

Study on Support Services for SMEs in International Business

Presentation of the draft Final Report

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Overview of the presentation

1. Background to the mapping
2. Methodology
3. Survey results and gap analysis
4. Conclusions and recommendations
5. Discussion

1. Background to the project

Small Business, Big World

SMEs need to be supported in doing international business outside EU, fill existing gaps in support services;

- Public consultation on an online portal; respondents saw a role for the EC as complementary and additional to business support services carried out;
- Commission initiative to launch a study on mapping and analysis of existing support services (gaps, overlaps).

1. Background to the mapping

Purpose of the mapping exercise

- Mapping serves two purposes:

1) The raw data will form the backbone of the online portal;

2) Identifying gaps and overlaps

- Included in the mapping:
 - Nature of support service
 - Target countries and markets,
 - Budget, eligibility, evaluations
- Priority markets: BRICS, Australia, Chile, Canada, Indonesia, Saudi Arabia, South Africa, Mexico, Japan, US, South Korea, Thailand, Taiwan, Turkey, Ukraine, Egypt, Israel, Morocco, Vietnam, Serbia, Malaysia and Tunisia

2. Methodology

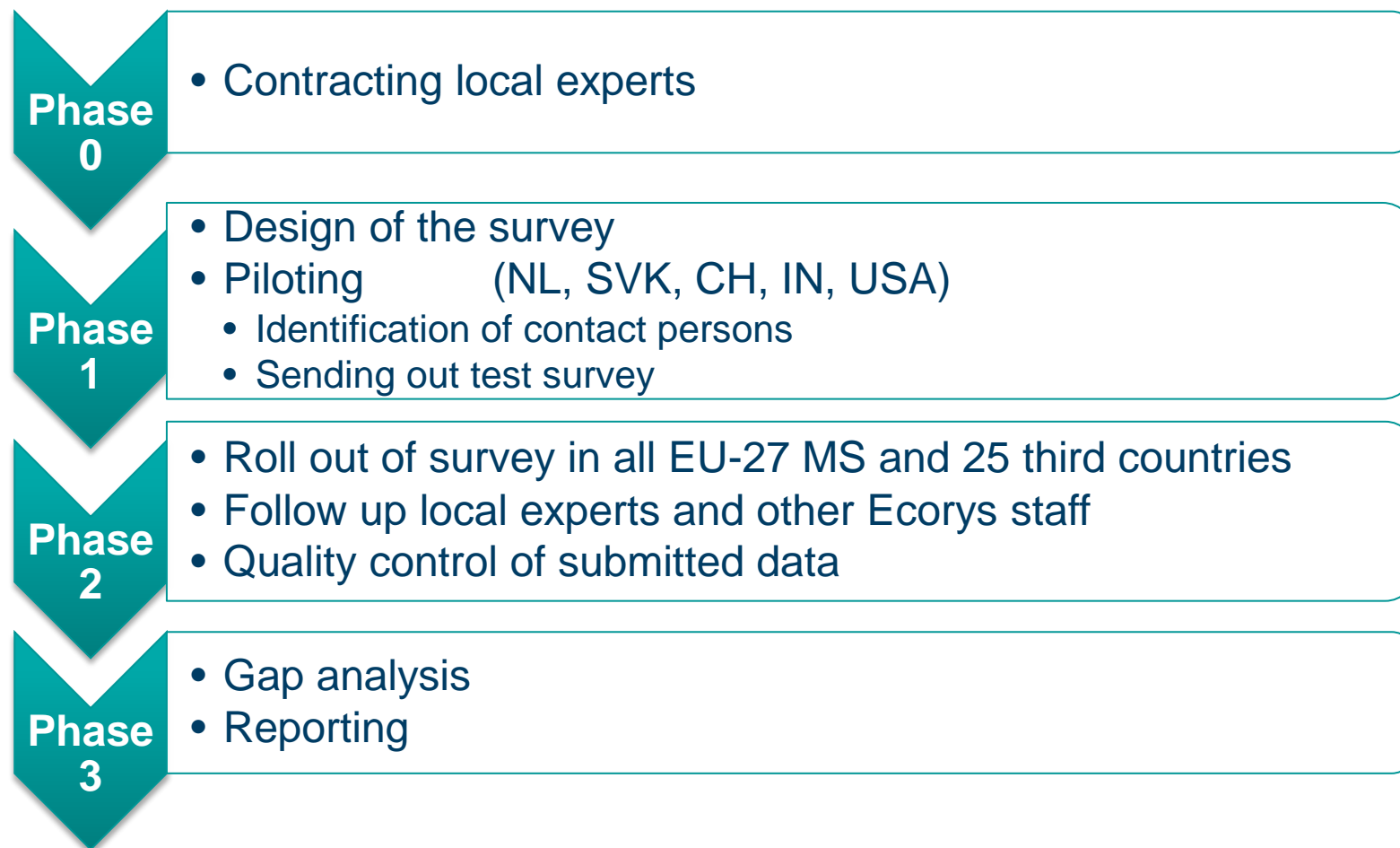
The most feasible methodology choice

- Aim of the study (documentation of details on large amount of support services) could be reached in three ways:

Method	Evaluation	
	(+)	(-)
