

Appendix 1: Summary of ASEAN SME Policy Index

		BRN	CAM	IND	LAO	MMR	MYS	PHL	SGP	THA	VNM	ASEAN
1	Institutional Framework	2.6	2.6	4.4	2.6	2.9	4.6	3.7	5.4	3.9	3.8	3.7
1.1	SME definition	3.0	4.0	5.0	3	3.0	5.0	4.0	6.0	4.0	4.5	4.2
1.2	Intra-governmental coordination in policy formulation	2.0	2.0	4.5	2	3.0	6.0	5.0	6.0	4.5	3.0	3.8
1.3	SME development strategy	3.0	3.0	4.0	3	2.0	4.0	3.5	6.0	4.5	4.5	3.8
1.4	SME policy implementation agency or equivalent	3.0	2.0	4.5	3	2.5	5.0	4.0	6.0	4.5	4.0	3.9
1.5	Facilitation for a transition from informal to formal (registered) sector	2.0	2.0	4.0	2	4.0	3.0	2.0	3.0	2.0	3.0	2.7
2	Access to Support Services	3.3	2.4	4.0	2.3	2.7	4.8	3.8	5.4	3.8	3.6	3.6
2.1	Policy framework for supporting services	3.5	3.0	4.3	2.5	2.8	4.5	3.8	5.5	3.5	3.5	3.7
2.1.1	Government action plan on development of SME support services	4.0	3.0	4.0	3	3.0	4.0	3.5	5.0	4.0	3.5	3.7
2.1.2	One-stop shop business development centers	3.0	3.0	4.5	2	2.5	5.0	4.0	6.0	3.0	3.5	3.7
2.2	Promotion of E-services	3.0	1.8	3.7	2.0	2.7	5.0	3.8	5.3	4.0	3.7	3.5
2.2.1	Promotion of E-commerce	4.0	1.0	4.0	1	2.0	4.0	4.0	5.0	4.5	4.0	3.4
2.2.2	Provision of E-government services	3.0	2.0	4.0	2	4.0	5.0	4.0	5.0	4.0	4.0	3.7
2.2.3	On-line portal for SMEs	2.0	2.5	3.0	3	2.0	6.0	3.5	6.0	3.5	3.0	3.5
3	Cheaper and Faster Start up and Better Legislation and Regulations	3.1	2.1	4.4	2.7	2.9	4.8	3.0	5.0	4.2	4.1	3.6
3.1	Cheaper and Faster Start up	3.2	2.1	3.9	3.4	3.2	4.5	3.9	5.5	4.8	4.3	3.9
3.1.1	Issuing of business establishment registration certificate (start from the lodging of the complete documents)	3.0	3.0	5.5	5.3	4.7	4.0	5.3	5.0	5.0	5.3	4.6
3.1.1.1	Number of days for obtaining business registration certificate	3.0	3.0	5.0	5	5.0	6.0	6.0	6.0	6.0	5.0	5.0
3.1.1.2	Number of administrative steps for obtaining the business registration certificate	4.0	3.0	6.0	5	3.0	5.0	4.0	5.0	6.0	5.0	4.6
3.1.1.3	Official cost of obtaining the business registration certificate	2.0	3.0	5.5	6	6.0	1.0	6.0	4.0	3.0	6.0	4.3
3.1.2	Completion of the overall registration process and entry in operations	3.0	2.0	1.5	3.5	3.5	4.3	2.8	5.5	4.3	3.3	3.4
3.1.2.1	Number of days for completing the overall registration process, including compulsory licenses for standard business activities	1.0	1.0	2.0	1	4.0	5.0	2.0	6.0	3.0	2.0	2.7
3.1.2.2	Number of steps for completing the overall registration process, including compulsory licenses for standard business activities	1.0	2.0	2.0	3	1.0	5.0	1.0	5.0	4.0	1.0	2.5
3.1.2.3	Costs connected with registration (% of GNI per capita)	5.0	1.0	1.0	4	3.0	2.0	3.0	6.0	4.0	4.0	3.3
3.1.2.4	Minimum capital requirements (% of GNI per capita)	5.0	4.0	1.0	6	6.0	5.0	5.0	5.0	6.0	6.0	4.9

