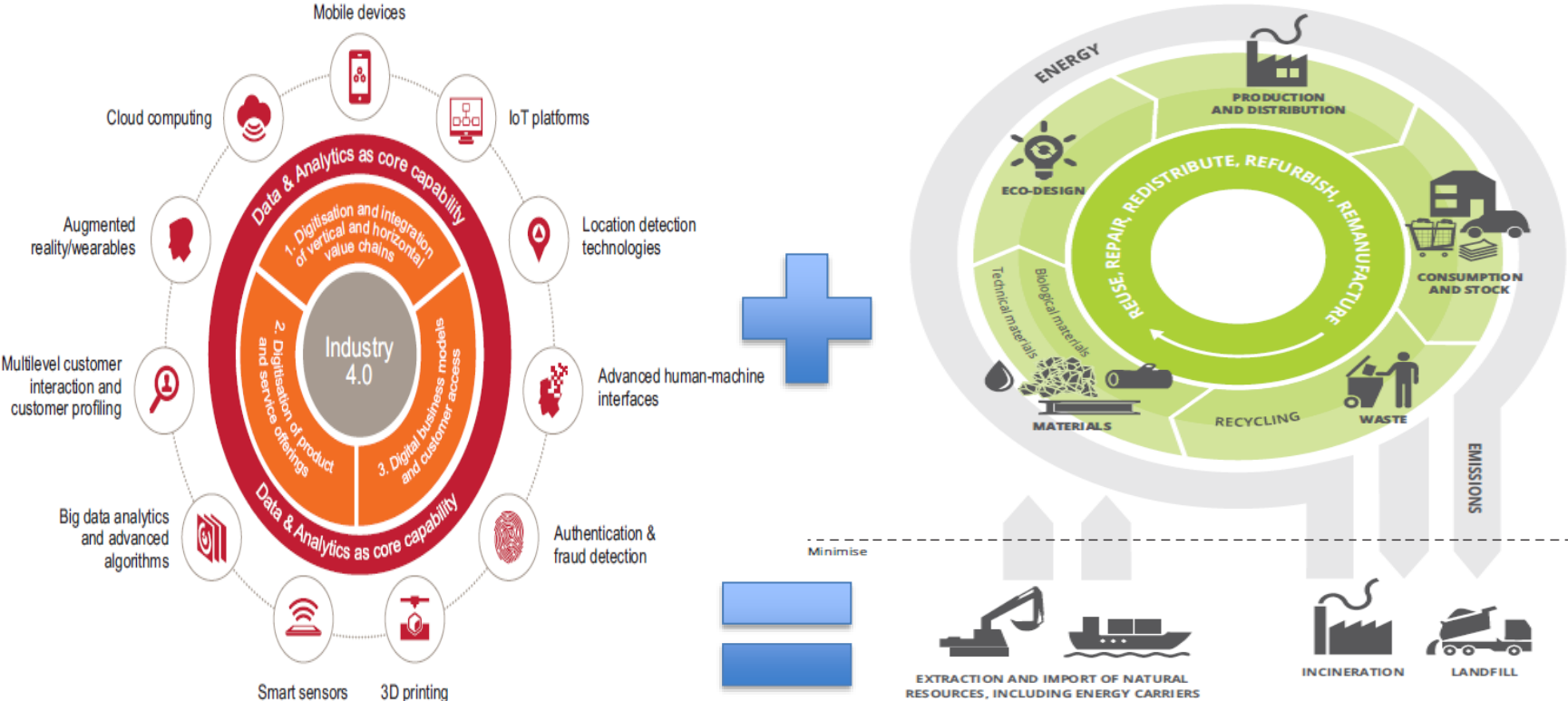
Resource Productivity



What EE and RE means to ASEAN supply chains?