Desk-based study	<ul style="list-style-type: none">- Cheap- Not dependent on input from stakeholders	<ul style="list-style-type: none">- Too little information available- Difficult to collect all support services
Telephone interviews	<ul style="list-style-type: none">- Obtaining detailed information	<ul style="list-style-type: none">- Expensive- Time consuming- Labour intensive
Online survey	<ul style="list-style-type: none">- Obtaining detailed information- Flexibility for respondent	<ul style="list-style-type: none">- Flexibility for respondent (response rate)

2. Methodology

Methodology of the study divided in three phases



2. Methodology

Gap analysis conducted based on the following information

Contact persons approached

- Approximately 1,500 persons contacted in EU-27 and third countries
- On average 33 contacts in each EU-27 member state, though with a large spread

Support services collected

- Gap analysis based on 635 support services (Nov 23rd 2012)
- Complete database (Closed December 1st 2012):
 - 771 support services collected in the EU-27
 - 346 support services collected in third countries
- Organisations in Japan not in the database (due to compatibility issue with database of EU-Japan Centre of Industrial Cooperation)

3. Survey results and gap analysis

3.1 Numbers of organisations and services

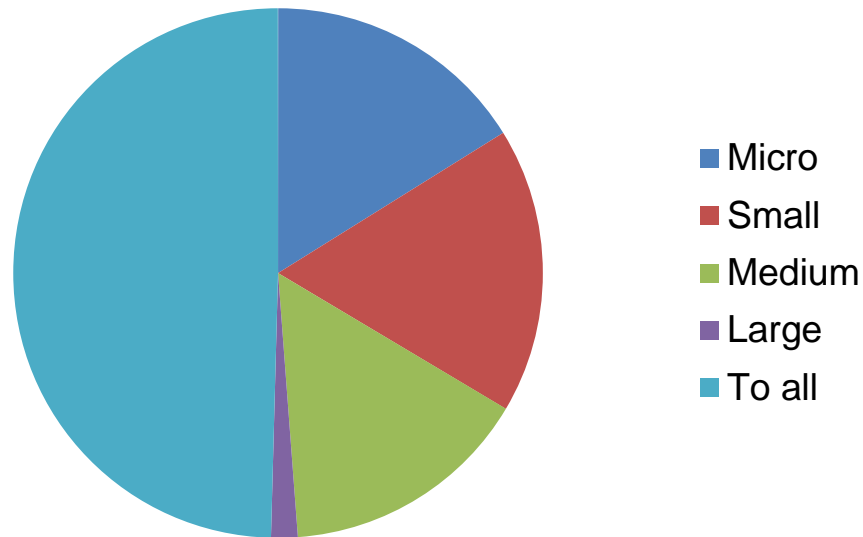
EU Member State	Number of organisations	Number of services
Austria	3	13
Belgium	6	26
Bulgaria	6	30
Cyprus	2	6
Czech Republic	1	2
Denmark	8	30
Estonia	6	27
Finland	8	25
France	3	12
Germany	8	26
Greece	7	25
Hungary	8	24
Ireland	4	17
Italy	10	37