		BRN	CAM	IND	LAO	MMR	MYS	PHL	SGP	THA	VNM	ASEAN
3.1.3	On-line access, one-stop-shop for registration, and start-ups	3.7	1.3	4.7	1.5	1.5	5.3	3.7	6.0	5.2	4.2	3.7
3.1.3.1	On-line registration	4.0	1.0	6.0	1	1.0	5.0	3.0	6.0	6.0	5.5	3.9
3.1.3.2	Progression to one-stop-shop (OSS)	3.0	2.0	4.0	2.5	2.0	6.0	4.0	6.0	6.0	5.5	4.1
3.1.3.3	Financial supports for start-ups (soft loans, vouchers, grants etc.)	4.0	1.0	4.0	1	1.5	5.0	4.0	6.0	3.5	1.5	3.2
3.2	Better Legislation and regulation	3.0	2.0	5.0	2.0	2.5	5.0	2.0	4.5	3.5	4.0	3.4
3.2.1	Review and amendment of legislations and regulations	3.0	1.0	5.0	2	3.0	5.0	2.5	5.0	3.0	4.5	3.4
3.2.2	Use of Regulatory Impact Analysis (RIA)	3.0	3.0	5.0	2	2.0	5.0	1.5	4.0	4.0	3.5	3.3
4	Access to Finance	3.0	2.5	4.3	2.5	2.1	4.6	3.6	5.6	4.3	3.4	3.6
4.1	Legal and regulatory framework	3.7	2.7	4.8	2.7	2.7	4.3	3.3	5.7	4.0	3.3	3.7
4.1.1	Cadastre (including land use right)	4.0	3.0	5.5	3	4.0	5.0	3.5	6.0	4.5	3.0	4.2
4.1.2	Collateral and provisioning requirements	4.0	2.0	3.5	2	1.0	3.0	3.5	5.0	3.5	3.5	3.1
4.1.3	Creditor rights	3.0	3.0	5.5	3	3.0	5.0	3.0	6.0	4.0	3.5	3.9
4.2	Sound and diversified financial markets	2.4	2.3	3.9	2.3	1.6	4.8	3.8	5.6	4.6	3.4	3.5
4.2.1	Credit guarantee schemes	2.0	3.0	4.0	2.5	2.0	5.0	4.0	5.0	4.5	3.5	3.6
4.2.2	Credit bureau/ registries (not limited to SME)	2.0	2.0	2.0	2	1.0	6.0	1.5	6.0	6.0	4.5	3.3
4.2.3	Microfinance Facilities (including Credit Unions)	4.0	4.0	5.0	3	4.0	4.0	4.0	5.0	4.0	3.5	4.1
4.2.4	Leasing	4.0	3.0	5.0	3	1.0	3.5	4.0	6.0	5.0	3.5	3.8
4.2.5	Factoring	1.0	1.0	4.0	2	1.0	4.0	4.0	6.0	4.0	2.5	3.0
4.2.6	Availability of Risk Capital (e.g. venture capital, private equity funds, business angels)	3.0	1.0	4.0	1.5	1.0	6.0	4.0	6.0	3.5	3.5	3.4
4.2.7	Access to stock market	1.0	2.0	3.0	2	1.0	5.0	5.0	5.0	5.0	3.0	3.2
5	Technology and Technology Transfer	3.2	1.9	3.8	2.0	2.4	4.9	3.6	5.6	4.3	3.6	3.5
5.1	Promote Technology Dissemination	3.0	2.5	4.0	2.3	2.7	5.0	3.5	5.0	4.5	3.5	3.6
5.1.1	Strategic approach to innovation policy for SMEs	3.0	2.0	4.0	2	1.0	5.0	4.5	5.0	4.0	4.0	3.5
5.1.2	Information on innovation support services	3.0	2.5	3.0	2	2.0	4.0	1.0	5.0	4.5	2.0	2.9
5.1.3	Standards certification	3.0	3.0	5.0	3	5.0	6.0	5.0	5.0	5.0	4.5	4.5
5.2	Foster Technology Cooperation to Develop R&D focused on Commercialization of Knowledge	4.3	1.7	4.8	2.0	3.3	4.5	4.2	6.0	4.3	3.8	3.9
5.2.1	Incubators	4.0	1.0	4.5	2	4.0	4.5	4.0	6.0	4.5	3.5	3.8
5.2.2	Technology support in Universities, R&D Labs and Incubators with SMEs Linkages	5.0	1.0	4.0	1.5	3.0	3.5	3.5	6.0	4.5	3.5	3.6
5.2.3	Intellectual Property Rights (IPRs) System	4.0	3.0	6.0	2.5	3.0	5.5	5.0	6.0	4.0	4.5	4.4

