



Asia-Pacific
Economic Cooperation

Feature Story: 2018

APEC SMEs Adopting Digital Transformation and
O2O Application

Small and Medium Enterprises Working Group (SMEWG)
November 2018



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FEA



2018



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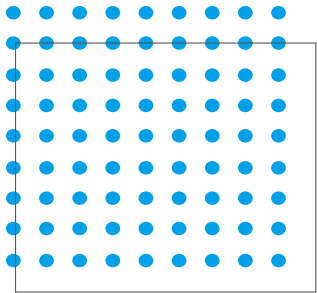
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FOREWORD

Message from the Executive
Editor





With the lightning speed of technological evolution, small and medium enterprises around the world, including Chinese Taipei, have been forced to revamp their business models to come out with new digital products and services, operational processes, and business models.

Through the Small and Medium Enterprises Working Group (SMEWG), Chinese Taipei has been able to promote a series of APEC Online-to-Offline (O2O) Initiatives that have spanned four years since 2016 to advocate the importance of digital transformation and resilience for a shared future and inclusive growth in the region. Over the years, Chinese Taipei had held a total of 20 summits, forums, and workshops in cooperation with the Philippines, Malaysia, Viet Nam, and Thailand to demonstrate the latest best practices and what works in digital transformation.

This handbook summarizes the top nine practices and their critical success factors. Interviews with several APEC member representatives are also included to share what they know about the pros and cons of digital transformation among SMEs.

Useful information to SMEs and startups is also provided in this handbook for them to understand the importance of digital transformation and resilience. We would like to give a special acknowledge to the APEC SME Working Group for their valuable support over the years. Chinese Taipei and the APEC SME Working Group will continue to spare no efforts in strengthening the digital competitiveness and resilience of SMEs and startups and, ultimately, bring in shared prosperity and inclusive growth to the Asia Pacific region.

Yours sincerely,

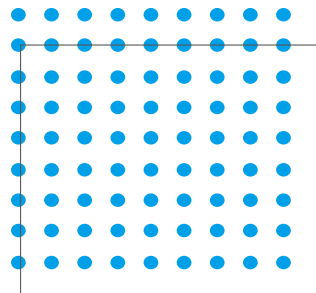
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Ming-Ji Wu
Director General
Small and Medium Enterprise Administration
Ministry of Economic Affairs

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Chapter 1

Opening Remarks





Ms Zenaida C. Maglaya

—Undersecretary

—Regional Operations Group, Department
of Trade and Industry, the Philippines



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- We are grateful for the work that Chinese Taipei did in shining the spotlight on innovative solutions to promote the participation of MSMEs in the global economy through the Online-to-Offline (O2O) Initiative. This has benefitted the Asia-Pacific region by bringing awareness to MSMEs and policy makers alike, in the great potential the digital economy can bring and do to help globalize our MSMEs.
- While we may have a long way to go, the current business landscape highly driven by technology also tells us that there are vast opportunities for those looking to expand their business or wish to introduce game-changing innovations. The challenge remains on how we continue to take the innovation and trade agenda forward by leveraging on strategic partnerships that will enable SMEs to gain the most benefit.
- We must provide solutions not only to address current challenges we're faced with, but also to solve problems we didn't even know we had. And in order to do that we must do one thing – **we must innovate.**

／ excerpts from speeches at the 2016 APEC Policy Dialogue
on MSME Marketplace & O2O Forum in Boracay



Mr Mohd Rithauden Makip

— Deputy CEO (II)

— SME Corp, Malaysia

**An agency under Ministry of
Entrepreneur Development, Malaysia**



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- The APEC Online-to-Offline initiative unleashed the potential of SMEs through a shared future of digital transformation which focuses on impact dissemination. Building upon the momentum gained from the previous O2O initiatives, this third phase of O2O initiative is focusing on widely promoting the importance of digital competitiveness, resilience as well as transformation while SMEs do business in a new O2O model.
- The APEC SME Working Group is working closely to create awareness and readiness of SMEs in facing challenges of digital transformation in respective APEC member economies.

／ excerpts from speeches at the 2018 APEC O2O Summit



Dr Wimonkan Kosumas
— Deputy Director General
— Office of Small and Medium Enterprises
Promotion, Thailand




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- Across the APEC economies, the mission of helping regional businesses to do cross-border trade and access to global markets cannot be materialized without our entrepreneurs embracing digital transformation. I believe that the APEC O2O initiative by Chinese Taipei is now playing an integral role in driving digital competitiveness and resilience among regional MSMEs. In each of the O2O events organized in various APEC economies, we have seen policy makers, accelerators, incubators, and also private sectors get together to encourage and support our regional MSMEs, startups and also young entrepreneurs to fully utilize the opportunities opened up by digital technologies.
- I would say that this O2O initiative has really inspired the development of digital transformation in Thailand. I think this initiative is really getting supports from entrepreneurs from all over the APEC region and I would like to thank Chinese Taipei for that.

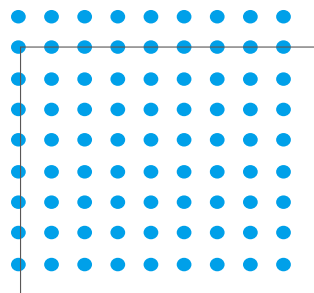
／ excerpts from speeches at the 2018 APEC O2O Summit



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Chapter 2

Introduction and Interview of
Outstanding SMEs/startups





● **Website of the company:** <http://9453.OurCityLove.com>

● **Facebook:** <http://FB.me/9453Traveler>

OurCityLove - NextGen Innovation for the Family Accessible Tourism in Aged Society

Accessibility is an emerging issue in most of the Asian cities, especially facing the aging challenges. Since it takes time and money to make the city 100% accessible, giving the seniors, the disabled and their families and friends, the accurate, reliable and user-friendly accessibility information service is definitely a huge market. Founded by Prof Dr Chong-Wey Lin in 2014, the OurCityLove Social Enterprise has been crowned more than 112 awards for our technological and social innovations. We are the leading smart accessibility information service partner for public-sector agencies, companies in public service category and NGOs in Chinese Taipei, Singapore, Malaysia and Hong Kong, China. Many famous museums, shopping malls, hospitals, schools, transportation stations and public-sector agencies adopt OurCityLove's advanced IoT solutions to bring ultimate satisfaction of their customers, visitors, and the differently-abled people by providing them personalized handy information for the access of requested facilities and services, help and emergency. In close cooperation with Yulon Group, the top car manufacturer in Chinese Taipei, accessible transportation and touristic service providers, OurCityLove's latest integrated online/offline service is accessible tourism - the "9453 Friendly Traveler", a huge market that enables the leisure as an alternative wheezing service for health and medical therapy serving the disabled, the elderly and the care givers.



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OurCityLove

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

OurCityLove Social Enterprise originated from a course run by Prof Dr Chong Wey Lin that integrated service learning and problem-oriented innovation at National Chiao Tung University(NCTU) in 2012, in which he led his students to solve problems related to accessible information services together with a team of people with disabilities. Realizing the pain of the inconveniences and the desire for more social participation of the disabled people and their families, Prof Dr Chong-Wey Lin quitted his university tenure position and established Our City Love Social Enterprise in 2014.

We have the following solutions:

- Accessibility is an emerging issue for cities and companies that provides public services. Asian cities and companies especially need accessibility because of ageing populations.
- However, it takes time and money to make the city and your services being 100% accessible.
- Utilizing the mobile and web technologies to allocate and identify the accessible/friendly services such as restaurants, hotels, transportation, medical care and tourism. There are already relevant NGOs services in Japan, European Union (EU), England, the US yet not well constructed.
- These smart accessibility information services benefit citizens and customers in inconvenient situations, such as the senior, the disabled, the pregnant and their families.

- To build up accessibility information, the disabled citizens are the best candidates for the simple fact that no one knows the accessibility needs and problems better than they do.

- Their “disability” then becomes “a different ability”, by which they could help collect and evaluate accessibility data and to deliver the service providers related consulting and training services to improve their service quality both in hardware and software.

- By providing detailed and transparent accessibility information, working hand in hand with the private service providers to improve accessibility and to design better products and donating 50% of profits for the social participation and inclusion activities of the disabled, we evoke citizen’s consensus and urge cities and businesses to take actions for an accessible and even friendlier world.

b. What were the biggest challenges that your company faced when your company started its business?

With questions from families, colleagues and friends, leaving the comfort zone as a university professor is definitely not an easy decision.

c. What are the biggest challenges that your company face now?

As a small-medium sized company and social enterprise, it is not easy to find good human resources professionals and cooperating partners.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

“Everyone has the right to access leisure and tourism services on an equal basis,” said former UN Secretary-General Ban Ki-moon in his message on the 2016 World Tourism Day. But the question is: How can we leverage the public and private powers to improve accessible tourism? OurCityLove Social Enterprise aims to leverage these powers.

The global tourism market is expanding and a significant number of elderly, mobility impaired, families with young children; moreover, Persons with Disabilities (PWDs) are looking for more active social participation such as traveling. OurCityLove Social Enterprise, therefore, aims to provide a transparent accessibility information platform for their conveniences and to leverage public and private service providers to improve the accessible environment, facilities and services. This is a booming market while most of the Asian economies are facing the challenges of ageing populations. We believe that we have the following three market chances with great potential:

First, globally, it is estimated that over one billion PWDs as well as more than two billion people including spouses, children and caregivers of PWDs are directly affected by disability. While this signifies a huge potential market for travel and tourism, it still remains vastly under-served due to inaccessible travel and tourism facilities and services as well as discriminatory policies and practices.

Second, in Europe, there are travel agencies such as DisabledGo, Sage Traveling, Stride Travel that provide accessible tourism services. Even the world famous traveler's guidebook, Lonely Planet, has an accessible tourism version published. However, in the Asian Pacific region, no similar services are available in the market except some small organizations focusing on disabled group tours and yet offering information on family travel and related services. It will definitely be a meaningful and great market chance because the Asian customers love family travels more than the Westerners do and are more willing to travel with senior (grand-)parents and relatives.

Finally, travel agencies, transportation, hotels, restaurants and amusement parks are lacking for professionals who are capable of offering information and advice on accessibility issues. Since the OurCityLove is at the moment the most experienced accessibility information service provider in Chinese Taipei, we have become the best partner for the current travel-related operators to enhance their physical and information services and effectively connect them to the targeted customers of accessible travels.

Based on the three mentioned market trends, OurCityLove works closely with public-sector agencies of Chinese Taipei, such as the Small and Medium Enterprise Administration of Ministry of Economic Affairs (on APEC O2O serial events and issues relating to social enterprise consulting), Ministry of Labour Affairs (on issues relating to employment of elderly and PWD), Ministry of Interior Affairs (on issues relating to accessibility regulation and certifications), Ministry of Transportation (on accessible transportation and tourism issues) as well as private sector firms in the fields of tourism, transportation and social services.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

To enhance our social mission and business, we look forward to more cross-disciplinary cooperation on accessibility and policy incentives for us to arouse public awareness and leverage cross-sectoral resources, which could further lead to more constant efforts and improvement.

c. Can this event provide any help to your business?

Thanks to the APEC O2O serial events held in various economies in the past three years there are about half a million OurCityLove app users and around five million website views of its accessible tourism online service in the first six months of 2018. OurCityLove currently provides accessible information in 14 cities in Chinese Taipei: Taipei, New Taipei, Keelung, Hsinchu, Taichung, Tainan, Kaohsiung, Pingtung, Hualien, Yunlin, Chiayi, and Taoyuan. The OurCityLove app has a presence in some APEC economies such as Malaysia and Hong Kong, China. We plan to expand its operation to Singapore and other economies as well.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

With the vision of “using wisdom and technology to fulfill love” and working together with people with disabilities, OurCityLove Social Enterprise has developed various cloud and mobile applications that provide information, consulting, training and certification courses to friendly service providers in all different fields. It enables and empowers the disabled, the disadvantaged and their families. For a future inclusive economy, we believe that APEC should locate more resources and facilitate related events on this social economic issue.

b. Are there any suggestions or advices that you will like to give to future startup teams?

The success of the OurCityLove Social Enterprise stems from seeing beyond “disabled” but seeing “differently abled.” Ensuring inclusive economies and spaces for the elderly and PWD is not only about making regulations about anti-discrimination or accessible infrastructure. Instead, making economies inclusive means giving the elderly and PWD the opportunities to share their experience and expertise, which could further turn into a viable business model. While OurCityLove is a social enterprise with an identified social cause, its successful operation shows that working with marginalized sectors of society need not be a charity but can be a profitable venture. We hope to see more startups focusing on this issue and aiming at a more inclusive society.

c. What are some prospects and expectations regarding to the future developments of your company?

