Workshop Program
Retailing Services: Potential for, and Challenges to, Enhancing SME Participation in Supply Chains in APEC

Surabaya, Indonesia, 10-11 April 2013
Background

Retailing services are important in each economy. They occupy a strategic position in supply chains connecting goods and services to the final consumers. An effective, developed and efficient retailing system supports the welfare of economies through, among others, lower prices and the availability of various products. This sector plays an important role in economic growth and is even the largest industry in some economies in terms of output share, as well as employment, especially in developing economies in the APEC Region. Without prejudice to the positive role of more modern and developed players in retailing services, in many economies, especially developing ones, small and medium enterprises (SMEs) constitute a large portion of this industry. Even though the role of modern retail increases as economies develop, the role of SMEs continues to remain important.

Work on issues related to SMEs has been highlighted by the Leaders and Ministers in APEC Meetings. In Singapore in 2009, the Leaders stated their intention to support and develop SMEs in the APEC Region in line with the inclusive growth agenda. Leaders and Ministers continue to recognize the importance of SMEs by identifying areas of cooperation to enhance SMEs’ participation in global production chains as stated in their Declaration in Honolulu 2011 under the agenda item Strengthening Regional Economic Integration and Expanding Trade.

In the APEC Leaders 2012 Declaration under the agenda Establishing Reliable Supply Chains, the Leaders recognized the large volume of trade in Asia Pacific region and agreed that the reliability of supply chains is crucial to facilitate trade, maintain sustainable development, and ensure economic, energy, food, and environmental security in the APEC region and around the world. The Leaders also encouraged continued discussion with the business community and other relevant stakeholders on the diversification of transportation routes in the region and resiliency planning in order to build the most efficient supply chain networks. The Leaders also believe that it is essential to continue work to streamline customs procedures among APEC economies.

Workshop objectives:

1. To increase the understanding of the contribution of retailing services in supply chains;
2. To examine the development of retailing industry and the role of Small and Medium Enterprises (SMEs);
3. To explore gains from the globalization of the retailing sector and how SMEs have been successfully integrated into the modern and competitive retail sector; and
4. To exchange experiences in developing the retail sector and identify good practices in encouraging its growth and development.
# Day 1

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<tr>
<th>Time</th>
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<tr>
<td>8:30</td>
<td>Registration</td>
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| 9:00  | **Welcome/Opening Remarks/Information**  
  - Directorate General of International Trade Cooperation, Ministry of Trade of Republic Indonesia  
  - APEC GOS Convener  
  - Project Overseer |
| 9:15  | **Session 1: Global trends in retailing services**  
  - The economic importance of the retailing sector  
  - The internationalization of retailing services  
    The relationship between traditional and modern retailers  
  - **Speakers:**  
    2. Mr. John Kurtz, President Director of A.T. Kearney and Head of A.T. Kearney Asia Pacific  
    3. Mr. Hemant Kalbag, Head of Consumer and Retail Practice, A.T. Kearney Asia Pacific  
  
  Moderator: Mr. Paul Bartlett, Head of Trade Sub-Facility, Australia Indonesia Partnership for Economic Governance (AIPEG)  
  Discussion (Q&A) |
| 10:15 | Coffee Break |
| 10:30 | **Session 2: SMEs and the retail sector**  
  - The role and contribution of SMEs in the retail sector: (1) SMEs as producers of goods and services and (2) SMEs as both traditional and modern retailers  
  - The participation of SMEs in supply chains  
  - Challenges to integrating SMEs in supply chains  
  - The relationship between large retailers and SME retailers  
  - **Speakers:**  
    1. Prof. Randy Stringer, Professor, Agriculture and Food Policy, University of Adelaide  
    2. Mr. Emi Nuel, Chief Operating Officer, Operation Director, PT. Matahari Putra Prima, Tbk  
    3. Mr. Ferry Gunawan, Grocery Director, PT. Hero |
Supermarket, Tbk

4. Jonathan Chia-Chen LIN, the President of COCO International Co., Ltd

Moderator: Dr. Yose Rizal Damuri, CSIS

Discussion (Q&A)

**11:30 Session 3: Policy and Regulatory Approaches**

- Historical development of the policy frameworks for retailing services
- Current regulatory approaches (e.g. spatial planning, operation hours in retail market - traditional and modern market, etc.)
- Government initiatives to support SMEs in retail sector

**Speakers:**

1. Dr. Yose Rizal Damuri, Head of Department of Economics, Centre for Strategic and International Studies (CSIS), Indonesia
2. Co-sponsoring economy: Thailand (TBC)
3. Other economies: ROK (TBC)

Moderator: Mr. Barliana Amin, Executive Director Indonesia Services Dialogue Secretariat Discussion (Q&A)

**12:30 A guide of the Discussion on Best Practices in Encouraging Growth and Development of Retailing Services by Project Oversee**

**13:00 Lunch**

**14:00 On-site visit**

Visit to traditional, semi-modern and modern retailers

**18:00 Close of day 1**
## Day 2

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<th>Time</th>
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<tr>
<td>09:00</td>
<td><strong>Session 4: E-retailing</strong></td>
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<td>- State of play and emerging issues in e-retailing</td>
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<td>- Creating appropriate e-retailing ecosystem for secure and mobile based e-commerce transaction</td>
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**Speakers:**

1. Dr. Fiona Kerr, Visiting Research Fellow, University of Adelaide
2. Mr. David A. Katz, Head of Government Relation, Asia Region, Visa Inc
3. Mr. Antonny Liem, CEO Merah Putih Incubator (TBC)
4. Co-sponsoring Economies: China (TBC)

Moderator: Dr. Iskandar Panjaitan, Deputy Director, Ministry of Trade of the Republic of Indonesia
Discussion (Q&A)

| 09:45  | Coffee break                                 |

| 10:00  | **Session 5: Discussion on Best Practices in Encouraging Growth and Development of Retailing Services** |
|        | - Presentation on the Result of economy survey (Preliminary) |
|        | - Discussant: APEC Policy Support Unit (APEC PSU) |

Moderator:
Mr. Eduardo Pedrosa, Secretary General, The Pacific Economic Cooperation Council (PECC)

| 11:00  | **Breakout group discussion**                |

**Guide questions:**

What are the good to best practices with respect to the following:

1. Approaches to modernizing retailing services;
2. Enhancing the role of SMEs in retailing services;
3. Integrating SMEs into the modern and competitive retail sector and into supply chains; and
4. Government initiatives, policies, and regulations in encouraging the growth and development of retailing services?

Discuss why you consider them as good to best practices.

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<tr>
<td>12:00</td>
<td>Lunch</td>
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<td>13:00</td>
<td><strong>Group report to plenary</strong></td>
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<td>Each facilitator reports the outcomes or the “takeaways” from the breakout sessions.</td>
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<td>The outcome of discussion will be incorporated into the best practices to be reported in the GOS plenary meeting as inputs for possibly next discussion</td>
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<td>Moderator: Mr. Eduardo Pedrosa, PECC</td>
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<td>14:00</td>
<td>Wrap up and/or Closing Remarks</td>
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