EU Member State	Number of organisations	Number of services
Latvia	18	78
Lithuania	5	18
Luxembourg	4	10
Malta	2	10
Poland	4	16
Portugal	3	10
Romania	10	39
Slovakia	3	13
Slovenia	6	22
Spain	16	65
Sweden	7	22
The Netherlands	4	19
UK	5	13
Total EU	167	635
Average EU	6	24

3. Survey results and gap analysis

3.2 Target groups of services

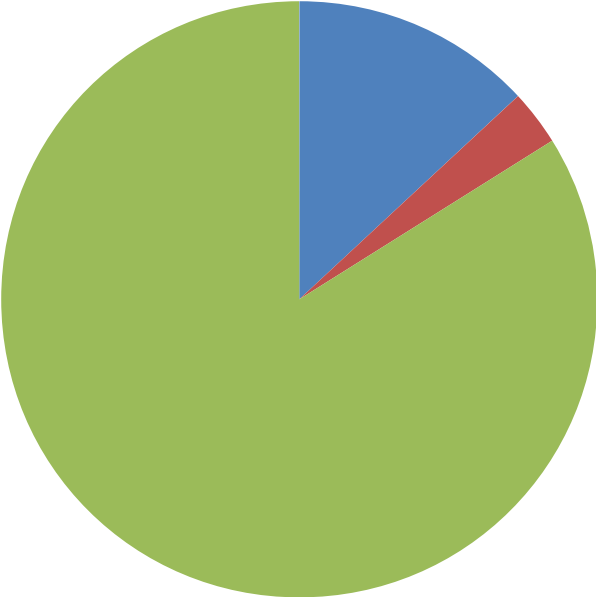
Number of services by company size



3. Survey results and gap analysis

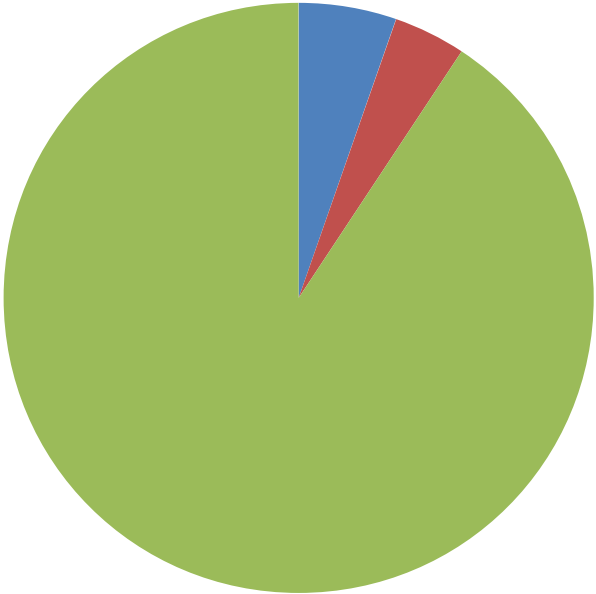
3.2 Target groups of services

General experience of company



- Existing business
- New business
- Both

International experience of company

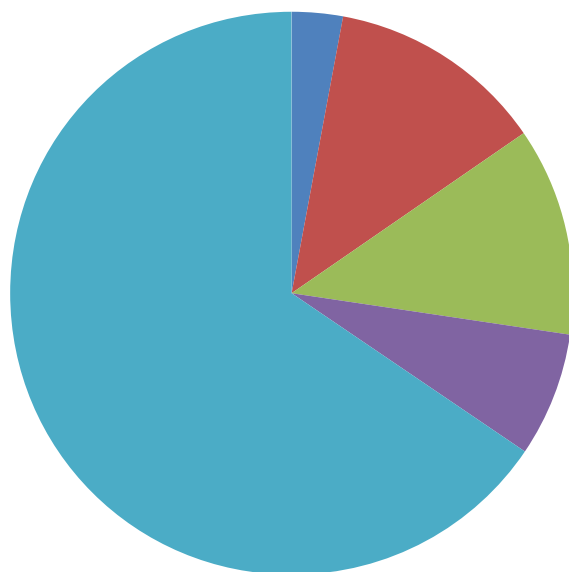


- Business starting to internationalise
- Business with international experience
- Both