Currently, our future development is continuously developing integrated information and value-added services via our accessible tourism platform, the “9453 Friendly Traveler”, which aims to serve the family travel with the elderly, the mobility impaired and the disabled families. Given the special mobility needs of the elderly, accessible tourism will become a growing and increasingly important market in the future. OurCityLove’s innovative approach to improve accessibility innovations through a sound business model—and making a healthy profit—shows that an inclusive model of tourism can work for all stakeholders.



2 TNL Media Group



The TNL Media Group is based in Taipei and publishes content under four brands: The News Lens for news; ELD for lifestyle and fashion; INSIDE for technology news and trends; and SportsVision for sports. It employs a staff of about 80 in Taipei and Hong Kong, China. In combination, the group has around nine million monthly unique readers. Its readers are mainly well-educated young adult in a good financial situation. TNL Media Group continues to provide important news and must-read stories from all perspectives and is expanding into new markets fast. Viewers can get the best reading experiences regardless of the devices they use and the articles are easy to share and to engage in. The group has over 2,000 columnists and established partnerships with renowned media worldwide to provide readers rich and top quality content.



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● Website of the company

- **TNL** - <http://www.thenewslens.com/>
- **TNL HK** - <http://hk.thenewslens.com/>
- **TNL ASEAN** - <http://asean.thenewslens.com/>
- **TNL International** - <http://international.thenewslens.com/>
- **ELD** - <https://everylittled.com/>
- **INSIDE** - <https://inside.com.tw>
- **Sports Vision** - <https://www.sportsv.net/>

● Other

- **TNL Youtube** - <https://www.youtube.com/user/thenewslens>
- **TNL Twitter** - <https://twitter.com/thenewslens>
- **INSIDE Twitter** - <https://twitter.com/insideCyberbuzz>
- **TNL Instagram** - <https://www.instagram.com/thenewslens/>
- **ELD Instagram** - <https://www.instagram.com/everylittled/>

● Facebook

- **TNL Facebook** - <https://www.facebook.com/TheNewsLens/>
- **TNL HK Facebook** - <https://www.facebook.com/TheNewsLens.hk/>
- **TNL ASEAN Facebook** - <https://www.facebook.com/tnlasean/>
- **TNL International** - <http://international.thenewslens.com/>
- **TNL Video Facebook** - <https://www.facebook.com/tnlvideo/>
- **TNL Life and Culture Facebook** - <https://www.facebook.com/tnl.lifenculture/>
- **TNL Brand Studio** - <https://www.facebook.com/tnlbrandstudio/>
- **ELD** - <https://www.facebook.com/everylittled/>
- **INSIDE** - <https://www.facebook.com/cyberbuzz/>
- **Sports Vision** - <https://www.facebook.com/SportsV.net/>

TNL Media Group

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

Almost everyone in our generation is unsatisfied with traditional media. In particular, young generation complains about how media is junky, sensational, politically biased or has a corporate agenda. Everyone likes to complain, but for us the ideal was that instead of complaining about it every day, why don't we take this opportunity at this time in history when traditional print media is transferring over to digital media, and at this important moment in Greater China history in terms of media freedom and political development, to try and create a cleaner, calmer, more rational and objective media? A media that has valuable and news-worthy content that our generation would like to see and use.

b. What were the biggest challenges that your company faced when your company started its business?

The biggest challenges were to build up the brand awareness, to attract more traffic to the website, and to create more volume on social media platforms.

c. What are the biggest challenges that your company face now?

The biggest challenges now are to balance ideal and operation. We strive to work as fast as possible towards the original vision of creating a better media environment. We also work as hard as possible towards self-sustainability.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

There are several government grants for start-ups to apply. Freedom of the press and stable political environment also help a lot.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

1. Creating a better and friendlier environment for startups ;
2. Building a legal ecosystem that promotes startups and young business people ;
3. Providing more financial assistances to small businesses.

c. Can this event provide any help to your business?

This event helps with brand exposure, introducing us to international investors.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

Digital transformation is an irresistible trend. All we can do is to keep up with it.

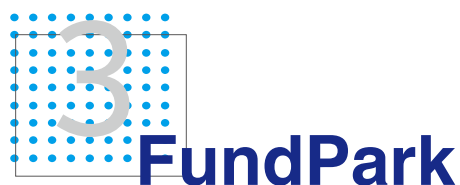
b. Are there any suggestions or advices that you will like to give to future startup teams?

Try to balance the ideals and reality.

c. What are some prospects and expectations regarding the future developments of your company ?

Our goal here is to create a better media environment and offer better options, better angles. From that standpoint, our job is to grow as fast as possible, without ever sacrificing those original ideals, and never creating content that we think is not worthy of being shared or read, just for the sake of views or reach. First from Chinese Taipei, but one step at a time, then to Greater China and hopefully one day the global Chinese-reading audience, be the one stop platform for all important and valuable news, video and mobile content for the digital generation.





- **Website of the company:** <https://www.fundpark.com>
- **Facebook:** <https://www.facebook.com/fundpark.co/>
- **LinkedIn:** <https://www.linkedin.com/company/13271431/>
- **Instagram:** <https://www.instagram.com/fundpark/>
- **Twitter:** <https://twitter.com/FundParkAsia>

FundPark provides invoice financing and purchase order financing solutions for SMEs. For both institutional and individual funders, FundPark provides an alternative investment opportunity in trade finance which has the characteristics of incremental yield, low volatility, low duration and diversification. FundPark has its own proprietary model for due diligence and invoice/purchase order verification, supported by Euler Hermes, the world's largest trade credit insurer. The management team is composed of former bankers specialized in trade finance, SME credit risk and corporate investment.

Headquartered in Hong Kong, China with operation also in Chinese Taipei, we are now looking to expand to the ASEAN region.



Suen Wai Loi

Co-founder/CEO
ansonsuen@fundpark.com

FundPark

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

The co-founding team members were previously from banks. Having been in the banking industry, they were able to see a funding gap between SMEs and banks.

SMEs were rejected loans not because of the lack of credit, but more on (a) compliance issue (risk weighted asset); (b) cost issue, and (c) appetite issue.

Many SMEs can only use their own fund to conduct business, which creates cash flow issues and unfair competition against larger corporations.

SMEs are actually the backbone of every economy, and many innovative products or ideas are actually created by them.

The problem is not just in Chinese Taipei and Hong Kong, China. The problem is global: The funding gap is as high as USD two trillion according to a report published by the World Bank. The situation in developing countries, Southeast Asia (SEA) in particular, is more severe.

b. What were the biggest challenges that your company faced when your company started its business?

Many SMEs lack the knowledge of funding alternatives and will always fall back to the banks for loans. Being constantly rejected by the banks, SMEs can only secure loans of high interest or settle for lower business growth.

With the existence of FundPark, our clients (SMEs) are glad to have this alternative funding solution other than the banks. One of the earliest problems was the lack of knowledge and credibility to provide loans alternative to banks.

The main challenge was seeking the right legal avenues and licenses to back what we were doing. As we are in a totally new space, there were the lack of laws and existing case studies to support our operation. Therefore, quite an amount of effort was spent in our legal setup.

c. What are the biggest challenges that your company face now?

- Growth of the team: Hiring the right and talented people is always the main challenge for any company.
- Adoption of technology: Trading is a traditional business. A lot of the stakeholders, such as the SME bosses, shipping documents, banks are not open to embracing technology. Many of the existing operation documents are still in physical copies and there is need for manual input. Even with a good technology initiative, it takes time and effort for traditional business to adopt technology. We are improving our platform to avoid human error and increase the overall productivity such as API connectivity with the service providers, ERP and procedure systems for buyers and suppliers.
- Scaling to different markets: It is always hard to replicate our success in new markets like Chinese Taipei and Indonesia in terms of ensuring that we will fit into the local laws and fit to local needs.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

Some funding for rising startups comes from the incubation program of Hong Kong Science and Technology Park (HKSTP), Cyberport and others. They also have some initiatives for FinTech such as some sandboxes.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

- In FinTech, one major concern is legibility. The current laws from SFC and HKMA are not clear enough meaning a lot of grey areas. A sandbox initiative is good, but it is interesting that the applicable companies are only banks and financial institutions. Unlike in UK and Singapore, startups can join.

- Open Data: that includes government and bank data. If there is an open-API support, clients can choose share their data to FinTech companies with strict security. It will increase our operation regarding finding out the source of data and verification of data.

c. Can this event provide any help to your business?

Yes. Most definitely. We are launching in the Chinese Taipei market and love to meet funders and SMEs that are interested in seeking alternative funding and investment.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

With the raise of Artificial Intelligence (AI) and machine learning, we are confident that most manual processes will be automated in the coming years. Adoption of blockchain will be common for most platforms.

b. Are there any suggestions or advices that you will like to give to future startup teams?

- Always validate ideas before moving ahead.
- Always create MVP and measure all data points. Let the data do the talking.

c. What are some prospects and expectations regarding to the future developments of your company ?

- Expansion to new markets.
- Raising new funds.
- Hiring new talents.
- Hiring new teams in other economies.
- Breaking internal records.



4 Hygeia Touch



● **Website of the company:** <http://www.hygeiatouch.com/zh/index.html>

● **Facebook:** <https://www.facebook.com/hygeiatouch/>

Hygeia Touch Inc develops self-diagnostic devices by the “Lap on Paper” technology platform, and provides precise healthcare by integration of a big data cloud platform. We provide private, safe, and comfortable solutions to take care of family health, and wish our precise healthcare solutions help family members with good and relaxing users’ experiences.



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Hygeia Touch

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

We believe women deserve more respect for preventive screening. Cervical cancer is the most common female cancer, normally ranking 2nd. This cancer can be preventive by regular screening; however, current screening way is invasive, inconvenient, uncomfortable, and no privacy. Women do not take regular screening due to these reasons. Our solution can solve this problem. We provide a very good alternative, self-sampling test anytime, anywhere. With our solution, regular screening will become a happy experience.

b. What were the biggest challenges that your company faced when your company started its business?

The biggest challenges that we faced were product marketing and finding the best business model in the first three years.

c. What are the biggest challenges that your company face now?

The biggest challenges that we faced now are how to effectively touch the right customers and promote our self-diagnostic products to everyone, since the health care in Chinese Taipei is convenient. People may like go to hospital rather than take self-test at home even if they only have ailments. Therefore, how to educate people to improve the frequency of regular check at home is our biggest challenge.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

There are many government subsidies regarding business development, market development, or clinical trials that can help us to do better.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

As we mentioned before, how to educate people to improve the frequency of regular check at home or self-diagnose at home if they only have little ailments is a major issue. The government can strongly promote or educate the importance of self-diagnosis.

c. Can this event provide any help to your business?

We wish this event can help us to find business partners which identify our vision and interest with our self-diagnostic products.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

If there is one thing I know for sure, it is that digital transformation will continue to change how we do business—in every industry, such as 5G, chatbots, connected clouds, etc.

b. Are there any suggestions or advices that you will like to give to future startup teams?

The only thing that will get you through the tough times is being very singular and passionate about what you are doing. Find something you can be passionate about and run with it. Find other people who are committed to the same cause or passion as you, and divide and conquer. Just follow your heart and decide the business model as early as possible, and go for it.

c. What are some prospects and expectations regarding the future developments of your company?

As we believe women deserve more respect for preventive screening. Therefore, we hope our company can become one of the leaders in women health care, of course, IPO in the end.





- **Website of the company:** <https://vicgo.co/>
- **Facebook:** <https://www.facebook.com/VicGo.co/>

VICGO Company offers a broad range of consulting services in marketing, community building, project development and corporate management and development in various industries regardless of size, from SMEs to large corporations. Our core competence lies in providing top C level management with decision support for growth and profitability strategies to help business maximize revenue and profit generate growth and develop a sustainable competitive edge.



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Mike Michalec
Associate Partner



Warren Eng
Associate Partner



Linh Hoang
Operation Manager

VICGO



Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

Many SMEs spend a lot of resources to do the research in new markets. They also spend much time to find their potential partners in Viet Nam with meet their needs. Hence, we help SMEs in Asia to reach the Vietnamese market and identify new business opportunities. We use multiple sources of information to create a broad picture of the company's existing market, customers, problems, competition, and growth potential for new products and services. We build up trade partnership and new contacts with buyers and institutions in Viet Nam. Our goals along with our clients are to optimize relations between them and their supply network so as to implement win-win strategies and to increase profits. We help them to develop a comprehensive and fact-based understanding of the market; clients to win in hyper-competitive emerging markets. We provide a modern, creative approach to event production. We plan the upcoming event for corporations and we also organize different kinds of events from trainings to workshops with distinguished guests. We provide laws consulting services so as to allow firms to have the needed acquaintances about the legal way of their set-up abroad. We assist the creation of the right market penetration strategy that will optimize the implementation in Viet Nam. We provide advice and guidance for marketing and messaging strategy with the goal to create the best sustainable firm's guideline. In return, it enables domestic companies approach not only a lot of international corporations but also foreign investment.

b. What were the biggest challenges that your company faced when your company started its business?

