

competitiveness at the

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theme :

**Business Development
Services**

in this issue :

- 3** **The Case For Self-Sustaining Business Development Services**
Governments and donors can encourage BDS using a variety of methods, but playing the role of facilitator is best.
- 5** **A Building Block For Competitiveness**
As the BDS paradigm evolves, SME clients have more than ever to gain from utilizing these services.
- 7** **Where Do We Go From Here?**
As SMEs develop greater insights into the value of BDS, providers must keep up by offering services that are well focused and built around a deep understanding of particular sectors.
- 8** **Robots On The Move**
From the depths of the ocean to high in the sky, robotic technology is finding a place in Indonesia, in fields from education to industry.

editor's message

Something odd happened this month when I talked to people about the September theme for *Competitiveness at the Frontier*. Every time I consulted experts about Business Development Services, they immediately asked the same question: "what do you mean by BDS?"

For the purposes of this publication, we define BDS as: the services that small and medium enterprises need in order to improve their business operations so that they can succeed and grow. It turned out that everyone I spoke to had the same definition in mind. But while there is apparently consensus on the meaning, something about the term makes people want to verify a shared understanding before they jump into a discussion about it.

That uncertainty could simply be because these services are so diverse: SMEs may need technical assistance in accounting, bookkeeping, human resources, tax compliance, production efficiencies, marketing, and distribution, to name a few of the obvious ones.

But more likely, the doubt that a shared definition exists results from the fact that the BDS paradigm is shifting. As the article "BDS: A Building Block For Competitiveness" (page 5) describes, BDS was initially conceived of as a social welfare program of sorts, to be provided as a free good by the public sector. Today there is increasing emphasis on private sector service provision (see "The Case for Self-Sustaining Business Development Services" on page 3).

But ideas about what constitutes effective and efficient BDS continue to advance past the simple public/private good dichotomy. There is growing acknowledgment that embedded services can play a valuable role in BDS delivery (see sidebar, page 3) and that well targeted, clearly defined, sector-specific services with measurable benefits are most likely to achieve the overall goal of improving competitiveness (see "Where Do We Go From Here?" on page 7). These approaches are complementary, but not identical. As experience shows the way to ever more effective approaches to BDS delivery, perhaps every future discussion of BDS will begin with a clarification of whether services are embedded, sector-specific, or otherwise refined. • CSW •

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letters

COMPETITIVENESS AND CSR GO HAND-IN-HAND

Thank you for bringing the theme of Corporate Social Responsibility to the attention of your readership [June 2008]. As a resource center for corporate citizenship, Indonesia Business Links considers CSR a central part of our mission and welcomes all efforts to promote it. While virtually all of our activities are related to CSR, there are four programs in particular that seem relevant to SENADA activities: our CSR for Better Life program, IBL's capacity-building training, entrepreneurs empowerment, and our benchmarking tools for corporate citizenship.

The CSR for Better Life program was launched with Ford Foundation support in 2003 and continues to the present, focused on promoting Sustainable Natural Resources. This initiative has brought together a variety of public and private sector CSR stakeholders through workshops, online communities, and the development of resource materials for companies.

Our capacity-building efforts originally focused on promoting ethical business practices among small and medium enterprises in Indonesia. This work has expanded to include workshops for company managers and professionals designed to help them engage with and serve the needs of all their stakeholders, including business partners, suppliers, employees and the broader community.

Our entrepreneurs empowerment initiative is implemented through two programs, the Young Entrepreneurs Startup and the Entrepreneurs Enabling Network (warBISnet). Both are addressing the need for integrated services by new and existing entrepreneurs in market development, capturing markets, and access to finance.

Finally, for its corporate partners, IBL offers a set of self-assessment tools that aim to measure a company's internal processes against an objective set of standard indicators, to assist corporations in developing and implementing effective corporate citizenship programs.

