

KDB vows to support SMEs



Korean Development Bank CEO, Hong Ky-tack, has vowed to strengthen

to lender's support of small and medium enterprises (SMEs) with advance policy financing. Mr. Ky-tack said, during a Business Leaders Forum in Seoul, that SMEs should be the main players of the government's creativity-based economic paradigm. He added that KDB will lead in the advanced policy financing sector to

support SMEs in a timely manner when they need help. As part of its program for SMEs, the KDB said in June 2013 that it would give 3 trillion won in policy loan to businesses seeking to tap into uncharted areas. Of the 3 trillion won, the bank loaned 692.1 billion won to the SMEs in the IT sector. KDB is also helping SMEs trade intellectual property and get help from colleges and institutes through its unique service called "Techno Banking" introduced in September 2013. The service is designed to facilitate trades of high-quality technology between firms, so they can get funding easily and boost technology exchanges.

Wherever you see a successful business, someone once made a courageous decision

--Peter Drucker

ECGA of Oman supports SMEs



The Export Credit Guarantee Agency of Oman signed a Memorandum of Understanding (MoU) with the A-Rafd Fund to pave the way for newly established SMEs of existing SMEs to

avail valuable credit insurance and guarantee services of ECGA of Oman. Mr. Nasir bin Issa Al-Ismaily, General Manager of the ECGA of Oman, and Mr. Tariq bin Suleiman Al-Farsy, CEO of A-Rafd signed the MoU. Mr. Al-Ismaily said that credit risks mitigation goes in tandem with financing which is one of the major constraints facing SMEs in many countries. By credit insuring their export as well as domestic sales with ECGA of Oman, this provides protection to SMEs against bad debts from buyers of their products. Moreover, it will give SMEs confidence needed in dealing with new buyers for which they do not have any background information or limited information nor trading experiences with them or with existing buyers whose payment behaviours could deteriorate easily because of changes in business condition.

JBIC strengthens overseas expansion of Japanese SMEs

The Japan Bank for International Cooperation (JBIC), through its Governor, Mr. Hiroshi Watanabe, signed three contract loan agreements (CLAs) based on the General Agreement JBIC had signed with the Bank of Yokohama, Ltd. for supporting overseas business deployment of mid-tier enterprises and small and medium-sized enterprises (SMEs). These CLAs will respectively fund the manufacturing and sales of automobile parts by Thai KJK Co. Ltd., a Thailand subsidiary of Kawasaki Automotive Industry Co., Ltd.; the manufacturing and sales of automobile parts in China by an automobile parts manufacturer in Kanagawa; and the manufacturing and sales of electronic



equipment in Thailand by an electronic parts manufacturer in Tokyo. These CLAs will support overseas business deployment of Japanese SMEs with speedy and flexible provision of long-term foreign currency funds necessary for their business expansion in developing countries by way of a private financial institution. These

individual CLAs will thereby contribute to maintaining and strengthening the international competitiveness of Japanese industries. As Japan's policy-based financial institution, JBIC will continue to support overseas business deployment of Japanese companies, including SMEs, by collaborating with domestic private financial institutions for maintaining and improving the international competitiveness of Japanese industries.

DBP, PSE sign deal to spur SME listing

Government-run Development Bank of the Philippines (DBP) has signed an agreement with the Philippine Stock Exchange, Inc. (PSE) to spur the listing of small and medium enterprises (SMEs) in the local bourse. Under the agreement, DBP and PSE will come up with a framework for cooperation and coordination in the area of capital market development, particularly in raising capital

market awareness among SMEs. DBP and PSE will jointly conduct listing seminars for DBP-assisted companies to encourage more SMEs to go into the stock market. The PSE may also



refer to the DBP companies that are in need of its financing programs, while DBP will also refer client-firms that have expressed their intention to list on the stock exchange. Both parties may also conduct discussions to provide a forum for DBP employees in building investor awareness and any other issues that may affect the capital market.