		BRN	CAM	IND	LAO	MMR	MYS	PHL	SGP	THA	VNM	ASEAN
5.3	Promote Clusters and Business Networks	3.0	1.8	3.5	2.3	2.5	5.5	3.8	6.0	5.0	4.0	3.7
5.3.1	Broadband infrastructure to support smooth connection and coordination of knowledge flows in cluster	4.0	2.5	5.0	3	2.0	6.0	4.5	6.0	5.0	3.5	4.2
5.3.2	Sciences / industrial parks, competitive clusters and facilities (agglomeration)	2.0	1.0	2.0	1.5	3.0	5.0	3.0	6.0	5.0	4.5	3.3
5.4	Finance and Technology Development	2.5	1.8	3.0	1.5	1.0	4.8	3.0	5.5	3.5	3.0	3.0
5.4.1	Financial Incentives	3.0	2.5	3.0	2	1.0	5.0	3.0	5.0	3.5	3.0	3.1
5.4.2	Public R&D grants	2.0	1.0	3.0	1	1.0	4.5	3.0	6.0	3.5	3.0	2.8
6	International Market Expansion	3.2	3.3	4.2	3.1	3.3	5.0	4.4	6.0	4.7	4.0	4.1
6.1	Export promotion programmes	2.0	3.0	4.0	3	3.0	5.0	4.0	6.0	5.0	3.5	3.9
6.2	Providing advice and high value information of the international market	1.0	3.0	3.0	2.5	3.0	4.0	4.0	6.0	4.0	3.5	3.4
6.3	Export capacity building programmes	3.0	3.0	4.0	2.5	3.0	5.0	4.0	6.0	4.5	3.5	3.9
6.4	Financial facilities for SMEs to export	4.0	3.5	4.0	2.5	2.0	5.0	4.0	6.0	4.0	3.5	3.9
6.5	Reducing costs of custom clearance for exports (per container)	6.0	4.0	6.0	5	5.5	6.0	6.0	6.0	6.0	6.0	5.7
7	Promotion of Entrepreneurial Education	3.0	2.1	3.9	2.3	2.9	4.2	3.7	5.0	3.1	2.9	3.3
7.1	Entrepreneurial promotion policy	2.0	3.0	4.0	2	2.0	4.0	4.0	5.0	2.0	2.0	3.0
7.2	Support of EL in basic education	1.0	1.0	4.0	3	2.0	3.0	3.0	5.0	1.5	1.0	2.5
7.3	Support of EL in higher education	4.0	2.5	3.5	3	3.0	5.0	3.5	5.0	4.0	3.0	3.7
7.4	Business-academe collaboration	5.0	2.0	5.0	2	4.5	5.0	4.5	5.0	4.5	4.5	4.2
7.5	Non-formal education on EL and management of SMEs	3.0	2.0	3.0	1.5	3.0	4.0	3.5	5.0	3.5	4.0	3.3
8	More effective representation of small enterprises' interests	2.3	2.5	3.4	2.7	4.2	5.0	4.7	5.0	4.4	4.0	3.8
8.1	Role and capacity of SME association	2.3	2.5	3.8	2.3	3.8	4.3	4.7	5.0	4.2	4.3	3.7
8.1.1	SME association	3.0	3.0	6.0	3	4.5	6.0	5.0	5.0	4.5	5.0	4.5
8.1.2	Technical capacity	2.0	2.5	3.5	2	4.0	5.0	5.0	5.0	4.0	3.5	3.7
8.1.3	Research capacity	2.0	2.0	2.0	2	3.0	2.0	4.0	5.0	4.0	4.5	3.1
8.2	Participation in Consultations on SME Policies	2.3	2.5	3.0	3.0	4.5	5.7	4.7	5.0	4.7	3.7	3.9
8.2.1	Mechanism of the consultations	3.0	3.0	4.0	3	4.5	6.0	5.0	5.0	4.5	4.0	4.2
8.2.2	Frequency of the consultations	2.0	2.0	1.0	3	5.0	6.0	5.0	5.0	5.0	3.0	3.7
8.2.3	Formal influence of the consultations	2.0	2.5	4.0	3	4.0	5.0	4.0	5.0	4.5	4.0	3.8
	Average scores	3.0	2.4	4.1	2.5	2.9	4.7	3.8	5.4	4.1	3.7	3.7

Appendix 2: Assessment Framework for ASEAN SME Policy Index

1. Institutional Framework

		Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
1.1	SME definition	No SME definition within countries.	There are different definitions of SME by sectors (manufacturing, services) and criteria (asset, employment, sale, revenue, etc.), applied in government programs and policies within countries	A legislation on SME and its uniform definition is under preparation	The legislation on SME with uniform definition is in place, but it is not streamlined (different application) in government programs and policies within countries.	There is a uniform application of SME definition in government programs and policies within countries.	The definition follows the common international practices (same as other countries or international organizations, such as UN or World Bank).
1.2	Intra-governmental coordination in policy formulation	No institution is responsible for SME policy formulation.	Several institutions are responsible for SME policy formulation and they have overlapping portfolios and limited coordination.	Legislation for the establishment of a single institution is under consideration.	Approval for establishment of a single institution in charge of leading and coordinating SME policy formulation.	The institution already established with staffs and budget in place. System of consultation with the implementing agency (ies) in place.	Ministerial level inter-agencies coordination in place, with track record of effective coordination and policy formulation (i.e. number of policy formulations) since its inception.
1.3	SME development strategy	No SME development strategy exists.	SME development strategy is under elaboration. Review of expired SME strategy under way.	Multiyear SME development strategy for current period is approved by the government	The multiyear SME development strategy has been implemented with moderate success.	Solid evidence of implementation of The SME development strategy with indication of key target achieved and assignments completed.	A mechanism of continuing process of review, evaluation, monitoring, and revision strategy are clearly in place.

1.4	SME policy implementation agency or equivalent	No SME policy implementation agency with an execute role (or equivalent) exists.	Government considering the establishment of an SME policy implementation agency (or equivalent).	SME implementation agency (or equivalent) established. Staff structure and budget in place. Range of output to be covered by agency being drafted.	SME implementation entity fully operational and covers a range of activities with measurable outcomes. But limited number of staffs with required expertise (economic and legal).	SME implementation entity fully operational and covers a range of activities with measurable outcomes. Solid implementation record of SME strategy based on achievements of time-bound targets as detailed in action plan.	SME implementation entity is the main body for implementation of the SME strategy, operating with full political support. The entity has a clear reporting system in place and a recognized advocacy and policy advice role. The entity is well-funded wide reaching, and its activities have proven to be effective in supporting SME development with measurable outcomes.
1.5	Facilitation for a transition from informal to formal (registered) sector¹	No measures in place to systematically tackle the informal economy.	Plan in preparation to tackle the informal economy.	Plan to tackle the informal economy has been adopted after inter-ministerial and stakeholder consultation. Action plan defined.	There is evidence that some elements of this plan have been implemented.	Solid evidence of implementation of the plan with indication of key targets achieved.	Implementation well advanced and monitoring systems in place to measure the impact of the plan.

¹ Formal is defined as, but not limited to, being registered. If informality is not an issue, the score should be at level 6 (most of all firms are registered).