We believe that these efforts not only promote CSR but also touch upon some of the broader issues related to competitiveness, since we are in agreement with SENADA's assertion that competitiveness and corporate responsibility go hand-in-hand.

— Yanti Koestoer
Executive Director, Indonesia Business Links
Resource Centre for Corporate Citizenship

The Case For Self-Sustaining Business Development Services

Governments and donors can encourage BDS using a variety of methods, but playing the role of facilitator is best.

No matter what your views on the best way for countries to promote prosperity, it is a given that SMEs have a positive role to play: they provide new employment creation, serve as valuable suppliers to larger firms in industrial value chains, have an inherent flexibility that makes them potential generators of innovation – and, if these firms offer a good product and manage their operations well, they may one day become the leaders of their sectors.

Thus, stakeholders interested in economic growth want to ensure that SMEs have access to the business development services they need in order to thrive, especially given that smaller firms frequently lack in-house skills in crucial areas such as accounting, bookkeeping, marketing, human resource management, and increasing production efficiency.

When governments, NGOs and the donor community involve themselves in BDS delivery to SMEs, the manner in which they do so falls somewhere along a continuum ranging from maximally interventionist to taking as light a touch as possible. At the risk of oversimplification, we can say that governments and donors promoting BDS can be characterized as falling into one of three categories:

BDS provider – The most interventionist approach is simply for a stakeholder, such as a national or local government, to offer ongoing business development services itself, at no cost to participants.

BDS subsidizer – At the next level, funders turn to the private sector to deliver BDS, but provide ongoing sub-

sidies so that participating SMEs do not bear the cost.

BDS facilitator – Finally, the least interventionist approach is simply to facilitate service provision, providing TA and/or resources to overcome initial obstacles, but ultimately allowing the free market to function. An example of this is SENADA's assistance to ASMINDO (the Indonesian Furniture and Handicrafts Association), to help it become a sophisticated provider of services to firms that seek Verification of Legal Origin (VLO) certification for their wood products. SENADA stepped in with initial assistance to help ASMINDO develop its capacity as a service provider, but in the long term firms that need help negotiating the path to VLO certification will pay ASMINDO for the service rendered. ▶

When Are BDS Not Called BDS?

Ask the leaders of Swisscontact Indonesia how they would create a new program to foster BDS, if they had no design or resource constraints, and they will tell you: at least at first, they might not even use the term “business development services.” The initial focus would be on value chains – not because BDS would be ignored, but in recognition of the fact that many of the most fundamental BDS can best be provided not through a population of BDS consultants, but directly by actors in a well-functioning value chain. “Linking suppliers with larger companies is a good to promote business services,” explains Swisscontact Country Program Director Peter Bissegger. In other words, when a company gives feedback to its subcontractors about what constitutes an acceptable defect rate and what expectations are for on-time delivery, that provides the opportunity and motivation for the supplier to make use of perfectly targeted BDS. Moreover, as Prashant Rana, Deputy Country Program Director, points out, “many BDS services have to be sector specific.” When they are provided through

an industrial value chain, they inherently are.

BDS of this sort is referred to as “embedded services” and it is receiving increasing attention as an efficient means of delivering support to SMEs. “In a developing country context, 90 percent of BDS is through embedded services,” estimates Rana. Conceptually, BDS fall into three categories: along with embedded services, practitioners identify “transaction-based services” (the classic business situation involving a seller of services and a buyer) and “public benefit BDS,” in which there is no individual company that benefits, but rather a sector, when groups such as associations and chambers are targeted to receive assistance at, for example, enhancing their advocacy or promotional efforts.

Strengthening value chains leads to greater provision of embedded BDS – meaning that even when no one is using the term “business development services,” if communication among value chain players is increasing, so is BDS delivery.

◀ Does it matter which of these three roles stakeholders decide to play? The third one, which requires that the services being promoted eventually become self-sustaining, involves obvious risks, because market forces will determine the ultimate results; how much simpler (at least as long as the money holds out) to fund/deliver an SME training program rather than risk the possibility that no customers will evince willingness to pay.