Many multi-corporations expect to connect with potential partners via big brand in the local market. Some SMEs like us must invest a lot of time, money and resources at first to build our trust in the market.

c. What are the biggest challenges that your company face now?

The lack of labor force is the biggest challenges that we confront. The labor market is being increased but we do not have enough human resources to implement.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

We have not asked for any support from the government since this problem depends on the qualification of labor force as well as the complexity of the tasks in which we find it difficult to look for a suitable person.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

I think that they should build an ecosystem to help the foreign corporations do better. They can find plain and comprehensive information; in return, domestic companies can look for many potential partners. In fact, this connection is not sustainable enough. So they should create a strong connection among international parties and domestic parties.

c. Can this event provide any help to your business?

Yes, we can meet many potential partners, and we are planning to have something to do in the future.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

Regarding the digital transformation, I think IoT, blockchain and AI will play a major role in the next few years. IoT alone is just the start. It is actually not about the things but rather what we will do with these things once they are connected and provide us with the data that we want.

While the financial industry will be the first to begin utilizing the blockchain tool, there will be more blockchain application from entertainment to healthcare to hospitality.

AI can be applied to support from customer service and robotics to analytics and marketing. AI will be utilized to surprise, connect, and communicate with customers and employees of the companies in ways they may not even appreciate or realize to foster convenience and productivity.

b. Are there any suggestions or advices that you will like to give to future startup teams?

To overcome many challenges that entrepreneurs have to face with, there are seven lessons that they should learn on a daily basis.

First, observation skills are the first thing we need to work on. When you observe, you can learn how a lot of things need to be done correctly for setting up a successful startup.

Second, having a self-disciplined life guarantees you a physically healthy body and a flexible mind. You need to plan your schedule carefully, be strict towards yourself to avoid days you feel unmotivated. A self-disciplined lifestyle helps us have enough energy to face and cope with business challenges.

Third, getting used to rejection. You must accept the fact of being rejected and take that as a normal part of the process. After every rejection, you figure out the reasons that lie behind it and prevent it from happening in your next attempt.

Fourth, humility is a good way to help your soul flourish. Humility helps us fight against greed, braggadocio and narcissism – all of which are cancerous to Vietnamese's values.

Fifth, being fluent in at least one foreign language. Learning a new language is like working out. In order to be muscular, we have to work out every day.

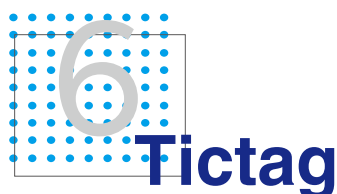
Sixth, reading is a way for us to gain knowledge, learn skills and experience things for free. Reading could also provide us with a deeper understanding of our job and life; better thinking habits and therefore helps us grow.

Seventh, keeping promises. Once you promise someone something, make sure to do your best to keep your words. So bear in mind the word "trust" and do not let anyone down once they have put their trust in you.

c. What are some prospects and expectations regarding the future developments of your company?

We are living in the world whose environment is changing quite fast. New technology is coming up every day and there are thousand of jobs cut from the labor market and there are also new jobs. Therefore, we want to focus on the human development which is the center of our mission. We will invest in the center of innovation and skill developments for the startup founders.





● **Website of the company:** www.tictag.vn

Tictag is a tech startup company to help people's life easier and more secure with endless possibilities by using a unique universal ID. We build an ecosystem of products and services based on NFC technology, such as membership cards on over 300 merchants; prepaid card for hospitals, retail stores and restaurants; security gate and smart parking system for buildings; electronic ticket system and prepaid solution for events and public transportation. We help our customers to make anything tap-enabled with NFC sticker and provide NFC reader for our merchants to track, analyse and engage loyal customers to generate repeated sales.



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Tictag

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

In 2008, our company started as a hardware company that makes devices for motorbikes. Later, we innovated and applied the NFC technology to our products to make them simpler for customers to use.

In a chance to go to the World Economic Forum, I met many people and they were all talking about the fourth industrial revolution. After that, I found out that our company can do a lot more than just motorbike devices with the NFC technology. So, after returning to Viet Nam, I presented this idea to our government.

The first innovative product that we developed is a smart card that allows students to pay for their school fees, and from that point we went on to create a whole ecosystem. The idea is to apply the NFC technology to the everyday urban life. For example, when you wake up in the morning you can use the NFC card to open the door, take the elevator, unlock your motorbike and ride to work; At work the card can be used as your employee card, you can simply tap the card to sign in; when you feel tired you can use your card to pay for coffee, which you would always receive a cashback every time making a transfer with your card.

b. What were the biggest challenges that your company faced when your company started its business?

Our goal is to build an ecosystem, so the biggest challenge for us is that we do not have enough required resources ourselves to build such an enormous ecosystem. To solve this problem, we would need to cooperate with other organizations and companies. As we have become a tech solution provider, we give wide label contract license to other companies for them to use our system. With this collaboration we can together create an ecosystem base on our system. For example, we have worked with environmental organizations to reduce the usage of plastic bottles by giving people glass bottle which they can get free water at convenience stores by taping NFC cards. Currently, we have seven different companies in our ecosystem and many more with a wide label contract which we give them solution and technology that they can use.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

We are currently working with our government to promote some proposals, such as NFC technology tourist cards, new solutions to manage the functions of student cards, and application of the NFC technology student cards to the whole Viet Nam. Other than that, we also provide a system for the government to manage their loan to other startups. The government often thinks of new solution to help Viet Nam with helps from startups, and we are always trying to strengthen our connection with them to provide solutions. But the challenge is that when you present something to the government, you will always have a lot of requirements to meet, whether it is about your resources, your share of market, your capital and what project you have done. So, we are trying hard, step by step to connect and work with the government, and to convince them to trust us and cooperate with us.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

Digital transformation is happening everyday in the world. I believe it is a big challenge for everybody, including startups, SMEs and big cooperates. Those who could use this to their advantage will be able to develop better in the future. It is a chance for startups to beat the big corporates if they can grasp the opportunities. Traditionally, big companies have more resources, it is their advantage as well as their weakness. For they have built their whole ecosystem with the old technologies and cannot innovate as fast as startups in terms of ecosystem building and adjusting.

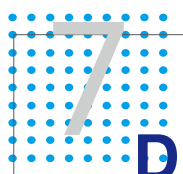
b. Are there any suggestions or advices that you will like to give to future startup teams?

The ability to execute a project or proposal is very important, but before execution, a startup should first have the right passion, and second to have a right vision. Only with the right passion and the right vision can a company execute and create a product that can adapt to market.

c. What are some prospects and expectations regarding the future developments of your company?

In the next two years it is expected that our product will cover the whole Viet Nam. After that, we plan to expand to the Southeast Asia and global market. Our vision is very simple, because we have the applications similar to other companies in other economies like EZ-Link in Singapore and Easy Card in Chinese Taipei. We want to integrate our system with these companies so that everyone can use this system. Also, we want to sell products that other systems do not have. I believe our hardware is much cheaper than that of the other company solutions right now. So, if they can apply these products in their systems, they can reduce cost.





Discover IT Network



● **Website of the company:** www.discoveritnetwork.com

● **Facebook:** <https://www.facebook.com/discoveritnetwork>

Discover IT Network (DISCOVERIT) is a security solutions provider based in Kuala Lumpur. Our core expertise is security and surveillance. We help business owners and individuals feel safe and secure by providing relevant products and solutions.

DISCOVERIT also provides Fibre Optics infrastructure solutions apart from other ancillary services. Our clients are mainly in the agriculture, government, oil & gas and telecommunication sectors.

DISCOVERIT is registered with the Ministry of Finance Malaysia and the Construction Industry Development Board (CIDB). DISCOVERIT is graduate of the SME Corp TUBE Programme, recipient of the Business Accelerator Programme (BAP) matching grant and has obtained our SCORE rating in 2017.



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Discover IT

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

Our Big Why is our deep interest in entrepreneurship and our ability to share and use our expertise in Information Technology, particularly in Security Solutions.

The problems we are trying to address are as follows:

1. The lack of awareness on the part of home/office owners on security & safety;
2. Shortages of reliable security solutions provider in the market;
3. The rising demands on fiber optics infrastructure.

b. What were the biggest challenges that your company faced when your company started its business?

1. Building our customer base – We had to literally knock on doors to promote our services. This method, although time consuming, was necessary to establish trust. Of course, the “guerilla marketing” that we executed was particularly targeted. In our case, we started by focusing on oil & gas companies (generally these companies have the financial muscle to spend on IT needs) and the property management companies of apartment/condominium buildings (they do not have in-house IT personnel).

2. Capital – In the early stage, we accumulated our capital from the services we provided. We started the business with less than USD100 – which we used to register the business and some marketing materials such as business cards and flyers. Only after almost six months in operation, we managed to obtain credit facility with one of our suppliers and this has helped us a lot.

c. What are the biggest challenges that your company face now?

Sales & Manpower – We are still far away from being comfortable. Sales activities need to be carried out by us (the owners) instead of delegating it to a Sales Team. We are still being careful with our OPEX and not too comfortable hiring more people. The risk here is we are not yet on auto-pilot. Manpower is another issue. Sometimes we are not able to immediately carry out the jobs that we secure due to lack of manpower.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

There are various agencies that provide different types of assistance to cater to different types of business. In our case, SME Corporation Malaysia has done a great job not only in facilitating entrepreneurship activities, executing training programmes, introducing various financial assistance programmes, but also providing us with many platforms to promote our business.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

Business matching with government-link companies (GLCs) and ministries/agencies – It would greatly help if the government could find avenues where the MSMEs, especially the micro businesses could supply their products and services to the GLCs and ministries/agencies for a period of time just for the entrepreneurs to gain some footing. The GLCs/ministries/agencies can come up with a simple Vendor Development Programme for the MSMEs, particularly the micro businesses.

c. Can this event provide any help to your business?

The APEC O2O Summit is certainly a great platform for my business. The reasons are as follows:

1. Increased visibility – With our participation in the event, this has increased our visibility among our prospects, customers, clients, financial institutions, government agencies.
2. Networking with international participants – We have learned and gained insights on what others are doing in terms of their business model, innovation and approach. This could even perhaps open doors to potential future collaborations if not just knowledge sharing.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

IoT will be big in the next five years. It might have a slow take-up rate now but this will soon change.

b. Are there any suggestions or advices that you will like to give to future startup teams?

- Know your stuff – knowledge on your domain, problems you are trying to solve, the market you pick, why you are different, regular reviews on the business model to ensure sustainability.
- Understand your financials - Basics such as cost calculation, OPEX/CAPEX, monthly/annual projection, investment amounts we seek, potential returns, dividends for investors must be within grasp if we want investors and financial institutions to be interested in what we do and to provide the required assistance.
- Pick the right team (with different expertise).
- Involve yourself in entrepreneur circles.
- Work closely with your government agencies.
- Make sure your business comply with the government/ international guidelines; pay attention to compliance.
- Read a lot.
- Money should not be a hindrance to start a business. There are always ways to raise funds.
- Be patient and persevere. Do not expect immediate success. Failures are NORMAL.

c. What are some prospects and expectations regarding the future developments of your company?

- In terms of system integration – our bread and butter is security and surveillance products and services. We hope to add IoT sensors and solutions to the list.
- We are looking at venturing into a different vertical – Health, in particular, home health service. Groundwork has commenced. Stay tuned!





- **Website of the company:** <https://www.beamandgo.com>
- **Facebook:** <https://www.facebook.com/BeamAndGo/>
- **Twitter:** <https://twitter.com/beamandgodotcom>
- **Instagram:** <https://www.instagram.com/beamandgo/>

At BeamAndGo, we believe there is a better way for Overseas Filipino Workers (OFWs) to support their loved ones in the Philippines other than just providing cash. Our goal is to enable OFWs to buy food, medicine, health care, insurance, education and other essentials for their family in a way that is affordable, convenient, transparent and sustainable.

With BeamAndGo.com, OFWs can purchase digital gift certificates for supermarkets and pharmacies that will be sent to the mobile phones of Filipinos back home. These digital gift certificates can be immediately redeemed at the participating stores. They can also directly pay for insurance, healthcare, airtime load, mobile devices and bills.

So, no matter where OFWs are in the world, BeamAndGo will help them take care of their family in the Philippines.



Jonathan E. Chua

CEO

Jonathan.chua@beamandgo.com

BeamAndGo

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

One of the biggest problems a migrant worker faces with remittances is that once their remitted funds reach the hands of their beneficiaries, they are not sure what happens to the money. Their beneficiaries may spend the money on food, medicine, healthcare, education, or they may spend it on expensive cell phones, big screen televisions, illegal drugs, alcohol, or gambling.

On the BeamAndGo platform, a migrant worker can specify how they want their remitted funds to be spent, and we ensure that the money is spent in that manner. This eliminates misuse and wasting of money.