2. Access to Support Services

2.1 Policy framework for supporting services							
2.1.1	Government action plan on development of SME support services	There is no government action plan on business services.	A government action plan on identifying the market failures in the business services market is under preparation.	The government action plan is in place and the responsible institutions have been established.	The plan covers a range of support services and has been implemented with moderate success.	Solid implementation record of achievements of time-bound targets as detailed in action plan.	Implementation well advanced and monitoring systems in place to measure the impact of the plan.
2.1.2	One-stop shop business development centers	No one-stop shop business development center is available	One-stop shop business development center is under consideration.	Limited range of business service (training, counselling & advice, technology development & transfer, information, business linkage & networking, access to finance).	One-stop shop business development centers provide integrated and comprehensive series but with limited number and locations	Networks of one-stop shop business development centers nationwide, with personalized services for SMEs.	Level 5 + monitoring and evaluation system for the quality of services
2.2 Promotion of E-services							
2.2.1	Promotion of E-commerce	There is no E-commerce law.	The e-commerce law is under consideration.	The e-commerce law has been adopted.	Supporting regulations and policy are in place to foster e-	E-commerce is widely used in business transactions, but limited	E-commerce has been well developed with cyber security measures and applied

					commerce.	domestically.	in cross border trades.
2.2.2	Provision of E-government services	No E-government services.	E-government infrastructure and platform are under development.	Government is providing piloted services (tax, pension registration, etc.) online.	Some services can be filed online, but the software allows only for a limited number of operations.	Level 4 + the decision and transactions can be made. The connection exists between most public institutions and data usage is allowed, upon request by SME and/or institution.	The database of all public administration (company registration office, tax administration, social security administration, labour authorities) is integrated.
2.2.3	On-line portal for SMEs	There is no on-line portal.	Existence of on-line portal unknown to SME community. Information is neither updated nor maintained.	On-line portals are not easily accessible by the SME community. Portal is not user-friendly. Information is updated and maintained on an ad hoc basis.	There is one centralized portal for SMEs that re-directs users to key websites for SMEs. Portal is regularly updated and maintained.	Level 4 + Portal is user friendly and gathers the information related to SMEs from the different public authorities active in this field.	Level 5 + Interactive portal includes the possibility for companies to communicate on rules and procedures which are considered to be disproportionate/and/or unnecessarily hinder SMEs

3. Cheaper, faster start-up, and better legislation and regulation for SMEs

3.1 Cheaper and Faster Start up							
3.1.1 Issuing of business establishment registration certificate (start from the lodging of the complete documents)							
3.1.1.1	Number of days for obtaining business registration certificate	Registration takes > 50 working days	$50 \geq$ working days > 30	$30 \geq$ working days > 20	$20 \geq$ working days > 10	$10 \geq$ working days ≥ 5	Registration takes less than 5 working days.

3.1.1.2	Number of administrative steps for obtaining the business registration certificate	Registration requires more than 10 administrative steps.	Registration requires 8-9 administrative steps.	Registration requires 6-7 administrative steps.	Registration requires 4-5 administrative steps.	Registration requires 2-3 administrative steps.	Registration requires 1 administrative step.
3.1.1.3	Official cost of obtaining the business registration certificate	Cost > USD 250	USD 250 \geq Cost > USD 200	USD 200 \geq Cost > USD 150	USD 150 \geq Cost > USD 100	USD 100 \geq Cost > USD 50	Less than USD 50
3.1.2 Completion of the overall registration process and entry in operations							
3.1.2.1	Number of days for completing the overall registration process, including compulsory licenses for standard business activities (WB Cost of Doing Business Index)	Registration takes > 50 working days	50 \geq working days > 30	30 \geq working days > 20	20 \geq working days > 10	10 \geq working days \geq 5	Registration takes less than 5 working days.
3.1.2.2	Number of steps for completing the overall registration process, including compulsory licenses for standard business activities (WB Cost of Doing Business Index)	Registration requires more than 10 administrative steps.	Registration requires 8-9 administrative steps.	Registration requires 6-7 administrative steps.	Registration requires 4-5 administrative steps.	Registration requires 2-3 administrative steps.	Registration requires 1 administrative step.

3.1.2.3	Costs connected with registration (% of GNI per capita) - (WB Cost of Doing Business Index)	Costs are > 20% of GNI per capita.	$20\% \geq \text{Costs} > 15\%$	$15\% \geq \text{Costs} > 10\%$	$10\% \geq \text{Costs} > 5\%$	Costs $\leq 5\%$ of GNI per capita.	Cost are minimal (close to 0 of GNI per capita)
3.1.2.4	Minimum capital requirements (% of GNI per capita) - (WB Cost of Doing Business Index)	Minimum capital > 40% of GNI per capita	$40\% \geq \text{Minimum capital} > 30\%$	$30\% \geq \text{Minimum capital} > 20\%$	$20\% \geq \text{Minimum capital} > 10\%$	Minimum capital $\leq 10\%$ of GNI per capita.	No minimum capital requirements for general partnerships with personal liability.
3.1.3 On-line access, one-stop-shop for registration, and start-ups							
3.1.3.1	On-line registration	The government has no on-line registration.	All registration procedures are downloadable on-line.	Enterprises are able to submit registration forms, but cannot register in the on-line registration.	Enterprises are able to submit and few decisions after the submission process are known.	Level 4 + more actions after the submission process and some of the notifications are traceable.	Enterprises are able to do all registration process on-line and they can trace their registration process.
3.1.3.2	Progression to one-stop-shop (OSS)	There are no plans to introduce one-stop-shop (OSS) for business registrations	The plan to establish OSS for business registration is under preparation	The plan and necessary budgetary provisions to establish an OSS for company registration has been approved.	OSS for business registration operates on the basis of multiple windows in one location or with a limited geographic scope.	OSS for registration is operational with a proven track record and extensive geographic scope.	OSS completes all necessary registration and notification procedures in one window (one step).
3.1.3.3	Financial supports for start-ups (soft loans, vouchers,	No financial support in place	Strategy on financial support tools under discussion/local	Strategy on financial support tools approved: detailed proposals	Level 3 + several financial support tools are being implemented but	Level 4 + financial support tools are being used throughout the	Level 5 + Implementation well advanced and monitoring