Yet current thinking holds that the third model is the best, perhaps principally because the first two models have evident flaws. A subtle but important problem is the mindset that accompanies the provision of free services. First, it creates an unspoken assumption that SMEs are dependents in need of nurturing, turning the focus to propping up business activities that may be unsustainable, rather than strengthening viability in the marketplace.

The perceived worth of BDS is less when it is free.

In addition, as first articulated by the economist Peter van Westendorp, when prices drop too low the credibility of the good is in doubt. In other words, consumers do follow the maxim “you get what you pay for,” and the perceived worth of BDS is less when it is free. On the other hand, a long history of available free services may make SMEs reluctant to purchase the BDS they need – why pay for something if they can get it at no charge? Either way, the private sector will not regard provision of BDS as a market opportunity.

At the same time, when the public and non-profit sectors directly provide or pay for services, they cut themselves off from the feedback that market forces would generate: these providers “...tend to be less ‘demand driven.’ Their products and services frequently reflect more of what the NGO managers think is appropriate, versus what the market demands” (Lusby, 2006). This is true even if they assume the role of BDS subsidizers; while private companies may be offering the actual services, they come to regard their clients not as the SMEs, but as the institutions footing the bill.

So there is a theoretical case for shunning interventionist approaches in favor of letting the market function, but assuming that other stakeholders get out of the way, is there any interest in the private sector in providing BDS to smaller firms? “Absolutely,” says Grant Burns, Technical Advisor at PricewaterhouseCoopers in Jakarta. “The big professional firms are saying we have to pay more attention to the SMEs

– they could be the market leaders of tomorrow. You have to look for niches where you know the sector will go forward, but you don’t mind doing it because that’s an investment in the future.” Indonesian companies are interested too – Sigit Mursidi, director of PT Ganesha Aggies, a BDS provider specializing in human resources, identifies a range of services that the private sector could provide, including assistance in tax compliance and corporate governance, as well as sector-specific topics such as market demand information, production efficiency and quality control.

The question then becomes whether government and donor efforts to serve as short-term facilitators have any record of success. An in-depth examination of such attempts is beyond the scope of this short article, but one example from Indonesia is promising. With support from the Swiss State Secretariat for Economic Affairs, Swisscontact operated two short-term subsidy programs in West and North Sumatra from 2002 to 2004. The programs conducted promotional activities and offered vouchers to, in the words of the final report, “stimulate the demand for commercial business services by improving access to services, raising the awareness of the benefits of business services and increasing market transparency.”

The program was largely successful on the demand side of the equation, with the majority of the vouchers used and with the resultant services directly contributing to the creation of 4700 new jobs in existing companies and start-ups.

Results on the supply side were less dramatic, with limited indications that the program strengthened private sector BDS provision. But the commonalities among the success stories are noteworthy: “The common characteristic of [the private sector BDS providers that flourished as a result of participating in the voucher program] is that they have a direct interest in the products produced by their clients, either because they are also suppliers of input materials or because they are marketing their end-products.” Astute readers will realize that this could be rephrased to say that the most successful BDS providers were links in the same value chain (see the sidebar on embedded services for a logical extension of this concept). That supports the idea that the role of the private sector in providing BDS is front and center. In a well-functioning system, SMEs may thrive not only because of the business development services they receive, but the ones they provide as well.

— Carol Walker

REFERENCE

Lusby, Frank. 2006. “Useful principles for adopting a market development approach for enterprise development organizations.” Action for Enterprise: Arlington, VA.)

A Building Block For Competitiveness

As the BDS paradigm evolves, SME clients have more than ever to gain from utilizing these services.

The goal of Business Development Services (BDS) is to nurture private sector development, especially enhancing the development of small and medium enterprises (SMEs). The objectives of policy makers promoting BDS may include improving business productivity and competitiveness, creating employment opportunities, alleviating poverty and enhancing social mobility.