When we started the company, we saw that the promise of a better life for OFWs and their families was not being realized because remittances via cash was not-accountable and the spending was not transparent. Furthermore, the beneficiary had all the power while the migrant worker who makes the sacrifices and works hard has no power. We felt that this is wrong, and we wanted to change that by providing tools that empowering the migrant worker.

Our first group of customers are the Overseas Filipino Workers (OFWs).

b. What were the biggest challenges that your company faced when your company started its business?

Challenge #1 – we were the new kids on the block (part 1). The remittance industry, especially to the Philippines, is mature (30+ years). Our potential customers were used to a well-established method of

sending money back to their family. So, we needed to establish our customer value proposition and deliver that message to OFWs.

Challenge #2 - we are the new kids on the block (part 2). OFWs are often the victim of financial scams, so we have to earn the trust of our customers. For the OFWs that never heard of us before, their initial reaction was that our service was a scam. For those who tried us, we needed the process to be perfect or they would accuse us of being a scam. Our margin of error was small.

Challenge #3 – the technology infrastructure in the Philippines is not advance. Merchants do not have good internet access. The beneficiaries of our customers do not have smartphones.

c. What are the biggest challenges that your company face now?

Our other biggest challenges are on the following metrics: lowering our customer acquisition costs; increasing our gross margin; and increasing our retention rates.

We are also in the process of raising a seed funding round this year, which will lead into a Series A funding round in 2019.



Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

Yes. Last year, the Monetary Authority of Singapore (MAS) held the Singapore FinTech Festival. It was a great event. We were one of the finalists for the FinTech awards and as a result we were given a booth and access to many thought leaders, potential partners, and potential investors. MAS will be holding the event again this year and we plan to join.

Also, in Singapore there are NGOs, like ASME and IPI, that help startups with business matching and government grant application. We recently started discussions with these entities and they have been helpful.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

I think Singapore has done a great job and continues to look for ways to build the startup ecosystem by helping businesses and working with educational institutions.

c. Can this event provide any help to your business?

Yes, of course. Having the chance to listen and learn from other companies and thought leaders is a big plus.

A company should always be open to learning new things; this is the source of inspiration and innovation.

Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?

If you are in business, it is a given that all aspects of your business from back-office to customer-facing will become fully digital.

Automation and AI are now the value-added trends but will soon become a part of normal business practice.

IoT will soon become a part of everyday life. Smartphones will evolve into a device (or series of devices) that is ingrained in a person's daily life - communications, news, payments, education, entertainment, health and wellness, food, travel, etc.

This is no longer science fiction. It is happening.

b. Are there any suggestions or advices that you will like to give to future startup teams?

There are still big problems in this world, as can be seen in the news every day. So, my number one piece of advice is to start a company that solves a problem and not be a "copy cat". In terms of the mechanics of running a startup ...

- With co-founders, be honest about each other's strengths and weaknesses; Have a plan to take advantage of the strengths and mitigate the risks of the weaknesses.

- Put in place a founder's agreement that includes the following:

1. Clear roles, responsibilities, and commitments, including working hours
2. Division of founder shares based on roles, responsibilities, and commitments, including vesting schedule (I suggest 4 years or more)

3. What happens to vested and non-vested shares if a founder leaves, including option price, company rights to buy back, other shareholder's rights to buy, and selling price

- Define a clean operations plan

1. Bookkeeping, accounting, financial reporting
2. Government obligations and filing
3. Hiring process / termination process
4. Employee policies

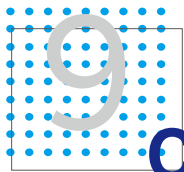
c. What are some prospects and expectations regarding the future developments of your company?

Everything we do is in line with our advocacy: empower migrant workers by giving them control over their remitted funds.

In the next 12 months, we are introducing more "essential needs" categories, like healthcare and bills payments; we are working with ethical lenders to provide micro-consumer loans to help migrant workers in between pay checks; and we are adding stored value facility (SVF) via a digital wallet to address the needs of migrant workers when it comes to cash-in, remittance flow, and redemption.

By 2020, we want to have a positive impact on 12 million Filipinos around the world and in the Philippines. And with that blueprint, be able to extend the same service to other economies that are sources of migrant workers.





CLEF TECHNOLOGY



- **Website of the company:** <http://cleftechnology.com/>
- **Facebook:** <https://www.facebook.com/ClefTechnology/>

Clef Technology provides gas leak detection solution with specially designed algorithms and acoustics processing techniques to combat pipeline leakage.



Jason Ng
Founder/ CEO



Rebecca Dong
CBO



Anthony Kuo
CMO/Marketing Manager

CLEF TECHNOLOGY

Story behind best practices

a. What is the reason that your company start your business and what are the problems that you are trying to solve?

Because of Kaohsiung gas explosion, we start to develop automatic leak detection solution to minimize any explosion risk.

b. What were the biggest challenges that your company faced when your company started its business?

It's quite difficult for a new and small startup to enter into existing supply chain and compete with big player in the market.

c. What are the biggest challenges that your company face now?

Same as above.

Insights on the current environment and suggestions

a. Regarding the challenges that you face now, is the government of your economy providing you with any resources that can aid you to do better?

Yes, the government makes lots of efforts to help startups connect with industry partners.

b. What are the measures that you think your government can do to adjust the business environment and ecosystem to make your business do better?

We do not need any more accelerators nor incubators. Give money straight to start-ups.

c. Can this event provide any help to your business?

Yes, we get inquiries from local factories and overseas investors.



Prospects on the future developments of business

a. Do you have any thoughts or insights regarding the trend of digital transformation?



Digital transformation happened a decade ago and will continue to change the world.

b. Are there any suggestions or advices that you will like to give to future startup teams?

Find market need and develop what market needs.

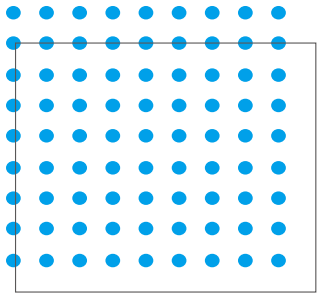
c. What are some prospects and expectations regarding the future developments of your company?

We will expand to ASEAN market.



Chapter 3

Outcomes of the events in 2018





Brunei

Highlights of the event

In order to assist small and medium-sized enterprises (SMEs) in the Asia-Pacific region in the era of digital economy, Small and Medium Enterprise Administration (SMEA) of the Ministry of Economic Affairs has been promoting “APEC Online-to-Offline (O2O) Initiative” since 2016 to stimulate the digital transformation potential of SMEs and to urge SMEs to take advantage of the O2O business opportunities. In 2018, Chinese Taipei implements the third phase of “APEC O2O Initiative – Unleash the Potential of SMEs through Digital Transformation for a Shared Future” with cooperation with Malaysia, the Philippines, Thailand, and Viet Nam. There are 10 O2O serial events including Fora and Digital Resilience Training Workshops are held in six cities of the following economies: Brunei Darussalam; Malaysia; Thailand; the Philippines; Chinese Taipei; Viet Nam.

On 28 March 2018, the first “APEC SME O2O Forum” this year is held jointly by Brunei Darussalam, Chinese Taipei and Viet Nam in Bandar Seri Begawan, Brunei Darussalam. The Forum starts with the opening remarks delivered by representatives of three co-hosting economies: Ms Pei-Ti Hu, Deputy Director General of SMEA, Ministry of Economic Affairs, Chinese Taipei; Mr Javed Ahmad, CEO, Darussalam Enterprise (DARe), Brunei Darussalam; Mr Nguyen Hoa Cuong,

Deputy Director General, Enterprise Development Agency, Ministry of Planning and Investment, Viet Nam.

On behalf of Chinese Taipei, Ms Pei-Ti Hu first expresses her gratitude to Brunei Darussalam and Viet Nam for co-hosting this event. She indicates that the rapid spread of digital technologies and mobile devices has led to the worldwide trend of embracing electronic commerce in the recent years. Along with this trend comes the unavoidable challenge for SMEs to undergo digital transformation. The APEC O2O Initiative aims to enhance SMEs’ digital competitiveness and empower SMEs with better capabilities against digital threats while adopting O2O business models.

Through these events, all co-proposing economies hope to facilitate sustainable, innovative, inclusive and quality growth for SMEs in the Asia-Pacific region in the era of the digital economy.

More than 100 participants from eight APEC economies attend the event including representatives from enterprises such as Coca-Cola and 14 startups.

The Forum is composed of (a) two panel sessions themed as “Digital Transformation: Opportunities & Challenges for SMEs” and “Unleash the Potential of SMEs through Digital Transformation for a Shared

Future”; (b) a speech focusing on “Global SME and Corporate Innovation Survey 2017-2018”; (c) a showcase session, “APEC O2O Board Meeting Simulation”, with participation of 14 startups from six APEC economies: Brunei Darussalam; Malaysia; the Philippines; the Russian Federation; Chinese Taipei; Viet Nam. Among all startups, three start-up teams are from Chinese Taipei: Bridgingworldwide, Clef Technology, and YOCTOL Info.

With a vision of “helping brands go global”, Bridgingworldwide operates projects on management consultants, resource integration, international trade and information software services. Taking advantage of visits to 120 upstream and downstream firms as well as coaching experiences for more than 70 companies, the company has adopted a diversified development strategy and a broad international perspective to enable SMEs to expand their influence and enhance their competitiveness in the global market. Also, the company particularly stresses on information software services in order to (a) identify industry gaps, (b) build brand power, and (c) solve problems of its entrusted companies or own brands.

Clef Technology develops the acoustic detection system for gas pipeline leakage by combining a specialized AI algorithm and acoustic processing technology. Through applying these technologies, Clef Technology’s devices accurately detect leaks in the pipeline, notify users, and provided users to view instant conditions on mobile application dash board. As the devices offer 24/7 monitoring, the installation of devices reduces costs of manpower search and inspection time to repair pipelines in a cost-effective and efficient way to prevent possible damages.

Possessing a self-developed robot framework and an Artificial Intelligence (AI) engine, YOCTOL Info offers a complete enterprise intelligent business robot solution. It not only contains design, construction, AI training tools and modules, but also provides non-technical personnel with the robot management system. It delivers business, marketing, customer service and other services through rapidly modifying requirements. In this digital era, it assists enterprises with digital transformation and further help realize the popularization of AI.

Among 14 startups, Tictag, the Vietnamese startup, is the award-winner of the showcase with the prize of funded travel to attend the follow-up APEC O2O Summit held in Chinese Taipei in July 2018. Tictag exploits unique electronic tag technology to speedily identify the users and thus to enable users to enjoy the digital merchant services. The electronic tags inserted into the stores or products can be connected to its corresponding service which consumers can retrieve services by simply opening the application, selecting the electronic tags with mobile devices. Besides, Tictag plans to expand its electronic label technology to the vehicle-initiated security industry, enabling consumers to launch vehicles by clicking the electronic tags in the car.



/ From left to right

Ms Pei-Ti Hu, Deputy Director General of SMEA, Ministry of Economic Affairs, Chinese Taipei

Mr Javed Ahmad, CEO, Darussalam Enterprise (DARE), Brunei Darussalam

Mr Nguyen Hoa Cuong, Deputy Director General, Enterprise Development Agency, Ministry of Planning and Investment, Viet Nam.

28 March 2018



/ The moderator and the speakers answered questions and had discussion at Panel Session 1.



/ Officials and speakers from various APEC economies took a group photo.



/ Tictag, a start-up representing Viet Nam, performed well and was thus awarded the opportunity to participate in the follow-up serial APEC O2O Summit with travel expense to Chinese Taipei funded.



/ Participants took a group at the closing ceremony.



/ Mr Shih-Wei Kuo, CEO of Bridgingworldwide Co. Ltd. From Chinese Taipei, presented business plans at the APEC O2O Board Meeting Simulation.



/ Mr Doan Thien Phuc from Tictag, the award-winning startup presented at the pitch session.



Malaysia

Highlights of the event

To continue Chinese Taipei's effort in promoting digitization and entrepreneurship in Asia Pacific and echo the 2018 APEC theme of "Harnessing Inclusive Opportunities, Embracing the Digital Future", Chinese Taipei's Small and Medium Enterprise Administration, Ministry of Economic Affairs, joined hands with SME Corporation Malaysia in co-hosting the "APEC SME O2O Forum: Unleash the Potential of SMEs through Digital Transformation for a Shared Future" in Kuala Lumpur, Malaysia on 25-26 April 2018 to help SMEs stay updated with the digital economy and access the global market through digital transformation as SMEs seek cross-border opportunities and digital preparedness.

The forum opened with welcoming remarks by Ms Wen-Ling Su, Deputy Director General, Small and Medium Enterprise Administration, Ministry of Economic Affairs, Chinese Taipei and Tan Sri Ir (Dr) Mohamed Al-Amin Abdul Majid, Chairman, SME Corporation Malaysia. Ms Su thanked APEC member economies for supporting Chinese Taipei's O2O initiative, in particular, Malaysia, the Philippines, Thailand and Viet Nam for co-sponsoring the 3rd Phase of the APEC Online-to-Offline (O2O) Initiative to enable real change. She noted that it is the responsibility of all officials working in the field for SMEs in all APEC economies to guide SMEs through digital transformation

for them to really seize opportunities and overcome challenges. This year's events held under the initiative are expected to help Asia-Pacific SMEs in the digital era attain quality growth marked by sustainability, innovation and inclusiveness.