Industry 4.0 for Circular Economy



Integration, Innovation and Inclusion



(Source: ERIA, 2018)

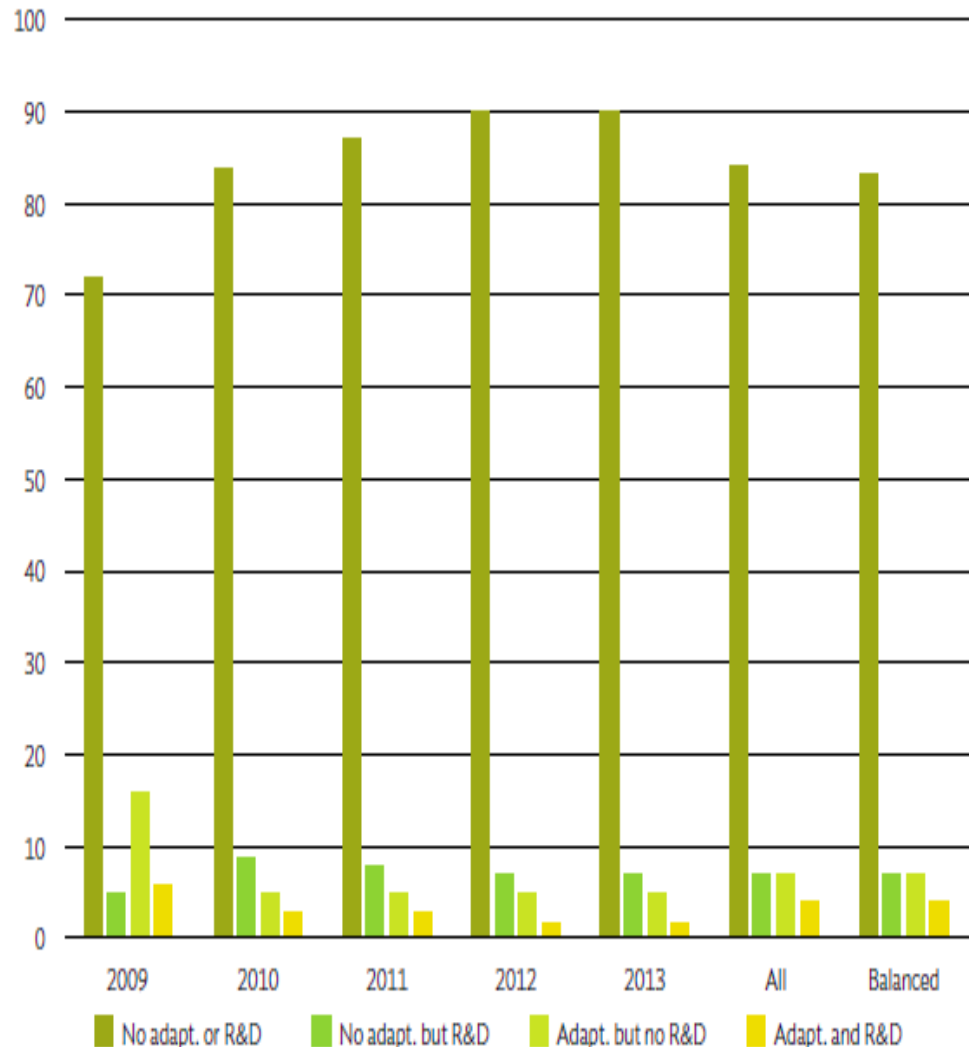
SME focus Climate Action and Green business models at Micro, Meso and Macro levels

	Micro (single SME entity)	Meso (symbiosis association at SME cluster level)	Macro (economy -state)
Production area (primary, secondary, and tertiary industry)	Cleaner production Eco design	Eco-industrial park	Regional circular economy network
Consumption area	Green purchase and consumption	Environmentally friendly park	Renting/sharing service
EE and Waste management area	Product recycle system	Waste trade market Venous industrial park	Urban /Rural symbiosis
Other support	Policies and laws; information platform; capacity building		