The significance of BDS in Indonesia is heightened by the key role that SMEs play in the economy. In 2006, SMEs contributed Rp 1,778.75 trillion (53.28 percent) of the national GDP and Rp 122.20 trillion (15.70 percent) of the total national export. Moreover, the contribution of SMEs to the national investment in 2006 increased by Rp 67.37 trillion, or 22.28 percent, to Rp 369.82 trillion.

The modern approach to providing BDS grew out of the 1995 annual meeting of the Committee of Donor Agencies for Small Enterprise Development in Budapest, where the need for BDS targeted at SMEs was acknowledged. Subsequently, a BDS Working Group was established to refine the BDS concept, document best practices, and explore new paradigms, a process that still continues.

A CHANGING PARADIGM

Early BDS programs were viewed as public goods, with providers acting as the agent of governments and the donor community. Over time, this view has changed (see Table 1). The client for BDS services is not the government or donor agency, but the SMEs themselves.

According to the Committee of Donor Agencies for Small Enterprises Development, the guiding principle should be to develop BDS in the context of the market economy, with the private sector as the main actor. The proper role of government is to provide a conducive environment, correct market mistakes, and provide public goods (whereas most BDS are viewed as private goods). Many donors now follow this approach. It is evident, for example, in the BDS development principles adopted by Swisscontact (Hitchins and Gibson, 1999).

The actual services that fall under the rubric of BDS are wide-ranging, both operational and strategic in nature. Operational business services relate to daily activities, such as accounting and taxation, information and communication, licensing and compliance with other regulations. Strategic services address medium and long-term objectives related to performance improvement, market access, and competitiveness, and encompass assistance to SMEs in identifying and serving markets, designing products, preparing facilities, and obtaining funding.

BDS AND THE GOVERNMENT OF INDONESIA

The Indonesian government uses multiple approaches to stimulating the BDS market. GOI provides financial and non-financial support to BDS providers through P2LK-MAP, its program for capital and financial institution strengthening, which offers initial capital and equivalent at SME centers that were developed in 2001. The government also administers revolving-fund credit programs to reach SMEs directly through Credit Cooperatives/Units, venture capital, and incubator institutions.

Subsequent to these programs, the GOI has moved toward the new paradigm, by issuing Decree of the State Minister for Cooperatives and SMEs No. 27.1/KEP/M.KSMEs/III/2002, regarding Technical Guidelines/Instruction for the Development of SME Centers/Clusters, Business Development Service Strengthening Facilities, and the Provision of Initial Capital and its Equivalent. In line with this decree the Government tries to act not as the provider of direct

	OLD PARADIGM	NEW PARADIGM
SME as	Social assistance beneficiary	Smart service consumer
BDS Provider	Mostly Government, NGOs	Private sector
BDS as	Public services	Commercial services because there are parties who need such services (private goods)
BDS is funded by	Mainly government/donors	Customers through provision transactions and by consumers
Orientation	Social	Business (market approach)

◀ services to the business sector, but as a facilitator between BDS providers and SMEs.

Through its SME Development Technical Assistance program (ADB-TA SME), the Asian Development Bank has made three recommendations to the Indonesian government on how to most effectively provide non-financial support for improving BDS to SMEs. First, the government is advised to promulgate formal standards in areas such as taxation so that SMEs are encouraged to improve the quality of their management and business. Second, the government and donor agencies are urged to consider specific voucher and matching grant schemes to provide subsidies to SMEs who then obtain assistance from commercial BDS providers in order to register and formalize their businesses and develop long-term business strategies. Such schemes are to replace the free training scheme currently administered by the government. Third, the government should promote the professionalization of BDS providers by adopting

internationally accepted accreditation standards for BDS providers, promoting relevant training and facilitating access to general information on market and technological trends.

THE POTENTIAL OF BDS

A company's competitiveness depends on various factors, among them finance, market penetration capability, HR management, innovation and access to technology, and information technology acquisition. BDS can support SMEs to succeed in all of these areas.