Tan Sri Ir (Dr) Mohamed Al-Amin Abdul Majid, Chairman, SME Corporation Malaysia, said in his opening remarks that it was an honor to co-organize the forum with Chinese Taipei in an effort to facilitate SMEs' understanding of the latest developments in the digital economy and support SMEs through digital transformation so that they could explore cross-border potential and be digitally ready for the global marketplace. He also recognized Chinese Taipei's contribution with the O2O initiatives and hoped to deepen bilateral relationship with Chinese Taipei.

Over 100 guests were invited to the forum, including representatives from APEC multinational companies and start-ups from various economies, to discuss e-commerce and core issues vital to the O2O initiative. The participants exchanged ideas on ways to capture global opportunities through digital transformation, how SMEs can participate in cross-border e-commerce, the fulfillment of electronic orders in cross-border e-commerce, and cyber security management in the digital economy. The forum covered three sessions on

the topics of (a) the promotion of economic development via cross-border e-commerce and O2O in APEC; (b) cross-border payment, e-finance, online store management, customer service, trust and secure services; and (c) capacity building for cross-border e-commerce, as well as an experience sharing session titled APEC O2O Board Meeting Simulation for New Business Models.

APEC O2O Board Meeting Simulation for New Business Models

The APEC O2O Board Meeting Simulation for New Business Models focused on the use of new O2O technologies to create better interpersonal interactions for enhanced business opportunities. Eight selected startups - four from Malaysia and four from Russia, Thailand, Chile and the Philippines - shared their success stories of using O2O to go global. After the simulated meeting, the moderator Steve Hsu, also Chairman of the Board of TXA Private Board from Chinese Taipei, announced Malaysia-based security company DISCOVERIT and Qwikwire from the Philippines as the winners that could participate in the APEC O2O Summit 2018 in Kaohsiung this July.

Beau Team, a Russian-based beauty salon brand now with over 100 shops in 15 cities across four economies including Russia, shared how the company connected their services to the Internet by using an O2O business model that allowed them to attract new customers through social media such as Instagram.

Inter Couture Sdn Bhd from Malaysia is an online clothing store where consumers can order tailor-made clothes without leaving their homes. The online store is equipped with a machine that can read a 2D picture provided by the client and produce 3D statistics for clothes shopping, allowing consumers to purchase the right garments without needing to trying them on.

The startup from Chile, eHunting Associates, provides consultancy and headhunting services to SMEs to help them seize business opportunities and overcome barriers on the way to success. The company plans to expand through collaboration with other companies in Peru and Italy.

Malaysia-based DISCOVERIT is a security company that offers customers a variety of security services. In Malaysia where personal safety is not common, the company uses an O2O business model to promote their services and products on social media (such as Facebook) to raise the awareness of home safety.

TourSys Asia is an online travel platform, aimed at attracting more visitors to tour Thailand by offering complete and enriched travel information in a fast, convenient and efficient way.

Qwikwire from the Philippines provides buyers and sellers with transaction solutions, especially for cross-border transactions. The company's services are designed to help reduce their clients' reliance on agents, brokers or other intermediaries by directly connecting the buyer and seller while ensuring the security for both.

25 April 2018



/ Photo of guests at the APEC SME O2O Forum (from left to right, front row):

Ms Wen-Ling Su, Deputy Director General, Small and Medium Enterprise Administration, Ministry of Economic Affairs, Chinese Taipei; Tan Sri Ir (Dr) Mohamed Al-Amin Abdul Majid, Chairman, SME Corporation Malaysia; and Datuk (Dr) Hafsah Hashim, CEO, SME Corporation Malaysia.



/ Ms Su thanked Malaysia for supporting Chinese Taipei' s O2O initiative, which aims to encourage sustainable, innovative, inclusive and quality growth among Asia-Pacific SMEs in the digital era.



/ Tan Sri Ir (Dr) Mohamed Al-Amin Abdul Majid, Chairman, SME Corporation Malaysia recognized the importance of the O2O initiative by Chinese Taipei and said it was an honor to join forces with Chinese Taipei in helping SMEs understand the development of the digital economy.



01 BeauTeam shared their experience in finding new clients using an O2O business model.

02 eHunting provides consultancy and headhunting services to SMEs to help them identify and capture opportunities in times of challenge.

03 Inter Couture Sdn Bhd runs an online clothing platform where consumers can order customized clothes without leaving their homes.

04 DISCOVERIT utilizes an O2O business mode to promote their products on social media (such as Facebook) to increase people’ s awareness of home safety.

05 Qwikwire’ s products are intended to solve potential problems in cross-border transactions for both the seller and buyer.

06 TourSys Asia attracts more tourists to Thailand at a reduced cost by offering services over a digital platform developed by the company.





07 Photo of guests at the APEC SME O2O Forum.

08 Eight selected startups - four from Malaysia and four from Russia, Thailand, Chile and the Philippines - shared their success stories of using O2O to go global.



Malaysia

Highlights of the event

The 3rd Phase of the APEC Online-to-Offline (O2O) Initiative - Unleash the Potential of SMEs through Digital Transformation for a Shared Future was proposed by Chinese Taipei and co-sponsored by Malaysia, Thailand, Viet Nam and the Philippines. An APEC SME Digital Resilience Training Workshop was scheduled for each of the co-sponsoring economies. The first workshop of the year was held in Malaysia, using the ***APEC Guidebook on SME Digital Resilience*** published in November 2017 by Chinese Taipei as training material. The Train-the-Trainer activities are expected to disseminate the concept of digital resilience and facilitate the capacity building of APEC SMEs in addressing information security threats and recuperate from cyberattacks.

In the first half of the training workshop, five experts from Malaysia shared a number of key concepts in information security through two keynote sessions. In the first session themed Handling Cyber Attacks: The Malaysian Perspective, Dr Dzhar Mansor of Microsoft Malaysia pointed out that the current rapid development in technology, such as cloud computing, cloud storage, big data, artificial intelligence, Internet of Things and other technologies, has not only made life more convenient but also created security vulnerabilities. As more companies rely on internet technologies to send, compute and store data, their exposure to risk also increases, making the companies susceptible to cyberattacks that may lead to significant losses. In light of this, company management should taken cyber threats seriously by establishing a keen sense for digital resilience and

consider cyber threats as business risk to be included in the company's decision-making process.

In the other session titled Unleash the Potential of SMEs through Digital Transformation for a Shared Future, Mr Nurezali Osman from Malaysia Digital Economy Corporation introduced the National eCommerce Strategic Roadmap of Malaysia. He pointed out that the roadmap, founded on high-quality infrastructure, covered six areas of governance, such as eliminating non-tariff barriers, strategic incubation of manufacturers and increasing the proportion of e-procurement, to reach the goal of doubling the contribution of e-commerce to the GDP of Malaysia. To encourage SMEs to adopt e-commerce technologies and become active contributors to the goal of the roadmap, a one-stop e-commerce resource platform, Go-eCommerce, has been set up to enhance the willingness of SMEs to adopt e-commerce technology through means such as online courses, training camps and advisory services.

The second half of the training workshop focused on the ***APEC Guidebook on SME Digital Resilience*** led by Dr Jason Kao, Director of APEC SME Crisis Management Center. Scenarios and questions were employed for the participants to practice putting the 11 steps and self-assessment exercise in the guidebook into practice to ensure all learners were equipped with the ability to fortify digital resilience and address information crises.

01 Mr Nurezali Osman from Malaysia Digital Economy Corporation (MDEC), introduced the National eCommerce Strategic Roadmap of Malaysia with a goal of doubling the contribution of e-commerce to the Malaysia's GDP, making e-commerce one of the main drivers of economic growth.

02 Dr Dzahar Mansor, National Technology Officer, Microsoft Malaysia indicated the both convenience and vulnerabilities are created by technological advances.

03 Dr Jason Kao, Director, APEC SME Crisis Management Center, highlighted the significance of digital resilience to the development of MSMEs.



/ Photo of guests at the APEC SME Digital Resilience Training Workshop





/ Participants learned how to apply the teaching material **APEC Guidebook on SME Digital Resilience** via interactive group discussion.



26 April 2018



Thailand

Highlights of the event

The APEC SME O2O Forum in Thailand was inaugurated by Dr Kwo-Liang Chen, Secretary General of the Small and Medium Enterprise Administration, Ministry of Economic Affairs, Chinese Taipei and Mr Suwanchai Lohawatanakul, Director General of the Office of Small and Medium Enterprises Promotion, Thailand. Dr Chen first expressed his appreciation of the member economies for supporting the O2O initiative and of Thailand for their dedication to the forum. He then pointed out the importance for SMEs to utilize digital technology because while the internet has significantly reduced marketing costs, consumers have also raised their standards for services and convenience, making digital transformation not just helpful but essential for SMEs if they wish to remain in business. In light of this, Chinese Taipei has implemented the 3rd Phase of the APEC Online-to-Offline (O2O) Initiative - Unleash the Potential of SMEs through Digital Transformation for a Shared Future in collaboration with the Philippines, Malaysia, Viet Nam and Thailand to not only help SMEs better address challenges and capture opportunities in the digital era but also facilitate quality growth among SMEs characterized by sustainability, innovation, and inclusiveness. This forum is one of the outcomes of the initiative.

Mr Suwanchai Lohawatanakul in his remarks said that it was an honor to co-host the forum with Chinese Taipei.

He expected the forum to serve as a platform for scholars, experts, business representatives and government officials from APEC economies to exchange views that can not only help Asia-Pacific SMEs keep abreast of the developments in the digital economy and digital transformation but also offer SMEs a competitive advantage as they prepare to access the global marketplace.

The APEC SME O2O Forum in Thailand focused on e-commerce and some of the core issues important to the O2O initiative, providing valuable pointers for SMEs wishing to engage in cross-border e-commerce through digital transformation. The event attracted over 100 guests from eight member economies. The holding of the forum not only increased the mutual understanding between Chinese Taipei and Thailand, but also gave birth to potential partnerships beneficial to the digital transformation of SMEs. Chinese Taipei was able to strengthen its ties and cooperation with APEC economies targeted by the New Southbound Policy and facilitate the cross-border expansion of regional SMEs.

The APEC SME O2O Forum in Thailand consisted of two panel sessions and one showcase session: the first panel titled “O2O Business: Opportunities and Challenges of Modernizing SMEs to Go Global”; the second panel titled “Innovation Dialogue: Unleash the Potential

of SMEs through Digital Transformation for a Shared Future”; the showcase session titled “APEC O2O Board Meeting Simulation.” In the first session, Dr Kasititorn Pooparadai from the Digital Economy Promotion Agency, Thailand shared the Digital Economy Promotion Master Plan 2018-2021 of Thailand designed to invigorate the digital economy, develop digital talent and increase digital awareness in society through four action strategies. They are (a) cultivating the human resources needed for the digital era, (b) restructuring the economy for a digital Thailand, (c) facilitating a digital future for society, and (d) creating an innovative digital ecosystem. Through speeches, training camps, digital consultation networks, and digital competitions, Thailand is expected to produce 500,000 digital workers, 30 million digital citizens, 25,000 digital enterprises and seven smart cities by 2021.

Korean entrepreneur Jeffrey Yeon pointed out that the definition of an O2O business model should vary depending on how it is used by an enterprise. He offered an O2O business model definition for the field of IoT and gave an example in which an O2O business model was adopted by a company that used satellite positioning and a payment system to improve the efficiency of gas stations in Thailand. Volker Heistermann, Managing Director of Yushan Ventures, agreed with Yeon by saying that O2O may mean digital transformation for multinational companies that haven't gone digital; but for those that are already digitally transformed, O2O may mean another way to find business opportunities. He indicated that participating in the global market brings both more opportunities and more competitors. Therefore, for SMEs wishing to join the global marketplace through digital technology, it is important to identify the core advantages of their products and services.

Patai Padungtin, founder of Thailand-based Bulk One Group, shared how he adopted technologies such as e-commerce platforms, big data, cloud technology, Software as Service, and even the supply chains of goods, services and finances, in his engineering company to develop the first free engineering management software in Asia. His enterprise expanded successfully from Thailand to other economies in Southeast Asia.

Unleash the Potential of SMEs through Digital Transformation for a Shared Future

The second session was moderated by Michael Mudd, Secretary General of Open Computing Alliance, and participated by five panelists from Thailand, the United States and Chinese Taipei.

Dr John Millar MB Chb, Chief Strategic Development Officer of Ananda Development Public from Thailand, shared the company's success story in applying innovative technology to urban development. Millar pointed out that path dependence affects both urban development and the quality of life; however, the use of digital technology in urban development could reduce the impact of path dependence on the quality of life. This can open up many opportunities for companies in the field of urban development technology as we enter the era of industry 4.0.

