## **SME** development in the Mekong Region

he APO, in collaboration with the Japan Productivity Center for Socio-Economic Development (JPC-SED) and Ministry of Trade and Economy of Japan and with financial assistance from the Government of Japan, organized the Forum on SME Development in the Mekong Region, 20–24 February, in Tokyo.

In mid-2005, experts from the JPC-SED visited Lao PDR, Cambodia, Myanmar, and Vietnam and selected model companies in which to apply the criteria drafted by the JPC-SED for evaluation of SMEs in the region. The CEOs and managers of those model companies together with consultants of NPOs were invited to participate. In addition, participants from Thailand were included to make suggestions for further improvement of the criteria. As a final output, the February forum revised the criteria. It is planned to hold a forum again in 2007 to expand the criteria and to make them more rigorous for use in SMEs in the Mekong region.

The objective is to establish common evaluation criteria and executive guidelines, allowing SMEs in the Mekong region to become more competitive and introduce management systems confirmed to be effective in Japanese SMEs in the model companies and support their management innovations.

The participants visited Techno Wing Ota, officially referred to as the Ota Public Second Factory Apartment Complex and owned by the Business Owners' Association. This is an apartment complex housing about 45 companies, each of which has excellent technology. There are some 5,000 SMEs in the Ota area, and the Ota brand, which can be used only by specific companies, is renowned in the global market. Forum participants visited two companies in the apartment complex: Kataoka Seisakusyo, a fabricator of plastics; and Koa Kanaami, a metal product manufacturer.



Participants examining leather at Ibiza Co. Ltd.

The participants also had an opportunity to visit the Great Mekong Exhibition at JETRO headquarters, where 48 companies from Vietnam, Myanmar, Lao PDR, Cambodia, and Thailand exhibited their products covering the range from general merchandise such as lacquerware and wooden desktop items to furniture, food, accessories, and silk products.

One group of participants visited two SMEs in Chiba and Saitama prefectures, while another group proposed revisions and improvements to the SME evaluation criteria. The first company visited was Harima Industry Co. Ltd., which won a 2003 Chiba Quality Award and makes traditional Japanese paper-covered sliding doors. The second was Ibiza Co. Ltd., a producer of leather goods and the first SME recipient of the Japan Quality Award in 1998. Chairman Shigeru Yoshida explained Ibiza's mission enthusiastically.