For example, CENTRAMA, a BDS provider in Surabaya, provides financial planning services for companies engaging in trading. With CENTRAMA's help, its SME clients expand their markets to new outlets around Surabaya.

In Yogyakarta, a BDS provider by the name of APIKRI focuses on access to markets, by providing marketing services as well as quality control and facilitating access to financing institutions for SMEs engaged in the

furniture and handicraft sectors. In the IT field, SIMPUL NET, also in Yogya, provides IT solution services for SMEs to assist in promotional and market development efforts.

LPD, a BDS provider focusing on industrial design in Bandung, has assisted many SMEs engaged in the metal manufacturing sector to upgrade their technical designs.

These are just a few examples of ways in which the BDS industry, operating on a commercial basis, can contribute to the promotion of client company competitiveness. More BDS providers are needed to provide specific, unique, and quality services to SMEs. SMEs will be willing to pay for such services if these services eventually generate profits for them.

— Ferry Dzulkifli

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Hitchins, R. and Gibson, A. (1999). SwissContact: The Business Centre Approach in Indonesia and the Philippines. www.ilo.org/public/english/employment/ent/papers/swscont.htm

NEWS in review

The value of textile and garment exports to Japan will grow to US\$ 550 million, a 7–10% increase over the previous year, due to the Indonesia-Japan Economic Partnership Agreement (IJEPA) which lifts all duties for these products. (01/08, *Bisnis Indonesia*)

Negotiations for an Indonesia-Australia Free Trade Agreement (FTA) have been pushed back from the original schedule of mid-2008. Australian Ambassador to Indonesia Bill Farmer attributed the delay to two factors. First, both parties have yet to conclude their feasibility studies, which were initially targeted to be completed before July, on the bilateral FTA. Second, negotiations for the ASEAN-Australia-New Zealand FTA are still ongoing. (05/08, *Bisnis Indonesia*)

Demonstrators protested outside an Auckland store against the sale of furniture made from kwila, an Indonesian hardwood much loved in Australia and New Zealand. NZ Green Party co-leader Dr. Russel Norman said the organization has been trying to persuade New Zealanders not to buy furniture made from Indonesian timber that has been

illegally harvested. (12/08, *The Jakarta Post*)

Indonesia is overwhelmed with shoe orders from overseas. Indonesian Footwear Association (Aprisindo) Chairman Eddy Widjanarko said European buyers are shifting their orders from Vietnam and China to Indonesia. Eddy said 20 medium and large-scale buyers such as Nike and Adidas are ready to shift their orders to Indonesia. (14/08, *Kontan*)

RI textiles exports were flat in the first half of '08. Indonesia exported US\$ 4.5 billion of textile products in the first half of 2008, making textiles one of the nation's top non-oil and gas sector revenue earners. The figures also represent flat overseas sales compared to a year earlier as US demand slowed. (15/08, *The Jakarta Post*)

Indonesia is a potential market for Indian textiles. Tee Nation, for example, books a 20% sales growth each year. Tee Nation President Director Raj Mohan said he considers Indonesia a potential market. (05/08, *JawaPos*)

Where Do We Go From Here?

As SMEs develop greater insights into the value of BDS, providers must keep up by offering services that are well focused and built around a deep understanding of particular sectors.

A decade has passed since the Business Development Services (BDS) concept was introduced to Indonesia. Now is the right time to review the progress made over that time. Do present BDS meet the original expectations? Do they offer effective solutions to non-financial issues faced by small and medium enterprises? Before we answer, first we should review the basic idea and background of the BDS approach, its main principles, and BDS targets.

Literature on BDS often begins with a comparison between successful financial services for SMEs and the less successful non-financial services, advocating that the latter must rise to the standards of the former in meeting SME needs in a sustainable manner. This forms the basis for arguments regarding how non-financial services – that is, BDS – are best supplied.