	grants etc.)		initiatives in preparation.	and budget allocations, either at central or local government level.	limited amount and coverage	country	systems in place to measure the impact of the plan.
3.2 Better Legislation and regulation							
3.2.1	Review and amendment of legislations and regulations	There are no systematic review of redundant or ineffective legislations and regulations.	There is a review and the list of all relevant legislations and regulations was made.	There has been ad-hoc activity to carry out amendment of redundant or ineffective legislations and regulations. The government is planning to carry out this exercise.	A concrete plan to carry out systematic amendment of redundant or ineffective legislations and regulations has been approved.	Implementation of the plan underway, covering key legislations and regulations related to enterprise policy.	The implementation is well advanced and most or all of the legislations and regulations have been revised.
3.2.2	Use of Regulatory Impact Analysis (RIA)	No systematic regulatory impact analysis exists	There is a guideline on regulatory impact analysis.	A simplified, pilot RIA program is being used in certain areas of regulations.	The RIA applied is limited in scope. The RIA process is poorly structured.	Implementation of RIA in some areas. There is some evidence that the outcomes of the RIA have been used to adopt and change regulations.	RIA is systematically implemented with solid evidence of outcomes. RIA is also applied ex-post to measure the impact of regulations during the implementation stage.

4. Access to Finance

4.1 Legal and regulatory framework

4.1.1	Cadastre (including land use right)	No functioning cadastre.	Plans have been made to implement a functioning cadastre.	Cadastre system in place, but the land ownership of the country has not yet been entirely documented.	The ownership of land has been documented but the cadastre is not fully functioning.	Level 4 + fully functioning cadastre allowing firms to use real estate as collateral in their efforts to access bank finance.	Level 5 + Available on-line.
4.1.2	Collateral and provisioning requirements	Very high collateral requirements >200%. Restrictive collateral definition and/or rigid provisioning requirements for uncollateralized loans.	Collateral requirement ranging 150-200% of loan amount. Restrictive collateral definition and/or rigid provisioning requirements for uncollateralized loans.	Collateral requirement ranging 100-150% of loan amount. Restrictive collateral definition and/or rigid provisioning requirements for uncollateralized loans.	Collateral requirement ranging < 100% of loan amount. Flexible collateral definition (movable assets) and/or flexible provisioning requirements for loans under certain amount.	Level 4 + Flexible collateral definition and/or flexible provisioning requirements for loans under certain amount and central collateral registry in place.	No tangible collateral requirement.
4.1.3	Creditor rights	There is no law on secured transactions.	The law on secured transactions is under preparation	Legal framework on secured transaction ensures four rights listed below was adopted. 1) Secured creditors are able to seize their collateral after reorganization i.e. there is no "automatic stay; 2) Legislation provides	Legal procedures for litigations take > 4 years and costs > 30% of the value of the collaterals.	4 ≥ years > 2 and 30% ≥ costs ≥ 20%.	Less than 2 years and cost less than 20%.

				restrictions such as creditor consent must be observed when a borrower files for reorganization; 3) Secured creditors are paid first out of proceeds of liquidation of a bankrupt firm; 4) Management does not retain administration of property pending the resolution of reorganization.			
4.2 Sound and diversified financial markets							
4.2.1	Credit guarantee schemes	No credit guarantee scheme in place.	Credits guarantee scheme facility under consideration.	Credits guarantee facilities in place.	Credits guarantee facility covers limited geographical and type of business.	A wide range of credits guarantee scheme for all with a large number of guarantees and credit volume.	The scheme is proven successful with track record of best management (low default rate, profitability)
4.2.2	Credit bureau/ registries (not limited to SME)	No credit information services available in the country.	Credit information services in-place, but access limited to financial institutions.	Credit information services available to financial institutions and to the public. Both positive	Level 3 + Information is updated regularly and comprehensive.	Level 4 + system of credit bureau for SME. The historical data is to be kept for at least 5 years.	Credit bureau is fully functional and well managed. Most financial institutions are subscribed to the bureau. There is a credit

				and negative credit information is available.			rating information system.
4.2.3	Microfinance Facilities (including Credit Unions)	No law and regulations to govern microfinance.	Law and regulations to govern microfinance is under preparation.	Appropriate legal and regulatory framework in place for microfinance.	Microfinance sector present and operating throughout the country. Facilities mainly state or donor funded. Limited range of microfinance products.	Level 4 plus wide ranges of microfinance products and extensive coverage. Most is privately managed.	Well-functioning microfinance with proven record of low default rates.
4.2.4	Leasing	No leasing activity, no plans for leasing law.	Leasing law under preparation.	Leasing law approved and institutional responsibilities clearly assigned.	Implementation of leasing law. Regulator active in monitoring market. Some leasing activity.	Regulation and supervision of the leasing sector is enacted. Significant leasing activity in place.	Level 5 + full range of leasing companies for SME exist.
4.2.5	Factoring	No factoring activity, no plans for factoring law.	Factoring law under preparation.	Factoring law approved and institutional responsibilities clearly assigned.	Implementation of factoring law. Regulator active in monitoring market. Some factoring activity.	Regulation and supervision of the factoring sector is enacted. Significant factoring activity in place.	Level 5 + full range of factoring companies for SME exist.