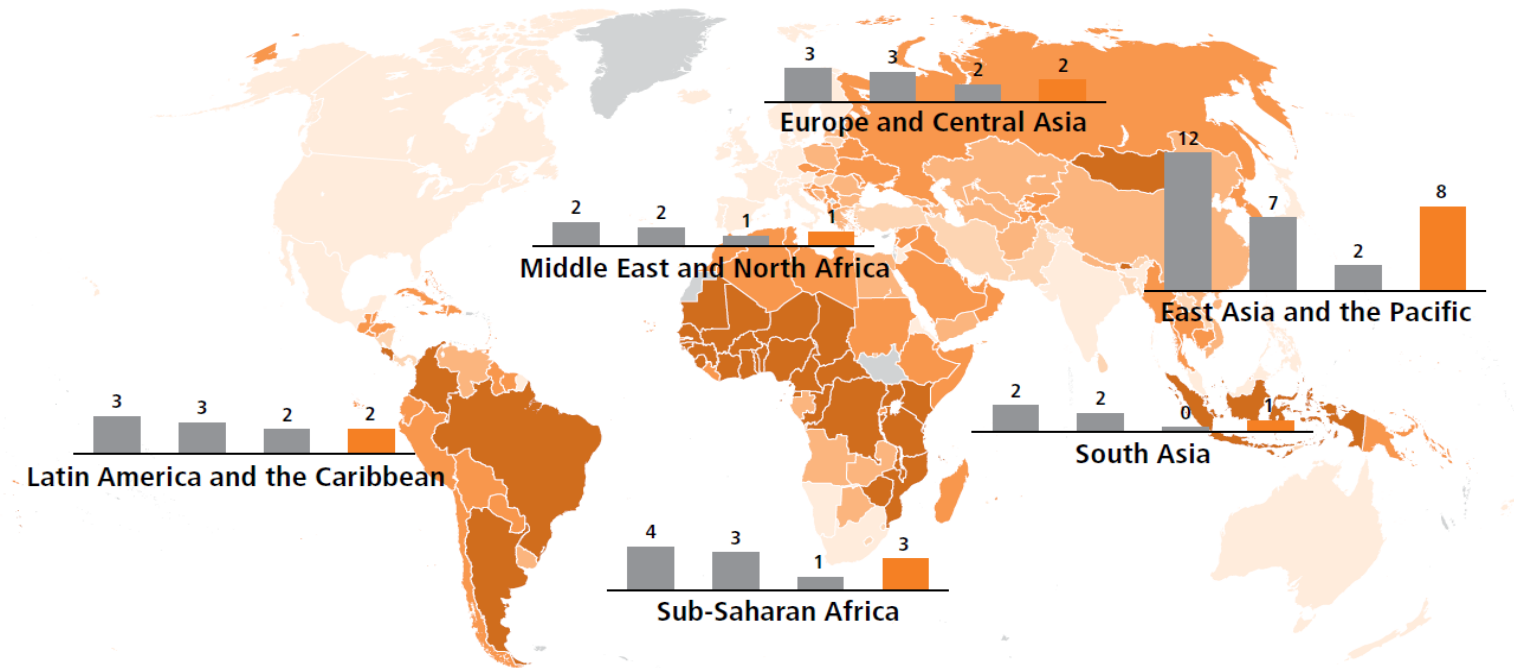
Does ASEAN have an efficient innovation for integrated systems ?

Share of Vietnamese firms doing research on and adaptation of technology (Unit in %)

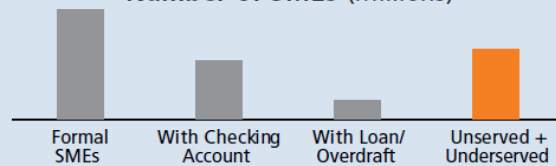
- ASEAN has relatively greater innovation efficiency than the rest of developing countries.
- Efficient in converting inputs (R&D, Researchers, IP etc) into high tech exports, trade mark applications and patent applications.
- Lag behind OECD in-terms of level of innovation inputs and outputs



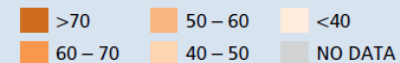
Total credit gap for SMEs in ASEAN and East Asia



Number of SMEs (Millions)