Ideally, BDS has two main objectives: first, meeting needs with quality services; and second, making these services self-sustaining. The only way to achieve both objectives is to implement BDS using business principles and instruments. BDS becomes a business itself, selling the services that SMEs demand at the market price.

Under this model, the quality of the services should be maximized because substandard services won't be purchased, and suppliers with the best services will succeed in the marketplace.

There are obstacles to the immediate success of this model, since field conditions in general do not support its effective implementation. First, on the supply side, there are only a few quality BDS providers that are able to provide actual benefits to SMEs, defined as improvements to SMEs' sales and profit performance. Second, on the demand side, SMEs may not have insight into their needs for BDS. The role of donors in at this stage is to conduct interventions on both sides so that, on one hand, existing BDS providers are able to give benefits and, on the other, SMEs are introduced to the value of utilizing effective BDS.

BDS is a popular topic nowadays, but not all practitioners conceive of BDS using the framework above. All non-financial activities are referred to as BDS, and there is no clear

link between some of the activities that bear this label and resultant benefits to businesses. In fact some businesses that provide BDS refuse to identify themselves as BDS providers due to its unprofessional image.

So, are there any BDS providers who are effective and growing? Yes, although the number is far from sufficient. What are their success factors? Almost all of them have some similar characteristics.

Some businesses that provide BDS refuse to identify themselves as BDS providers due to its unprofessional image.

First, **they offer specific services which give direct benefits:** for example, Detoro Jepara with its tax-related services, Riwani Semarang with its international exhibition organization services, CPK Surabaya with its capital access services, and several other BDS providers providing market access services. Second, **they consistently focus on particular services to a particular set of client SMEs**, resulting in the accumulation of knowledge, skills, and networks in the BDS providers. Without these characteristics, it would be difficult for a BDS provider to grow its own business.

Meanwhile, on the demand side, SMEs are increasingly aware of their need for third-party services to assist them in improving their businesses. For example, out of ten SMEs in Aceh Province that participated in training facilitated by the International Labour Organisation and the International Finance Corporation in February 2008, six of them wanted continued services in the form of regular consultations. Similar interest is seen elsewhere in Indonesia, along with demands for increasingly specific services, such as technical assistance to increase the efficiency of production processes. SMEs will ask what improvements to their operations they should expect after receiving BDS. ▶

◀ In general, the development of BDS has been lopsided: on the demand side, particularly in certain sectors, requests for more sophisticated BDS, and a willingness to pay for services, is growing. But on the supply side, the development of BDS providers has been slower. It is difficult in Indonesia to find BDS providers who can assist SMEs to improve their manufacturing production efficiencies – not only is knowledge of production management in short supply, but so is the ability to make it applicable to SMEs.

This state of affairs suggests that one aspect of stakeholder efforts to build a supply of effective, self-sustaining BDS is to promote BDS that focuses on specific sectors. In an uncertain and rapidly changing business environment, a wise survival strategy for SMEs is to improve their internal efficiency and productivity, enabling them to offer their products at competitive prices. Such strategies are tied to production techniques, cultivation techniques, technology

utilization, process management, raw material management, etc. – not only in the manufacturing sector, but across a wide range of sectors ranging from agribusiness to the service and trading sectors. BDS providers can no longer depend on general and generic knowledge and skills; in order to succeed they need to select the business sectors they will specialize in serving.

— Widya Wicaksana

INNOVATION:

Robots On The Move

From the depths of the ocean to high in the sky, robotic technology is finding a place in Indonesia, in fields from education to industry.

In the new millennium, robotic technology is a fast-growing field. It took root first in developed countries but has also been adopted in Indonesia. A number of groups from different institutions are playing a role in developing this technology, including a research team from the Automation and Robotic Technology Laboratory of the Mechanical Engineering Department of Institut Teknologi Bandung (ITB).

The team consists of a number of junior researchers working with a senior researcher. It has been hard at work for several years and has successfully developed several products with numerous applications, ranging from education to industry.