4.2.6	Availability of Risk Capital (e.g. venture capital, private equity funds, business angels)	No law and regulation on risk capital.	Law and regulation are under preparation.	Law and regulation have been approved and institutional responsibilities clearly assigned.	Level 3 + several venture capital/private equity funds, and business angels, but the only exit possibility is direct sales or proper merger and acquisition (M&A) regulations.	Level 4 + range of exit options, including a functioning (second-tier) stock exchange with clear opportunities for initial public offerings (IPO) of venture-capital backed enterprises.	Government provide incentives (tax, gathering forum, fairs) to promote networking and linkages of risk capital with SMEs.
4.2.7	Access to stock market	No stock market.	Stock exchange in place with low market capitalization (< 20% GDP) and low liquidity.	The stock market has medium capitalization ($\geq 20\%$ GDP) and liquidity.	A plan to establish a small board for SME in the stock market is under preparation.	Establishment of a small board for SME.	The small board has a large number of SMEs and high liquidity.

5. Technology and Technology Transfer

5.1 Promote Technology Dissemination

5.1.1	Strategic approach to innovation policy for SMEs	No strategic plan and innovative policy	Innovation policy is under preparation.	Innovation strategy elements included in some of enterprise policy, industrial policy, human capital development policies, or education and	Innovation policy developed and integrated into a number of strategic documents. Information on implementation plans, budget and time lines	Level 4+ Strategic approaches are coordinated. Innovation program/strategy is under implementation and adequately funded. Major components of the	Strategic approach to innovation is extensively implemented, including programs covering the broad spectrum of technological and non-technological activities.
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				research policies, but no consistent approach, no indication of implementation actions.	included in each of the documents. Strategic approaches are not coordinated.	plan are active with explicit program for SMEs.	Mechanisms in place to monitor the impact of the program.
5.1.2	Information on innovation support services	No data base of innovation service providers available to enterprises, either by public or private sources.	Government plans to provide information on innovation support services	Data base(s) available to enterprises for limited sets of services. Fragmented set of information on innovation support service providers reported.	Data base(s) includes wide range of services available throughout the country.	Updated data base(s) on innovation support service providers available also on-line. There are information on the selection criteria for firms to participate in all types of innovation support programs.	Level 5 + Information available on interactive web-sites and regularly updated and checked by the information provider. There is information on the selection criteria for firms to participate in all types of innovation support programs.
5.1.3	Standards certification	No standards organizations in place.	Government has declared plans to support the establishment of standards organizations.	Government has established legal and policy framework to support standards organizations.	Standards organizations are fully functional with modern equipment and wide product coverage.	The standards organizations are mutually recognized internationally and accredited.	Supporting schemes to have SMEs easy access to testing and standards organizations.
5.2 Foster Technology Cooperation to Develop R&D focused on Commercialization of Knowledge							
5.2.1	Incubators	There are incubators but with no technological orientation.	Pilot technological incubators in operation, publicly funded,	There are incentives and support schemes to establish incubators	Level 3 + several incubators in operation, out of the experimental phase. Provision	Level 4 + network of incubators throughout the economy. Provision of high	Level 5 + continuous evaluation of existing incubators and there are virtual

			funded by donors and/or other organizations.	associated with universities and/or research centers.	of basic services.	quality services and existence of exit strategies.	incubators.
5.2.2	Technology support in Universities, R&D Labs and Incubators with SMEs Linkages	No formal framework to support technology development in universities, R&D labs and incubators.	Government has declared plans to support technology development in universities, R&D labs and incubators.	Government has established legal and/or policy framework to support technology development in universities, R&D labs and incubators.	Active implementation of framework for linking SMEs with standards, and technology development in universities, R&D labs and incubators.	Strong connectivity and coordination exists between technology development activities in universities, R&D labs and incubators and SMEs.	Strong technology development activities exist in Universities, R&D labs and incubators, with appraisal mechanisms of related incentives and grants.
5.2.3	Intellectual Property Rights (IPRs) System	No legislation and policy on IPRs in place.	Legislation and policy on IPRs under preparation.	IPRs legislation and policy has been approved.	IPRs strategy and patent system (creation, protection, utilization) were established with budget and implementing agency	Few one-stop support centers on IPRs (awareness, information, patent application, licensing, etc.).	Nationwide one-stop support centers on IPR system.
5.3 Promote Clusters and Business Networks							
5.3.1	Broadband infrastructure to support smooth connection and coordination of knowledge flows in cluster	No broadband infrastructure.	Government has started plans to establish provision of broadband infrastructure.	An action plan to lay a broadband infrastructure and the legal framework has been established.	The laying of broadband connections are underway either nationwide or in special economic zones/clusters.	Broadband connections are available nationwide or in special economic zones/clusters with enactment of	Mature connections with little or no breakdowns (high quality) are available nationwide or in special economic