PCFC targets poorest areas with agriculture & fisheries financing program



The People's Credit and Finance Corporation (PCFC) recently launched the "Agriculture and Fisheries Financing Program" (AFFP) to its microfinance institution (MFI)

partners. The AFFP will initially cover the top 20 poorest provinces in the Philippines with complete registry of farmers and fisherfolks under the Registry System for Basic Sectors in Agriculture (RSBSA), an electronic compilation of basic information on farmers, farm laborers, and fishermen that provides manageable access to baseline agricultural information. Under the

program, PCFC will utilize the P450M fund from ACPC to increase access of the small farming and fishing (SFF) households to affordable agri-microfinance loans to be provided by the accredited MFIs in target provinces. PCFC President & CEO Edgar V. Generoso informed the participants that target clients outside the priority areas will still be served by PCFC through its other available fund for lending to SFF nationwide. For capacity-building needs, the MFIs may avail of the grant funding through the People's Development Trust Fund (PDTF) or the institutional loan window being offered by PCFC. In a country where an estimated 90% of the poor rely on agriculture, the AFFP serves as a tool of the current government in its continuing poverty alleviation programs.

Who is the "impact entrepreneur?"

A new greener economy will be shaped by both large and small businesses. An "impact entrepreneur" seeks to not only create a new business, but to address a social or environmental problem, and hopefully impact it positively. This category features new companies, small entrepreneurs, and sometimes just hair brained business ideas all of which are aimed at solving a problem – through business.

SME ideas from elsewhere

Streamlining of company registration to benefit SMEs. The Chinese government's latest initiative to streamline company registration is a prime opportunity for business start-ups, especially small and medium-sized enterprises (SMEs), analyst said. According to a statement issued by the Chinese government, to streamline the corporate registration system is to ease market access and encourage social investment. Following this new rule, minimum registered capital requirements for limited liability companies, one-person limited liability companies, as well as joint-stock companies with limited liability will be scrapped. New measures also include loosening of controls over sites registered for business operations, replacing the current annual inspections on companies with annual resorts open to public inquiry, and improving the mechanism for promoting business integrity.

December 7 is day for SMEs. United Kingdom has declared December 7th a special day focused on small business as support for the thriving businesses' contribution to the country's economy. Titled "Small Business Saturday" and championed by the Shadow Secretary of State for Business Innovation and Skills, Chuka Umunna, Prime Minister David Cameron, and Business Secretary Vince Cable, the non-political campaign highlights small business success and encourages consumers to "shop local" and support businesses in their communities. The Small Business Saturday initiative was founded by American Express in the U.S. in 2010 as part of its on-going commitment to entice consumers to shop small.

Source: *SME, a Plantersbank Publication for Entrepreneurs*

JFC Micro supports SMEs via SLBC

The Japan Finance Corporation Micro Business and Individual Unit (JDF-Micro) has new support program for Japanese SMEs—Standby Letter of Credit (SLBC) program. A SLBC is a Letter of Credit issues for guarantee purposes. JFC issues SBLCs for affiliated overseas financial institutions in order to assist overseas branches and associated firms of Japanese SMEs, (i.e., SMEs' overseas subsidiaries)



to obtain funds in local currencies from overseas financial institutions smoothly. This program has many advantages for overseas SMEs' subsidiaries. For example, they can avoid the risk of exchange fluctuations and improve the financial standing of their parent companies in Japan, etc.. JFC Micro supports the overseas expansion of Japanese SMEs through this program.

PNS expands franchise partnership opportunities

Malaysia's Ministry of Domestic Trade Co-Operatives and Consumerism (MDTCC) and Perbadanan Nasional Berhad (PNS) have strengthened its international trade effort in its recent participation at "Sydney Franchising & Business Opportunities" in Australia on March 28, 2014. A forum was also conducted by PNS to promote networking between local and Australian entrepreneurs to empower them towards a more vibrant and innovative development in franchise business opportunities. Besides being a platform for business information

sharing, the collaborative involvement of international business partners in both countries hope to open doors for local businesses to bloom in international market, thus helping Malaysia's economic to propel in near future.



Innovation is the specific instrument of entrepreneurship. The act that endows resources with a new capacity to create wealth."

--Peter Drucker

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