One such product is an *easy programmable controller* (ePC). This was designed as a tool for introducing high-tech to the general public, especially students, to help them become able to master the technology they will increasingly find in their environment. ePC provides a simple controlling system, easy for beginners to comprehend and easy to program.

Along with the ePC, three robots can be used as simulators: the ant, the tarantula and the *hasta*. These illustrate robotic technology in an interesting way, and are more appealing because they seem like toys.

The team has also created underwater robots with varying specifications, aimed at industrial needs. In general, these ro-

bots are divided into *inspection class* and *working class*. Robots within the *inspection class* are used for underwater inspection, while robots within the *working class* can perform more complicated tasks, such as underwater repairs and welding.

Moving from the ocean depths to the sky above, aerial robots have also been developed. Known as *unmanned aerial vehicles* (UAV), they can perform various tasks such as surveillance and aerial photographing.

Automatic guided vehicles, on the other hand, are for use on land. They have been programmed with artificial intelligence. Most are used in manufacturing for various tasks such as moving materials or products in a single production line.

These are just examples of the products made by this team, which will continue to create useful innovations. All of their products are of global quality and have been tested. They serve as proof that Indonesian researchers have enormous potential, and can quickly adopt the latest science and technology and apply it to Indonesia's needs.

Those innovations can have a significant impact on competitiveness when they relate to business and industrial activities. Applying robotic technology can add value or increase production efficiency. At the end of the day, these innovations will promote creativity and business development.

— Tutut Prasetyo and Kiagus Muhammad Harry Robby Irawan

EVENTS

Jogja Furniture Show

Jogjakarta Expo Center

25–29 September

Organized in cooperation with the Yogyakarta government by a group of export furniture makers aiming to professionalize the way they sell products.

www.biztradeshows.com/trade-events/jogja-furniture-show.html

Trade Expo Indonesia (Resource Indonesia)

Jakarta International Expo (JIExpo)

21–25 October

Visitors include trade missions and chambers of commerce from around the world. Exhibitors are from a wide range of sectors including textiles and garments, fashion and accessories, furniture, paper products, forestry-related products, glassware and plastic, household goods, automotive components, and handicrafts. www.biztradeshows.com/trade-events/resource-indonesia.html

Jakarta Global Investment 2008

Jakarta Convention Center, Merak Room 1, 2, 3

28 October–1 November

The event will feature exhibitions of local small, medium and large enterprises from provinces, regencies and cities around the country as well as global participants including international chambers of commerce. Potential investors from the EU and countries such as Hong Kong, Malaysia, Singapore, and Australia are invited. www.jcc.co.id/

Konstruksi Indonesia (Indonesia Construction) 2008

Jakarta Convention Center, Exhibition Hall B

29–31 October

KI2008 offers in-depth discussion on Indonesia's construction outlook, opportunities for future business and advance knowledge of new technology as well as innovative solutions. Policy discussions with government, associations and multilateral agencies are on the agenda. www.konstruksiindonesia.org/

Indonesia Furniture Fair

Jakarta Convention Center, Assembly Hall 1, 2, 3

22–30 November

Indonesia Furniture Fair is a new platform for trade exhibitors in home furniture, office furniture and interiors, garden furniture, and interior service consulting. Both modern and antique furniture and interior design will be on display.

www.biztradeshows.com/trade-events/indonesia-furniture-fair.html

Environment Technology Indonesia

Jakarta International Expo (JIExpo)

2–6 December

International exhibition on equipment and systems for pollution control and environmental improvement. The exhibitors' profile includes the latest technologies, solutions, systems, equipment and services in all fields of environment management and technology. www.pamerindo.com/2008/mfg/

Bangkok International Gift Fair and Bangkok International Houseware Fair 2008

Challenger Hall, IMPACT, Muang Thong Thani, Nonthaburi, Thailand

14–19 October 2008

Exhibits by 750 producers and exporters of gifts, home decorative items, household products, textiles and more, from Thailand and across Asia. 17,000 trade visitors from USA, Canada, Africa, Europe, Asia and Middle East are expected.