Mr Heistermann of Yushan Ventures introduced the digital challenges of start-ups and large companies using the Report on Innovation of Global SMEs and Large Enterprises 2017. He then proposed solutions in which large and small companies can complement each other. On the one hand, SMEs are highly adaptive, even though they are limited in financing, human resources, and market size; on the other hand, large companies are strong in financing, human resources, and market scale, but they are less flexible. The two complement each other and can collaborate in many ways for a win-win situation, such as R&D partnership, M&As, innovation investment, etc..

Steve Hsu, Chairman of the Board of TXA Private Board from Chinese Taipei, offered three suggestions for SMEs to unleash their business potential. First, SMEs should understand the core strengths and potential of their products. Secondly, with the rise of social media, SMEs should constantly look for new marketing channels. Any individual of influence may be a viable channel. Lastly, SMEs should stay on top of the latest mega-trend and currently the trend is entertainment. Business should watch technological developments in the field of entertainment to find opportunities to promote their products through such means.

Dalton Hsu, founder of FunNow from Chinese Taipei, introduced the company's entertainment application that features real time interactions between service

providers and app users. In the app, high-quality service providers may send real time information to app users while app users can search for entertainment service providers around them. The immediacy afforded by the app is very attractive to many service providers. To maintain the quality of the platform, FunNow adopts strict review standards in its selection of service providers. The effort of the service providers to get positive reviews from users through the provision of quality service in turn reinforces the credibility and reputation of the platform.

APEC O2O Board Meeting Simulation

Eight start-ups from Chinese Taipei, Peru, Russia and Malaysia were selected to attend the simulation and share how they successfully expanded globally through O2O business models.

Bened Biomedical from Chinese Taipei is a biomedical company that has developed the world's top psychobiotics, which can help relieve mental illnesses such as autism, depression, and Parkinson's disease. The company has acquired many venture capital investments through a strong partner ecosystem, including cross-licensing contracts for international patents, international production contracts, cooperation with clinics and research institutions, and flexible B2B and B2C marketing strategies.

Case Studio from Russia is an application platform that can integrate and categorize databases to increase business efficiency. Its ability to allow enterprises to quickly access data significantly reduces data search time and increases work efficiency while improving company integration. Case Studio's main services are organizational automation, system integration and IT consulting for medium or large enterprises, helping companies to enhance digital resilience and improve efficiency in the process of automation.

Russia-based Kapoosta, a part of the Russian environmental group ECA, is committed to building communities with a strong environmental awareness; developing environmental campaigns to encourage people to focus more effectively on the environment; and maintaining an internet platform that connects green businesses, cafes and environmental

organizations. Kapoosta also uses the platform to develop tourism. Tourists who wish to understand the ecological environment and pursue a healthy lifestyle can obtain information and contact relevant service providers through the platform.

Partner E-commerce is an e-commerce service provider from Chinese Taipei. After illustrating the logistics system of the convenience store pick-up service of Chinese Taipei, the company explained its participation in that logistics system, including constructing e-commerce platforms, providing cash flow and logistics services, introducing an ERP resource system and introducing multiple marketing channels.

A Peruvian startup, qAIRa, started out as a high-altitude drone manufacturer. In light of the strict environmental laws imposed on the Central and South American mining industry, the company decided to provide air quality check services to help mining companies stay within legal limits and reduce air pollution. The company combines air quality detection technology with drones and integrates data from the drones with data from other measuring points through the internet.

The winners of the simulation were Peru-based qAIRa and Bened Biomedical from Chinese Taipei. They two start-ups could attend the O2O Summit in Kaohsiung this July to expand cross-border business links.



/ Photo of experts and start-ups at the forum.



/ Dr Chen, Chief Secretary, Small and Medium Enterprise Administration, Ministry of Economic Affairs, Chinese Taipei stressed in his opening remarks that digital transformation was not just conducive to the competitiveness of SMEs but essential in maintaining their business.



/ Experience sharing by speakers from the US, Korea, and Chinese Taipei in a discussion titled Unleash the Potential of SMEs through Digital Transformation for a Shared Future.



/ Photo of guests at the APEC SME O2O Forum.

6 June 2018



/ Speakers from the United States, Korea and Thailand shed some insight on the opportunities and challenges of modernizing SMEs to go global.



/ The pitch-winners were qAIRa from Peru and Bened Biomedical from Chinese Taipei.



Thailand

Highlights of the event

The APEC SME Digital Resilience Training Workshop in Bangkok, Thailand on 7 June 2018 was held by the Small and Medium Enterprise Administration, Ministry of Economic Affairs, Chinese Taipei and the Office of Small and Medium Enterprises Promotion, Thailand. The workshop revolved around core issues relating to information security and digital resilience, including ways to strengthen the digital competitiveness of SMEs and ways to improve digital resilience for quality growth. In addition to talks given by experts and scholars, the workshop offered group training to enhance the ability of the participants to put the **APEC Guidebook on SME Digital Resilience** into practice.

The workshop opened with welcoming remarks from Dr Kwo-Liang Chen, Secretary General of the Small and Medium Enterprise Administration, Ministry of Economic Affairs, Chinese Taipei and Dr Wimonkan Kosumas, Deputy Director General of the Office of Small and Medium Enterprises Promotion, Thailand. Dr Chen highlighted information security challenges as the most important among all challenges for digital transformation. The global attack by ransomware Wannacry last year illustrated just how devastating information security threats could be to businesses. Therefore, building the digital resilience, i.e. the capacity of a company to respond to information security threats and recover from cyberattacks, among SMEs is more relevant now than ever.

Dr Wimonkan Kosumas in her opening remarks highly

recognized Chinese Taipei's effort in compiling expert opinions and advice into the **APEC Guidebook on SME Digital Resilience** published in 2017. She also twice expressed her appreciation of Chinese Taipei for actively promoting digital resilience among Asia-Pacific SMEs through the APEC SME Working Group over the years.

The training workshop consisted of one conversation keynote titled Enhancing SME Digital Comprehensiveness and Resilience towards Quality Growth, and one training session. In the conversation keynote, Michael Mudd, Secretary General of Open Computing Alliance, highlight unobstructed cash flow as the key to SMEs' survival. As cyberattacks poses threats to SMEs' cash flow, it's vital that SMEs straighten digital resilience by choosing reliable and known brands for web services such as email, VoIP and cloud storage and by regularly updating the company's information security system.

Steve Hsu, Chairman of the Board of TXA Private Board from Chinese Taipei, offered three strategic suggestions concerning SME competitiveness. First, developing a cross-disciplinary mindset that incorporates technology, traditions and services. Secondly, adopting open innovation, that is, opening the board up for advice from Guest Directors of the Board. Lastly, becoming an innovative factory, that is, an innovative upstream platform that other companies can't live without. Dalton Hsu, founder of FunNow from Chinese Taipei, shared his views on the management of customer

data from the perspective of an SME and gave five suggestions, including not keeping customer credit card details; adopting anonymity; disabling reviews of history records; real-time confirmation of customer identity with banks; and continuously educating vendors on digital security.

Following the conversation keynote, Aslam Perwaiz introduced the 11 steps to maintain digital resilience as illustrated in the ***APEC Guidebook on SME Digital Resilience*** in combination with PDCA (Plan-Do-Check-Act) to help the participants gain a better understanding.

Dr Jason Kao, Director of APEC SME Crisis Management Center, led the group training session in which the participants were put into units to practice applying the 11 steps to address two simulated scenarios and 21 questions. This practical exercise was designed to increase the learners capacity to respond to information security crises and build digital resilience.

/ Photo of representatives from the Small and Medium Enterprise Administration, Ministry of Economic Affairs, Chinese Taipei and other economies.





7 June 2018

/ The speakers shared ways to improve digital resilience and exchanged ideas with the participants.

/ The participants engaged in an active discussion on the APEC Guidebook on SME Digital Resilience. Administration, Ministry of Economic Affairs, Chinese Taipei and other economies.





Kaohsiung

Highlights of the event

The APEC O2O Summit 2018 was held in Kaohsiung, Chinese Taipei on 2-3 July 2018, the largest international event under the 3rd Phase of the APEC Online-to-Offline (O2O) Initiative - Unleash the Potential of SMEs through Digital Transformation for a Shared Future.

The summit saw active participation by representatives from over 20 economies, including (a) officials from southeastern economies such as Ms Zenaida C. Maglay, Undersecretary of the Regional Operations Group of the Department of Trade and Industry, the Philippines; Mr Mohd Rithauden Makip, Director of Business Advisory & Support, SME Corp Malaysia; and Dr Wimonkan Kosumas, Deputy Director General, Office of Small and Medium Enterprises Promotion, Thailand; (b) representatives from multinational corporations, such as Google, IBM, Airbnb, and Trend Micro; (c) international venture capitalists, incubators and accelerators; and (d) professionals from close to 100 start-ups.

In addition to keynote speeches and talks, the summit boasted three exhibition areas for start-up product showcasing, AR/VR experiences, and discussions for international investment opportunities. With over 60 start-ups at the event, the summit featured FinTech, artificial intelligence, IoT, AR/VR, and local cultures, demonstrating to the global audience the innovative energy of the start-ups and SMEs in Chinese Taipei.

Mr Jonh-Chin Shen, Minister of Economic Affairs, stated in his opening remarks that Chinese Taipei has been an active member of APEC and committed to supporting SMEs by promoting discussions on digital issues and implementing initiatives in digital technology and innovation. He added that holding the summit in Kaohsiung not only gave the harbor city an opportunity to showcase its entrepreneurial energy accumulated over the years but also allowed APEC start-ups to engage in dynamic conversations in Kaohsiung, shaping the southern city as an important base for digital innovation.

Ms Zenaida C. Maglay, Undersecretary of the Regional Operations Group of the Department of Trade and Industry, the Philippines, said at the summit that we are in an era of digital transformation with endless opportunities. To fully capture these opportunities, maintain competitiveness, and gain digital resilience, links should be deepened and close cooperative relationships should be established among APEC economies to help Asia-Pacific MSMEs through digital transformation. Mr Mohd Rithauden Makip, Director of Business Advisory & Support, SME Corp Malaysia, also emphasized the importance of digital transformation and resilience as he pointed out that Chinese Taipei's O2O initiative at the APEC SME Working Group has significantly improved many MSMEs' digital competitiveness and resilience.

Dr Wimonkan Kosumas, Deputy Director General, Office of Small and Medium Enterprises Promotion, Thailand, said that Chinese Taipei's APEC O2O initiative has played an indispensable role in helping regional MSMEs stay digitally resilient and competitive. The series of O2O events in various member economies brought together policy makers, incubation centers, accelerators, venture capitalists, and MSMEs to help regional MSMEs and start-ups make better use of digital technologies and capture digital opportunities for the creation of a prosperous Asia Pacific shared by all.

Technological Innovations of Chinese Taipei in Four Categories

Aimed at unleashing the potential of SMEs through digital transformation for a shared future, the APEC O2O Summit 2018 was designed to help SMEs, technology start-ups, and young entrepreneurs go global in the categories of mobile commerce, sharing economy, Internet of Things and next generation innovation.

There were three start-ups in the area of mobile commerce. Teamplus Technology, with its corporate messaging platform known as EVERY8D, provides flexible, accurate, secure and stable SMS services to companies, effectively enhancing corporate image, achieving performance and optimizing services. Frontier Technology utilizes AI to develop natural semantic processing for the Chinese language, build databases, conduct data mining, and design and develop a dialogue-based interface to help enterprises adopt artificial intelligence more quickly. Agriforward, with its Yuan Pei Farm, has established a complete technical solution for circular agriculture in Chinese Taipei, unearthing new opportunities for many players in the economy.

In the area of shared economy, Full Sun International selects domestic and overseas products of potential and helps the companies that make those products design an annual marketing strategy for the products. Full Sun launched an innovative business model that ultimately became the platform now known as JOJOGO that connects online stores and offline shops seamlessly with consumers. On the platform, consumers can join the business and share profits. This business model where both the consumer and store

are marketing ambassadors has created many new opportunities for market players.

There were 11 enterprises in the area of IoT, including medical equipment distributor and developer Diamond Biotech; PA system & conference system manufacturer and exporter BXB Electronics; automated microscope developer Wellgen Medical; smart development and management system provider Bridging Worldwide; health information and solution provider AdvMeds; intelligent care provider MWG Technologies; smart temperature control and recipe developer cook72; cafe expert 18H Coffee; IoT-based leakage detection solution provider CLEF Technology; intelligent accessibility solution developer OurCityLove; and smart security system provider HEX Safety.