						appropriate cyber laws.	zones/clusters with strong cyber laws.
5.3.2	Sciences / industrial parks, competitive clusters and facilities (agglomeration)	No facilities (i.e. sciences /industrial parks, competitive clusters) to promote networking among innovative companies in place.	Basic supporting infrastructures for the facilities are in place.	Level 2 + facilities are operated with average more than 50% of the capacity (occupancy rate).	Level 3 + linkages with universities and other innovation and technology centers.	Level 4 + the networks of facilities and linkages are limited in geographical area or industry. Incentive schemes for qualified SMEs to locate into the facilities.	Level 5 + nationwide and international networks, with track record of good management and reputation.
5.4 Finance and Technology Development							
5.4.1	Financial Incentives	No support scheme for SMEs to determine financing options available for innovative projects.	Financial support schemes (including training, testing) under consideration and pilot project being launched, funded by government, donors and/or other organizations.	Financial support schemes are funded by government, donors and/or other organizations. Tailored services are provided to link innovative companies to sources of financing.	Financial support schemes are under implementation and adequately funded. Independent project evaluation system has been established. Co-operation with various financial institutions has been established to link innovative companies to	A complete chain of funding schemes is available for innovative projects, from grants, levies, subsidies, seed funding to venture capitals, private equity funds and loans. There is evidence that a significant number of projects are funded every year.	Strong vetting, monitoring and appraisal <i>ex post</i> of the financial support service schemes

					sources of financing.		
5.4.2	Public R&D grants	There are no public funds supporting R&D activities with a commercial orientation.	There is a policy framework for public support R&D.	There are pilot public funds supporting R&D activities with a commercial orientation with limited allocation.	Fully operating funds supporting R&D activities with a commercial orientation. There is proper appraisal system of eligible projects.	Level 4 + there is a track record of effective allocation of funding.	Level 5 + Strong vetting, monitoring and appraisal <i>ex post</i> of the grants.

6. International Market Expansion

6.1	Export promotion programs	No export promotion programmes exist.	Export promotion programs under consideration.	Export promotion programs adopted but largely funded by donor countries. No coordination between programs.	Export promotion programs are adequately funded and executed by a coordinating agency.	Range of well-funded export promotion programs and agency with structured supports to SMEs.	5+ Regular evaluation and monitoring in place
6.2	Providing advice and high value information of the international market	No business information on specific markets.	Providing information and consulting services to help SMEs undertake a self-assessment	Market specific information (product features, prices, buyers, distributors, relevant	Comprehensive information and one-stop shop with limited advisory services.	The one-stop shop is available to help SMEs identify and form partnerships/alliance, and determine market entry	One-stop shop and E-portal are fully operational, with monitoring and evaluation system.

			for international market expansion.	standards and specifications, international best practices, and related legal requirements and procedures).		strategies.	
6.3	Export capacity building programs	No export capacity building programs.	Uncoordinated export capacity building programs funded mainly by donor countries.	Coordinated export capacity building programs (grant or subsidies for training courses, export coaching, workshop, and trade fairs) for SMEs' export strategy planning.	The programs are operated with limited geographical coverage and a limited number of SMEs.	The programs are fully functional nationwide. Significant number participating SMEs start exporting.	Level 5 + Regular evaluation and monitoring in place.
6.4	Financial facilities for SMEs to export	No specific financial facilities for export-ready SMEs exist.	The financial facilities are under preparation.	Trade credit and export-oriented loan insurance are under pilot.	The facilities are operated with limited geographical coverage and a limited number of SMEs.	The facilities are fully functional nationwide.	Level 5 + Regular evaluation and monitoring in place
6.5	Reducing costs of custom clearance for exports (per container)	Custom clearance takes > 30 days and costs > USD 300	$30 \geq \text{days} > 20$ and $\text{USD } 300 \geq \text{Costs} > \text{USD } 250$	$20 \geq \text{days} > 10$ and $\text{USD } 250 \geq \text{Costs} > \text{USD } 200$	$10 \geq \text{days} > 5$ and $\text{USD } 200 \geq \text{Costs} > \text{USD } 150$	$5 \geq \text{days} > 2$ and $\text{USD } 150 \geq \text{Costs} > \text{USD } 100$	Custom clearance takes ≤ 2 days and costs $\leq \text{USD } 100$

7. Promotion of Entrepreneurial Education

7.1	Entrepreneurial promotion policy	No evidence of clearly identifiable or articulated policy guidance available for the education and training sector on EL.	EL is recognized as a developing feature within education and training policy instruments.	Policy instruments specific to each level of the education and training system clearly identify EL as a priority development area with due reference to curriculum, teacher/trainer training and school governance.	EL policy linkages are clearly articulated with SME, industrial, employment, and innovation policy documents.	National economic development plan includes EL detailing specific and complimentary objectives for the various parts of the EL framework.	EL policies, programs and projects have been implemented with adequate budget and monitoring and evaluation system.
7.2	Support of EL in basic education	No EL materials, no expertise; teaching the traditional way prevails, with little flexibility in new arrangements that would promote entrepreneurship key competencies (e.g. opportunity identification, initiative, creativity, innovation and risk taking)	EL teaching materials and teacher training programs are under development.	EL is under pilot. Some evidence of flexible teaching and learning arrangements that allow promoting entrepreneurship key competencies	Secondary schools with EL teaching materials and staff with knowledge and skills for teaching entrepreneurship cover up to 25% of enrolments (Monitored through Education Ministry records)	Secondary schools with EL teaching materials and staff with knowledge and skills for teaching entrepreneurship cover up to 50% of enrolments	Secondary schools with EL teaching materials and staff with knowledge and skills for teaching entrepreneurship cover more than 50% of enrolments