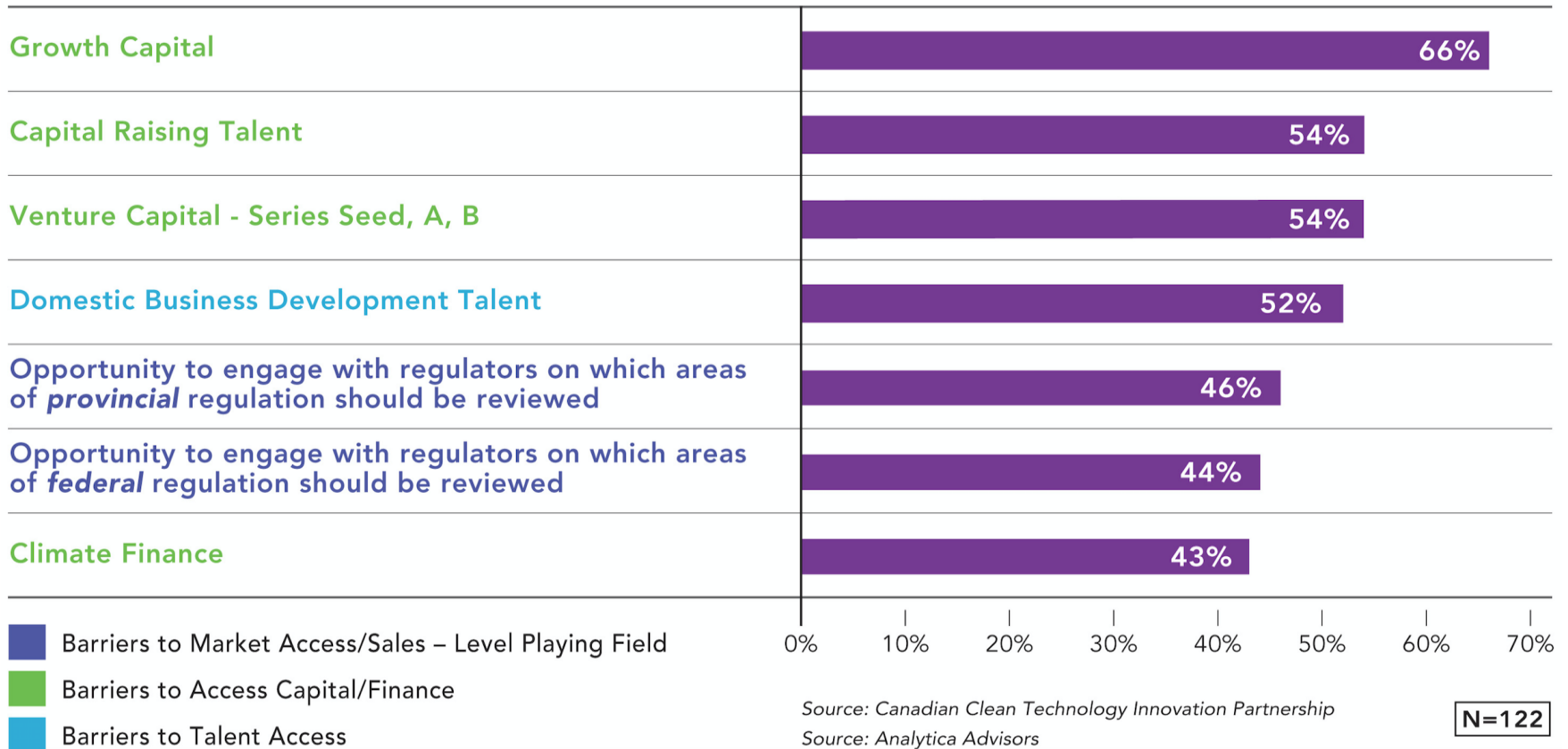
Credit Gap: Unserved & Underserved (Percent)



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Barriers to growth for SMEs commercializing climate innovations



SME Capacity Building Enhancers Ratings of ASEAN

Country	Higher Education and Training	Goods Market Efficiency	Labour Market Efficiency	Financial Market Development	Technological Readiness	Market Size	Overall Rating
Cambodia	2.8	4.2	4.5	3.9	3.0	3.0	3.6
Indonesia	4.5	4.4	3.7	4.2	3.5	5.7	4.3
Lao PDR	3.2	4.3	4.5	3.8	2.8	2.9	3.6
Malaysia	5.0	5.4	4.9	5.2	4.6	5.0	5.0
Myanmar	2.5	3.6	4.2	2.4	2.2	4.2	3.2
Philippines	4.5	4.2	4.1	4.2	3.9	4.9	4.3
Singapore	6.2	5.7	5.7	5.6	6.2	4.8	5.7
Thailand	4.6	4.7	4.2	4.4	4.2	5.2	4.6
Viet Nam	3.8	4.2	4.4	3.7	3.3	4.8	4.0

Source: ERIA, 2020

ERIA SME Policy Index

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Production Efficiency

Policies and Regulations

Cross-Cutting

Industry
4.0

Circular
Economy

Readiness to
implement
key procedural
decisions

Planning incentives,
mandates and
policies to directly
support the
preparedness

Sector/Economy wide
innovation and
institutional
procedures that
effect preparedness

All indicators/determinants have been carefully designed to be:

Actionable

Under direct control of decision makers (business/policy making)

Context neutral

Relevant- independent of cost and time

Consensus

Widely agreed by the stakeholders





Thank You

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