Among them, BXB Electronics has incorporated IoT in its development of an emergency response broadcast system with intelligent disaster prevention capabilities, successfully transforming the company from an equipment manufacturer to an IoT oriented enterprise. Wellgen Medical has employed an automated microscopic image recognition system and a cloud server for its latest automatic microscope to facilitate the detection and screening for cancer and other diseases. AdvMeds' s intelligent care system effectively improves the quality and management of patient care and help hospitals and nursing homes reduce costs and increase appraisal results significantly.

In the field of next generation innovation, there were eight start-ups, including functional biotics researching institution Bened Biomedical; precision medical company Hygeia Touch; deep space and satellite constellation solution provider Odysseus Space; health, environment, and medicine innovator Unique Biotechnology; system integrator KDTech; medical information system developer ThinkCloud; interactive computer graphics provider Pi Square; Google's official education institution in Chinese Taipei GTrainer; and interactive entertainment content producer GrandDen.

Among them, Hygeia Touch is dedicated to the development of biomarkers for the early detection of diseases and cancer. Aided by IoT technology, the company has developed an app that can collect results from POC in vitro test strips for structured storage and big data analysis, allowing the company to offer customized health services to users.

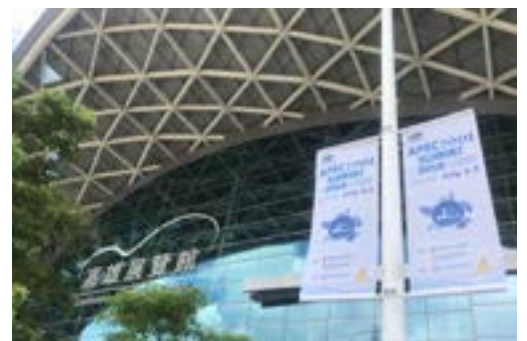
GranDen is committed to helping companies present their products and services in an innovative way by employing VR/AR technologies in training simulations, education events, museums, exhibitions, and other interactive venues.

The 25 start-ups from Chinese Taipei illustrated just how strong their innovative energy was. Going forward, to help more start-ups take root locally and expand globally, the Small and Medium Enterprise Administration of the Ministry of Economic Affairs, Chinese Taipei will organize O2O events in Viet Nam and the Philippines to show the world the innovative power of Chinese Taipei and help start-ups and SMEs explore new markets.



APEC O2O SUMMIT IN KAOHSIUNG

MIT 2018



/ Mr Shen, Minister of Economic Affairs, pointed out that holding the summit in Kaohsiung not only gave the harbor city an opportunity to showcase its entrepreneurial energy accumulated over the years but also allowed APEC start-ups to engage in dynamic conversations in Kaohsiung, shaping the southern city as an important base for digital innovation.



/ Ms Zenaida C. Maglaya, Undersecretary from the Department of Trade and Industry, the Philippines, stressed the importance of deepened connections and close cooperation among APEC member economies to help Asia-Pacific MSMEs capture opportunities in the era of digital transformation.



/ Mr Mohd Rithauden Makip, Director of Business Advisory & Support, SME Corp Malaysia, highlighted the significance of digital transformation and resilience, and recognized the contribution of Chinese Taipei' s O2O initiative at the APEC SMEWG in increasing the digital competitiveness and resilience of MSMEs.



/ Dr Wimonkan Kosumas, Deputy Director General, Office of Small and Medium Enterprises Promotion, Thailand, indicated the indispensable role of the O2O initiative in helping regional MSMEs maintain digitally competitive and resilient.



/ Pitch winners at the APE C O2O Summit were awarded prizes including tickets to the Philippines for attending the APEC O2O Forum in Cebu.



/ Group photo of the experts, start-ups and representatives from member economies at the summit.





Kaohsiung

Highlights of the event

In the digital age, digital transformation has presented unavoidable challenges. If we take a moment to look back, the Internet has changed the way we communicate and impacted the human civilization as a whole. From Outlook to Facebook, and from mobile apps to Google map, it's evident that digital technology has become integral to every aspect of our lives, and our dependence on digital technology will only deepen going forward. This is why many experts consider digital transformation vital to the survival of an SME. However, this digitization process is not without its challenges. Among them, information security risks are the most worrying and devastating. The global damages caused by ransomware Wannacry last year was proof enough that information security problems are grave threats to enterprises.

To address these challenges of digital transformation, an APEC SME Digital Resilience Training Workshop was held in Chinese Taipei on 4 July 2018 as part of the 3rd Phase of the APEC Online-to-Offline (O2O) Initiative. The event was attended by industry experts, government officials and academics from Thailand, the Philippines, Malaysia and economies in Chinese Taipei's New Southbound Policy as well as over 100 SME representatives and information security professionals, who gathered to discuss ways to improve the digital security and resilience of SMEs.

Dr Kwo-Liang Chen, Secretary General, Small and Medium Enterprise Administration, Ministry of Economic Affairs, pointed out that 98% of the businesses in APEC

economies are SMEs. In other words, they are the backbone supporting the economic prosperity and inclusive growth of Asia Pacific. In the digital era, they are compelled to keep up with rapid technological developments by going through digital transformation. However, the digitization process presents many information security risks for SMEs. As more and more transactions happen online, the damages of cyberattacks and information leakages can be grave. In light of this, Chinese Taipei proposed the 3rd Phase of the APEC Online-to-Offline (O2O) Initiative - Unleash the Potential of SMEs through Digital Transformation for a Shared Future this year with the Philippines, Malaysia, Thailand and Viet Nam to bring stakeholders together in events like this to increase the digital resilience of SMEs through concerted efforts.

The workshop started with a keynote speech by Mr Johnson Lin, Operation Risk Manager, Global Business Support, Microsoft Customer Service and Support. Mr Lin stressed the importance of developing the awareness for information security among SMEs and used real-life examples to illustrate that information security is not just about protecting equipment and systems, but also about employee training and the building of a preventative mindset.

Following the keynote speech was a panel discussion titled Enhancing SME Digital Competitiveness and Resilience towards Quality Growth. The four panelists discussed some of the core issues concerning

information security and digital resilience and from their own areas of expertise proposed feasible information protection measures and digital resilience strategies for SMEs. After the panel discussion was an instruction session by Dr Jason Kao, Director of the APEC SME Crisis Management Center, who introduced the 11 steps in the **APEC Guidebook on SME Digital Resilience** in combination with the PDCA (Plan-Do-Check-Act) cycle to help participants better understand the guidebook.

The workshop was concluded by a group training session. The participants were put into groups to practice applying the 11 steps in the guidebook by responding to scenarios and questions to help sharpen their skills in facilitating digital resilience and addressing information crises.

The discussions and experience sharing among the trainees during the workshop not only encouraged cross-border exchanges and partnerships but also helped to expand the network of education to facilitate digital resilience and information security awareness among SMEs. The participants could replicate the workshop in their own countries to further the security defense capability of other Asia-Pacific SMEs in an effort to help shape a complete, practical information security management system for SMEs.

/ Dr Kwo-Liang Chen, Secretary General, Small and Medium Enterprise Administration, Ministry of Economic Affairs indicated that rapid digital developments have not only altered the ways in which SMEs operate but also created security challenges.





/ Mr Johnson Lin, Operation Risk Manager, Global Business Support, Microsoft Customer Service and Support, pointed out that information security was not just about protecting equipment and systems, but also about employee training and the building of a preventative mindset.



/ Speakers at the summit shared their views on the significance of digital resilience and ways to elevate such resilience among SMEs.





/ Participants were actively engaged as they learned how to fortify digital resilience through practical activities.

/ Participants listened attentively to the suggestions offered by speakers on how to build a digitally resilient SME.



/ Fast answer races were incorporated to increase the learning efficiency of the participants as they learned about digital resilience.

4 July 2018



Viet Nam

Highlights of the event

To strengthen the ability of Asia-Pacific SMEs to address information security threats and recover from cyberattacks, Chinese Taipei and Viet Nam collaborated in the launching of the fourth APEC SME Digital Resilience Training Workshop in Ho Chi Minh City, Viet Nam on 29 August 2018 as part of the 3rd Phase of the APEC Online-to-Offline (O2O) Initiative proposed by Chinese Taipei. The workshop began with opening remarks from Dr Jason Kao, Director of APEC SME Crisis Management Center, who thanked the economies for supporting Chinese Taipei's O2O initiative before expressing his appreciation of the workshop's Vietnamese private partner VICGO for its valuable contribution to the event. Dr Kao indicated the importance of digital transformation for SMEs as rapidly developing digital technology presented both opportunities and challenges to SMEs. He used TSMC, the world's largest semiconductor manufacturer, and its tremendous losses during a virus attack early August this year as an example to encourage participants not to take digital resilience lightly.

Cong-Thang Huynh, co-founder of VICGO and moderator of the workshop, said it was an honor to co-organize the workshop with Chinese Taipei to help SMEs stay ahead of security information trends and deepen the digital competitiveness and resilience of Vietnamese SMEs. The knowledge and training outcomes of the workshop would surely spread to benefit more Asia-Pacific SMEs to help them stay abreast of the developments of the digital economy.

The workshop featured information security experts from Viet Nam, Japan and the United Kingdom to shed some light on issues such as cyber security, ways to strengthen the security of applications, and the extent of cyber security required of SMEs during digital transformation. Rick Yvanovich, founder and CEO of UK-based TRG, pointed out that an estimated 68% of SMEs were not prepared for information security threats and there were a number of reasons, such as the absence of a mind for active prevention; not considering information security threats as business risks; limiting information security issues to the IT department; and not treating hackers as humans but as machines. In ASEAN, the relative insufficient understanding of digital resilience, lack of supervision and under-development of the information security industry have made ASEAN members particularly vulnerable to hackers. Statistical numbers on Viet Nam showed that digital resilience and security information awareness were urgently needed for the economy. It ranked 101 out of 193 economies in terms of the ability to protect cyber security; the number of junk mail servers in Viet Nam ranked 11 globally; it was the world's biggest source of junk mail; and it had the world's fourth largest botnets.

On the subject of how to protect information security, engineer Akinori Kato approached the issue by sharing some of the channels most used by hackers, including cracking the server or cracking the connection between the server or the user; releasing software with back doors for download; finding the vulnerabilities of program

codes to access confidential data. Knowing hackers could steal information through these channels, Kato advised companies to strengthen security protection from the perspectives of users and management. As users, SMEs are suggested to encrypt the most important information in the database and avoid opening the database server up for global access; use only SSL-encrypted connections; and avoid using unknown open software, especially cracked versions. As company management, SMEs should give the IT department sufficient time to update the latest hacking methods to help build a strong wall of defense; strengthen the ability of the IT department to write codes free of security vulnerabilities; and strengthen the information security awareness and level of technological capability of every employee.

Rick Yvanovich proposed the following ways to protect information security: do not open any email attachment from unknown senders; scan attachments with anti-virus software before opening; increase the complexity of passwords; and always install Microsoft updates.



/ Photos of all guests at the workshop.



/ Kato shared ways that companies could consider to improve information security from the perspectives of a hacker and an engineer.



/ Rick Yvanovich explained the current levels of awareness for information security in SMEs around the global and stressed the importance and necessity of reinforcing the digital resilience of a company.



/ Photo of the moderator and speakers who shared their experiences at the workshop.

29 August 2018



/ Dr Jason Kao, Director of APEC SME Crisis Management Center, interacted with the participants as he elaborated on the usage and importance of the ***APEC Guidebook on SME Digital Resilience***.



/ The participants engaged actively in discussions as they learned ways to strengthen digital resilience through practical activities.



The Philippines

Highlights of the event

The 2018 APEC Policy Dialogue on MSME Marketplace & O2O Forum was co-organized in Cebu, the Philippines, on 23 October 2018 by Chinese Taipei's Small and Medium Enterprise Administration (SMEA) and the Philippines' Bureau of Small and Medium Enterprise Development (BSMED) under the Department of Trade and Industry (DTI). The opening remarks were given by Secretary General of the SMEA Dr Kwo-Liang Chen and BSMED Director Mr Jerry Clavesillas, who was also the keynote speaker for the forum.

Chen began by thanking the Philippines for their hospitality and for co-organizing the event. He stressed that digital transformation has become an unavoidable task to SMEs against the backdrop of an international market connected via E-commerce. With three other member economies including the Philippines, Chinese Taipei has been working on the APEC O2O Initiative – Unleash the Potential of SMEs through Digital Transformation for a Shared Future, offering a series of forums to support SMEs and startups in building competitiveness and resilience through digital transformation and achieving high-quality growth. Next year we'll continue to work with the Philippines to propose APEC O2O Initiative – Empower SMEs to Embrace Digital Transformation and organize forums under the initiative.

In his opening remarks, Mr Clavesillas appreciates Chinese Taipei's contribution in promoting the APEC O2O initiative and co-hosting the Forum, and indicates that two initiatives of "O2O" and "Marketplace" are linked via the Forum. Besides, Mr Clavesillas mentions that representatives are from various member economies, such as Russia, Chile, Indonesia; also, Mr Des Yaninen, a government official of the SME Corporation from the 2018 APEC hosting economy, Papua New Guinea, attends the event. Mr Clavesillas says that Mactan Islands, where the conference venue is located, was the first "Marketplace" for Filipinos to contact and trade with foreigners. Furthermore, Cebu is a hub for ICT industries and technology start-ups. Therefore, the Philippines is so glad and honored to co-host this Forum in Metropolitan Cebu.