www.thaitradefair.com/fairin/bigoct08/press_release.asp

TO LEARN MORE

www.bds-forum.net/

A database and discussion forum on BDS strategies. containing links to materials under the categories of media; strategies, tools, and training; and business information services.

www.seepnetwork.org/bds.htm

The SEEP Business Development Services Working Group is dedicated to developing micro, small and medium enterprises by identifying and disseminating BDS best practices, educating the public and donors, contributing to global strategies, and networking with fellow BDS practitioners.

www.ilo.org/public/english/employment/ent/papers/guide.htm

A publication prepared by the World Bank, entitled "Business Development Services for Small Enterprises: Guidelines for Donor Intervention."

www.katalystbd.com/content.php?id=18&pid=16

The website of KATALYST, a Bangladesh project implemented by Swisscontact and GTZ International Services. Its mandate is to increase competitiveness by developing business services markets vital to SME growth. The website offers a wealth of related data such as case studies, a glossary, and explanations of key BDS concepts.

<https://www.businessgrowthinitiative.org/ResourceCenter/Studies%20Enterprise%20Development/Adopting%20a%20Market%20Development%20Approach.pdf>

A paper produced by Action for Enterprise that offers a practitioner-focused discussion for enterprise development organizations who are seeking to incorporate principles of sustainability into their strategies.

HIGHLIGHTS:



Indonesia's Ambassador Visits Eco Exotic in Las Vegas

On 31 July, Indonesia's Ambassador to the United States, HE Sudjadhan Parnohadiningrat, made a special visit to the nine Indonesian furniture and handicraft companies representing Eco Exotic at the Las Vegas World Market's Living Green Pavilion. The Ambassador's visit underscored Indonesia's commitment to responding strategically to the global demand for green products. Eco Exotic made its debut at the exhibition, which was held from 28 July to 1 August. Participating companies have supplied products for recognized names in the home furnishings industry such as Pier 1 Imports, Conforama and Habitat.



SENADA Representative Presents at National Business Innovation Conference

SENADA's Project Management Director Caesar Layton was invited to represent the United States at the National Conference on Business Innovation sponsored by the Business Innovation Center and the Ministry of Research and Technology in Jakarta on 6 August. His presentation focused on the methods by which innovations in the United States are created and implemented. Conference activities included a book launching and featured presentations by representatives from the United States, Germany and China. Attendees of the event included Walter North, Mission Director of USAID for Indonesia, various government and media representatives and observers from various business sectors.



Link and Match Event Expands Export Opportunities

Over 30 garment producers, garment mills and supporting firms such as accessory-producing firms introduced themselves to 14 buying offices and buying agents at a Garment Partnership Indonesia-hosted Apparel Link and Match event on 21 August in Jakarta. The event gave garment producers an opportunity to showcase their products in order to increase their export sales. Held for a second time after last year's success, the "Link and Match" event improved linkages among industry stakeholders. A number of the participants from last year's Link and Match participated again, and received new orders as a result of the event. The new contacts made through the event can be especially vital to provide market access for second-tier producers, who have the capacity but not the requisite linkages to take advantage of export opportunities.



SENADA PHOTO GALLERY

TOP: Representatives of the Indonesian furniture and home accessories companies that banded together to create Eco Exotic, posing with SENADA staff in front of the Las Vegas World Market Center as they prepare to man their exhibit. 2ND FROM TOP: Inside the Living Green Pavillion at the World Market Center, SENADA staff Dini Rahim and Aris Darujo speak with HE Sudjadhan Parnohadiningrat, Indonesian Ambassador to the United States. 3RD FROM TOP: A producer and buyer discuss garment quality at the Link and Match event sponsored by SENADA and the Garment Partnership Indonesia. BOTTOM: Attendees mingle at the the Link and Match event.