7.3	Support of EL in higher education	No vocational schools, universities offer subjects on entrepreneurship, just the traditional business subjects (management, finance, marketing, accounting, etc.)	Higher education policy includes provisions for promoting equal opportunities for university staff and students in all entrepreneurial learning developments	National quality assurance system and course subjects for small business and entrepreneurship are developed and offered;	At least major universities offer a degree in entrepreneurship and adopted the ASEAN Common Curriculum (e.g., CoBLAS)	National EL networks set up to conduct regular reviews on entrepreneurship curriculum to ensure evaluation, accreditation and dissemination of good practices.	EL providing universities are internationally renowned, ranked high in the region and the world. Notable alumni network of entrepreneurs.
7.4	Business-academe collaboration	No business-academe collaboration with respect to EL.	Few EL programs with business-academe collaboration.	Apprenticeship or internship with SMEs required of business students as part of curriculum.	Universities adopt practicum for business and entrepreneurship students involving counselling of SMEs (e.g., CoBLAS).	Universities and private sector jointly support EL programs, curricula, research, customized training service, coaching, business plan competitions, awards and scholarships.	There are public-private EL support programs to university-based incubators, science parks, research institutions, venture capitals and private equity funds, with a significant number of spin-offs.
7.5	Non-formal education on EL and management of SMEs (basic book keeping and business	Information on training programs and training providers is sporadic.	Information and fully charged training programs are available; service providers	Subsidized small business training provision developed but limited to some industries and	Information on training programmes, networks of providers, and online services are available	Training toolkits are publicly available in hardcopies and downloadable.	Training programs are accredited. Blacklisted training providers posted on websites of SME support agencies

	management)		mainly in urban centers.	locations.	across the country.		and training centers.
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8. More Effective Representation of SMEs' Interests

8.1 Role and capacity of SME association

8.1.1	SME association	No membership in any business industrial associations in both local and national levels.	Membership is limited to either cooperatives or small entrepreneurs' organization of local scope.	Membership is mainstreamed in locally-based industry associations and/or chambers of commerce (CoC) with limited network.	Membership is mainstreamed in industry associations and/or CoC with national network.	Level 4 + strong domestic and independent advocacy role extended to SME related issues.	Level 5 + international presence and representation. Institutionalized (e.g. ASEAN BAC, ASEAN CCI, CACCI).
8.1.2	Technical capacity	No technical capacity in undertaking SME representation.	Technical capacity is limited to maintenance of a database and contact information of SMEs.	Technical capacity is supported by a Secretariat/ Administrative Office conducting information gathering, database management and information dissemination to SMEs and other	Level 3 + undertaking membership services such as networking, business matching, processing of certificates of origin, trade and investment promotion, trainings and	Level 4 + undertaking independent advocacy and policy formulation down to the local level with the ability to generate and mobilize resources from external sources used to fund projects.	Level 5 + presence of international SME clusters and networks enabling SME participation and representation in advocacy and policy setting of regional and global scope and deepened business access to global production networks and value chains through

				organizations.	seminars.		enhanced business matching and ventures (e.g. functional ASEAN trade and investment center operating at the CoC level)
8.2.3	Research capacity	No research capacity	Research capacity is limited to collecting existing researches from various sources	Research capacity is supported by a dedicated Research department undertaking simple, qualitative research	Level 3 + producing publications such as magazines, primers, industry studies and surveys on various economic, regulatory and trade related topics	Level 4 + presence of an institutionalized network of cooperation with donor partners and research institutions for joint research projects	Level 5 + presence of an institutionalized (dedicated) research center (i.e. think tank or policy center)
8.2 Participation in Consultations on SME Policies							
8.2.1	Mechanism of the consultations	No existing consultative mechanism	Consultative mechanism is local based	Consultative mechanism is undertaken in various sectors on an ad-hoc manner	Level 3 + national and local consultations are done on a per issue basis	Level 4 + national, local and sectoral consultations are done on a regular basis using a committee structure (e.g. Agriculture, Industry, SME, Taxation Committees) where position or white papers are	Level 5 + institutionalized broad, cluster-based consultation mechanism with direct linkage to the government soliciting feedback and measure outcomes (e.g. Resolutions and Business Memorandum)

						produced	
8.2.2	Frequency of the consultations	Consultation on SME issues between the public and private sectors occur sporadically upon the call of the government	Proposals have been made to establish a structure/ framework for public/ private consultation	A regulation has been adopted stipulating regular consultation between public and private sectors on SME issues	Level 3 + Consultations involving key actors from public and private sectors take place on a semi-annual basis	Level 4 + Consultations involving key actors from public and private sectors take place on a quarterly basis	Level 5 + the consultations take place on a monthly basis or even more often
8.2.3	Formal influence of the consultations	Unstructured debates between the private and public sectors in SME issues	Level 1+ the private sector has the opportunity to give formal recommendations on the issues discussed	Level 2 + the private sector has the opportunity to formally comment on draft SME policies in various meetings	Level 3 + the private sector can suggest own initiatives or measures	Level 4 + there is ample evidence that suggestions on own initiatives from the private sector have been achieved (“buy-in”)	Level 5 + System of Feedback, monitoring and documenting successful policy outcomes



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