In the keynote speech, Mr Clavesillas first mentions that the Philippine government is currently implementing the "Micro, Small, and Medium Enterprise Development Plan" which is intended to promote technology and innovation. By supporting the O2O initiative and introducing the O2O business model concept, the Philippines is looking forward to reducing production costs for MSMEs and showing MSMEs the new platform to sell their products and services. In addition, Mr Clavesillas explicitly mentions that since the

“APEC Iloilo Initiative: Growing Global MSMEs for Inclusive Development” proposed in 2015, the Philippines has been actively promoting the concept of MSME Marketplace to strengthen the competitiveness of MSMEs and further foster MSME’s participation in global market. At present, the current two Philippine laws, “Ease of Doing Business and Efficient Government Service Delivery Act of 2018” and “Youth Entrepreneurship Act”, encourage foreigners and local youths to start businesses in the Philippines. Finally, he emphasizes that plenty of opportunities in the digital economy have brought about the possibility of game-changing and innovation. Thus, closer cooperation to continue the promotion of sustainable and inclusive growth among APEC members is necessary.

The morning session included two panel discussions respectively exploring the themes of The Future is Innovation and Fund the Future, where experts and business representatives shared their observations and insights on issues such as innovation and investment. The policy dialogue between the public and the private sectors inventoried for MSMEs (micro, small, and medium-sized enterprises) business opportunities from and progress in digital technologies as well as opportunities and challenges of global market access, in the hope to lead MSMEs to connect to world markets and expand business through digital transformation. In the afternoon, 12 startups from seven economies showcased and exchanged ideas with the audience. Among them were four winning teams from the startup competition at the APEC O2O Summit 2018 in Kaohsiung: Hygeia Touch and Clef Technology from Chinese Taipei, and Qwikwire and BeamAndGo from the Philippines. Meanwhile, startups from Russia, Chile, Thailand, Malaysia and Indonesia were also invited to participate in the forum to enrich and diversify the showcase and the exchange.

The Future is Innovation

Participating in the first panel discussion were two business representatives from Chinese Taipei: Ms Sylvia Wu, Promotions Manager at Robelf, and Mr Freeza Huang, Co-Founder and Asia-Pacific General Manager of Accupass. Mr Carlo Calimon, Director of the Philippine’s StartUp Village, was also on the panel.

The future is all about Artificial Intelligence (AI) and

robotics—innovations that are going to change the world—said Ms Wu. Another technology trend her company Robelf was tapping into was blockchain, which was used to safeguard information security for users. Even though it will be common that human beings are replaced by robots, Wu stressed that AI could be a tool to improve people’s lives and do good to society.

Mr Huang explained how Accupass, the largest event platform in the Asia Pacific region, employed cloud technologies to build an O2O2O platform that offered well-rounded services to event organizers and participants. He also illustrated the company’s innovative application of technologies such as RFID (Radio Frequency Identification) and facial recognition to event registration and foot traffic management.

Mr Calimon pinpointed mentality and thinking as most crucial to innovation: a startup needs to think globally with a right mindset, based on which it chooses a business model that works for it. He also highlighted the importance of a coaching and/or mentorship system to the development of innovation.

Fund the Future

The second panel discussion targeted local MSMEs in the Philippines. Joining the discussion were Co-Founder of Yushan Ventures Mr Volker Hesitermann, who had extensive experiences in investing in startups in various economies, and three representatives from Filipino financial and investment organizations.

Representing Acudeen, a Filipino financial inclusion service provider for MSMEs in Southeast Asia, Ms Kimberly Eleazar kicked off the discussion, saying that more than 800 SMEs have registered with the company’s platform to facilitate transactions and capital flows.

Mr Jason Gaisano from Core Capital, the Philippines, approached the topic by focusing on the digital population in six Southeast Asian economies—Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Viet Nam, noting that it was the growth of the economies that stimulated the earlier development of startups. He added that the economic performance of the Philippines has attracted investors’ attention and that 97% of Venture Capital deals (VC deals) were still in their early days.

In her presentation, Ms Griselda (Gay) Santos, Senior Financial Sector Specialist at the International Finance Corporation, put the emphasis on financial inclusion. As she observed, MSMEs in the Philippines faced a credit gap of around two billion USD. Financial inclusion should be made a shared vision in building Financial Technology (FinTech) and among the government, MSMEs, and financial institutions. The key to the realization of the vision lies in dedication to financial education and capacity building.

Finally, based on many years of experience with VC, Mr Volker Heistermann shared what determined whether a startup got investment or not. The criteria included market attractiveness, product differentiation, managerial capabilities, resistance to environmental threats, and cash out potential. However, he pointed out there were unquantifiable “soft” criteria such as team chemistry, which his company would look for in face-to-face interviews with startup teams before evaluation and decision-making.

The participating speakers and MSME representatives were impressed when DTI official and moderator of the panels Ms Agnes Legaspi concluded the discussions with a quote from Robert J. Shiller, 2013 Nobel laureates in economics, saying that “Finance is not merely about making money. It’s about achieving our deep goals and protecting the fruits of our labor. It’s about stewardship and, therefore, about achieving the good society.”

Startup Showcase

In the afternoon Showcase, 12 startups from seven economies gave presentations and had exchanges with one another. SHIPPOP from Thailand and BeamAndGo from the Philippines were awarded and invited to participate in a series of O2O events next year. SHIPPOP was an online price-comparison, booking, and payment platform of logistic services, enabling users to track delivery status and enjoy door to door delivery. Its mission was to offer a simpler and more convenient delivery solution that saved money and time. BeamAndGo, on the other hand, provided overseas Filipino workers with an alternative to wire transfer. Using BeamAndGo’s system, the migrant workers could purchase e-vouchers and send them to another person’s mobile phone. The recipients could

use the vouchers to buy food, groceries, medicine, or healthcare services at stores of BeamAndGo partners. The service allows workers to have a more precise understanding and better management of where their wages go.

The rest of the teams, from Chinese Taipei, Malaysia, Indonesia, Chile, and Russia, covered a wider range of areas. Chinese Taipei’s Hygeia Touch and Chile’s SoluNova offered healthcare solutions that provided accurate medical and health information using equipment and big data. In the education sector, the E.A.G.L.E program by Grounded Learning from Malaysia was an endeavor to facilitate non-native English speakers’ study for PhD degrees. The Russian startup Universal Terminal Systems launched iSandbox to combine preschool and elementary school education with interactive VR experiences.



/ Participants took a group photo after APEC Policy Dialogue on MSME Marketplace & O2O Forum.



/ Dr Kwo-Liang Chen, Secretary General, Small and Medium Enterprise Administration, Ministry of Economic Affairs took a photo with Mr Jerry Clavesillas, Director, Bureau of SME Development, Department of Trade and Industry after the opening remark. The two sides will continue to work with other friendly economies to promote the O2O initiative next year and assist SMEs and start-ups to build digital transformation competitiveness through a series of activities.



/ Dr Kwo-Liang Chen and Mr Jerry Clavesillas took a photo with speakers of the panel session 1. From the second of left: Ms Janette Toral (Digital Filipino, the Philippines); Ms Sylvia Wu (Robelf, Chinese Taipei); Mr Freeza Huang (Accupass, Chinese Taipei); Mr Carlo Calimon (StartUp Village, the Philippines).



/ The experts answered questions and exchanged experiences after the speech (from left): Ms Agnes Legaspi (Export Marketing Bureau of DTI, the Philippines); Mr Volker Heistermann (Yushan Ventures, the US); Mr Jason Gaisano (Core Capital, the Philippines); Ms Griselda Santos (International Finance Corporation, the Philippines); Ms Kimberly Eleazar (Acudeen, the Philippines).



/ Representative of startup team from Chile, SoluNova, exchanged ideas with local startups in Cebu, Philippines.

23 October 2018



The Philippines

Highlights of the event

On 24 October 2018, the day after Forum, Small and Medium Enterprise Administration (SMEA) of the Ministry of Economic Affairs (MOEA) and Bureau of SME Development (BSMED) of the Department of Trade and Industry (DTI) hold the APEC SME Digital Resilience Training Workshop. To further fulfill quality growth, the Workshop focuses on issues regarding information security and digital resilience to strengthen the digital competitiveness of SMEs and enhance their capabilities of digital resilience.

Dr Chen points out that with the rapid development of the digital revolution, digitalization has changed the business models of SMEs; therefore, digital security deserves more of our attention. Through this Workshop, we hope to strengthen the APEC SMEs' abilities of digital resilience to respond to cyber-attacks and information security threats.

Mr Clavesillas, Director of BSMED, indicates that as cybercrimes are increasing, the tighter inter-firm links are, the more fragile the enterprises are. Therefore, strengthening the MSME's capabilities of digital resilience has become the key to capacity building. By holding the workshop, we hope to improve the policies and norms on information security and to raise public awareness of information security.

The Workshop includes a panel session, "Enhancing SME Digital Competitiveness and Resilience towards Quality Growth: Attacking," a keynote speech in

the morning, and sessions on instruction of *APEC Guidebook on SME Digital Resilience* and group training in the afternoon.

Panel Session, "Enhancing SME Digital Competitiveness and Resilience towards Quality Growth: Attacking" & Keynote Speech

Ms Agnes Legaspi from DTI hosted the panel discussion. The panelists include Dr Benson Wu, co-founder of CyCarrier from Chinese Taipei, Ms Janette Toral, founder of Digital Filipino from the Philippines, and Mr Francis Lopez, president of Intercommerce Network Services. They share their insights and analyses on cyber-attacks and information security.

Dr Benson Wu points out the trend of global malware in recent years. There are 830 million malware worldwide. Besides, there are about six million to 17 million new malware. Antivirus is only a basic measure, and there are still countless ways to respond. Dr Wu suggests building up Cyber Resilience Ecosystem to cut time and to reduce manpower and financial costs with high-end AI and automation.

Ms Janette Toral first talks about crisis management under the Capability Maturity Model Integration (CMMI) in software engineering. Ms Toral mentions that e-commerce contributes 25% to the Philippines' GDP; also, 30% of the economy's population and more than 100,000 MSMEs use E-commerce platforms. Thus, the

Philippines has a competitive advantage in E-commerce. In addition, Ms Toral also points out that MSMEs must at first strengthen their capabilities of digital resilience from the aspects of personnel and online website to truly prevent, mitigate and solve the problems caused by internet security threats.

Mr Francis Lopez touches upon different challenges of digitalization and digital transformation which MSME are facing including the challenges of cross-border trade and logistics while implementing digitalization and E-commerce. With regard to the challenges, he specifically recommends MSMEs to refer to the APEC Model e-Port Network (APMEN), a pilot program which APEC promotes the supply chain connectivity and trade facilitation.

The keynote speech is given by Mr Sergey Belov, Head of Application Security of Mail.Ru Group, Russia's largest internet company. He analyzes that enterprises should adjust different mindsets and organizational settings based on the size of the enterprise as necessary precautions against possible cyber threats. Mr Sergey Belov specifically mentioned that companies with more than \$30,000 in capital must also pay attention to internal information security in addition to external information security.

Instruction of *APEC Guidebook on SME Digital Resilience* and group discussion sessions

In the afternoon, Dr Kao, Director of the APEC SME Crisis Management Center, gives instruction on ***APEC Guidebook on SME Digital Resilience*** including 11 steps in crisis management. Besides, Dr Kao also guides participants to conduct group discussions. Through role-playing and scenario simulation, it helps participants enhance the responsiveness in the actual situations. Later, through quiz racing game with 23 questions, participants would be able to review the key points of the Guidebook and the proper responses to the actual crisis; by doing so, we hope to empower MSMEs with the digital resilience capabilities and the abilities to cope with information crisis.





/ Participants took group photo at APEC SME Digital Resilience Training Workshop



01 On behalf of Mail.Ru Group, Mr Sergey Belov, Head of Application Security from Russia's largest internet company participated in the Workshop as a keynote speaker.

02 Experts answered questions from participants after the speech.

03 Dr Kao Jen-Shan, Director of APEC SME Crisis Management Center, led the group discussion; group members participated in the discussion enthusiastically.

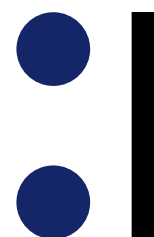


/ Representatives of groups shared results of discussion about simulation scenarios.

/ Group representatives took part in quiz racing game and answered the questions about **APEC Guidebook on SME Digital Resilience** on the stage.

24 October 2018

Thank you for reading. ● ● ● ●



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SMALL AND MEDIUM ENTERPRISE ADMINISTRATION,
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