3. Survey results and gap analysis

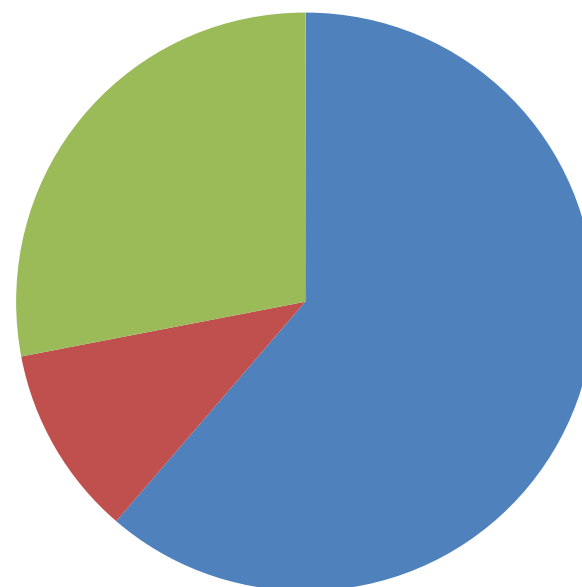
3.2 Target groups of services

Number of services by sector



- Agriculture
- Manufacturing
- Services
- Wholesale and retail
- All

Openness

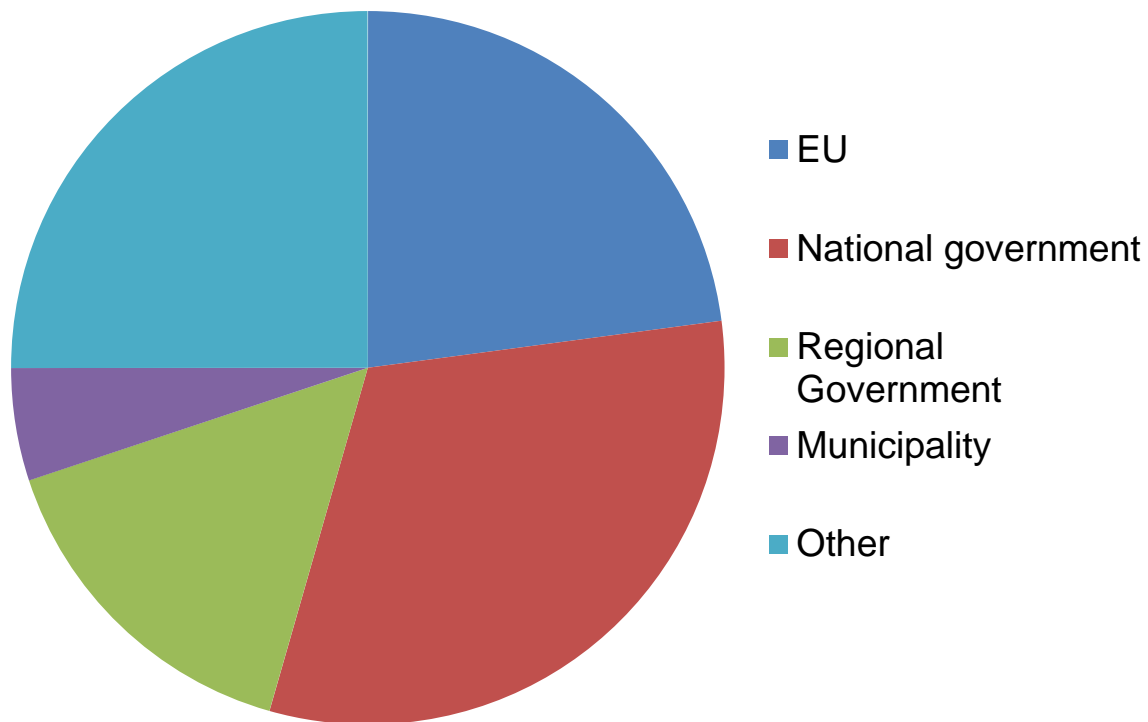


- Business in this country
- Business in other countries
- All EU countries

3. Survey results and gap analysis

3.3 Way of service provision

Number of services by source of funding



3. Survey results and gap analysis

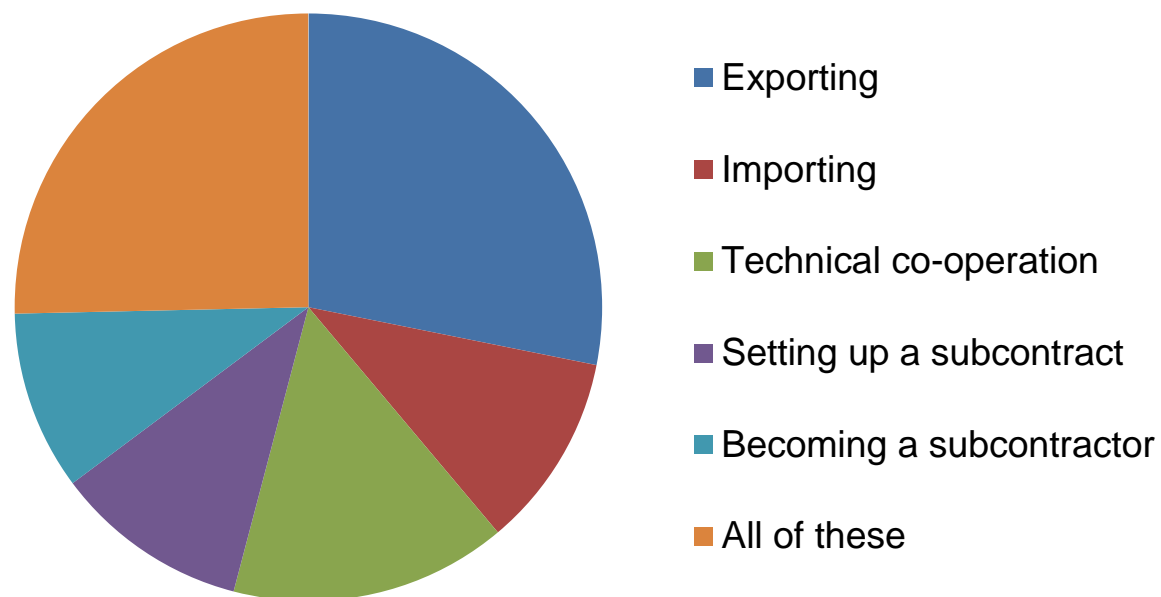
3.3 Way of service provision

EU Member State	Total number of services	Number of services for which a contribution is asked	EU Member State	Total number of services	Number of services for which a contribution is asked
Austria	13	9	Latvia	78	50
Belgium	26	15	Lithuania	18	10
Bulgaria	30	13	Luxembourg	10	5
Cyprus	6	3	Malta	10	5
Czech Republic	2	0	Poland	16	7
Denmark	30	10	Portugal	10	6
Estonia	27	26	Romania	39	21
Finland	25	19	Slovakia	13	6
France	12	10	Slovenia	22	8
Germany	26	11	Spain	65	26
Greece	25	7	Sweden	22	17
Hungary	24	8	The Netherlands	19	9
Ireland	17	12	UK	13	9
Italy	37	13	Total EU	635	335
			Average EU	24	12

3. Survey results and gap analysis

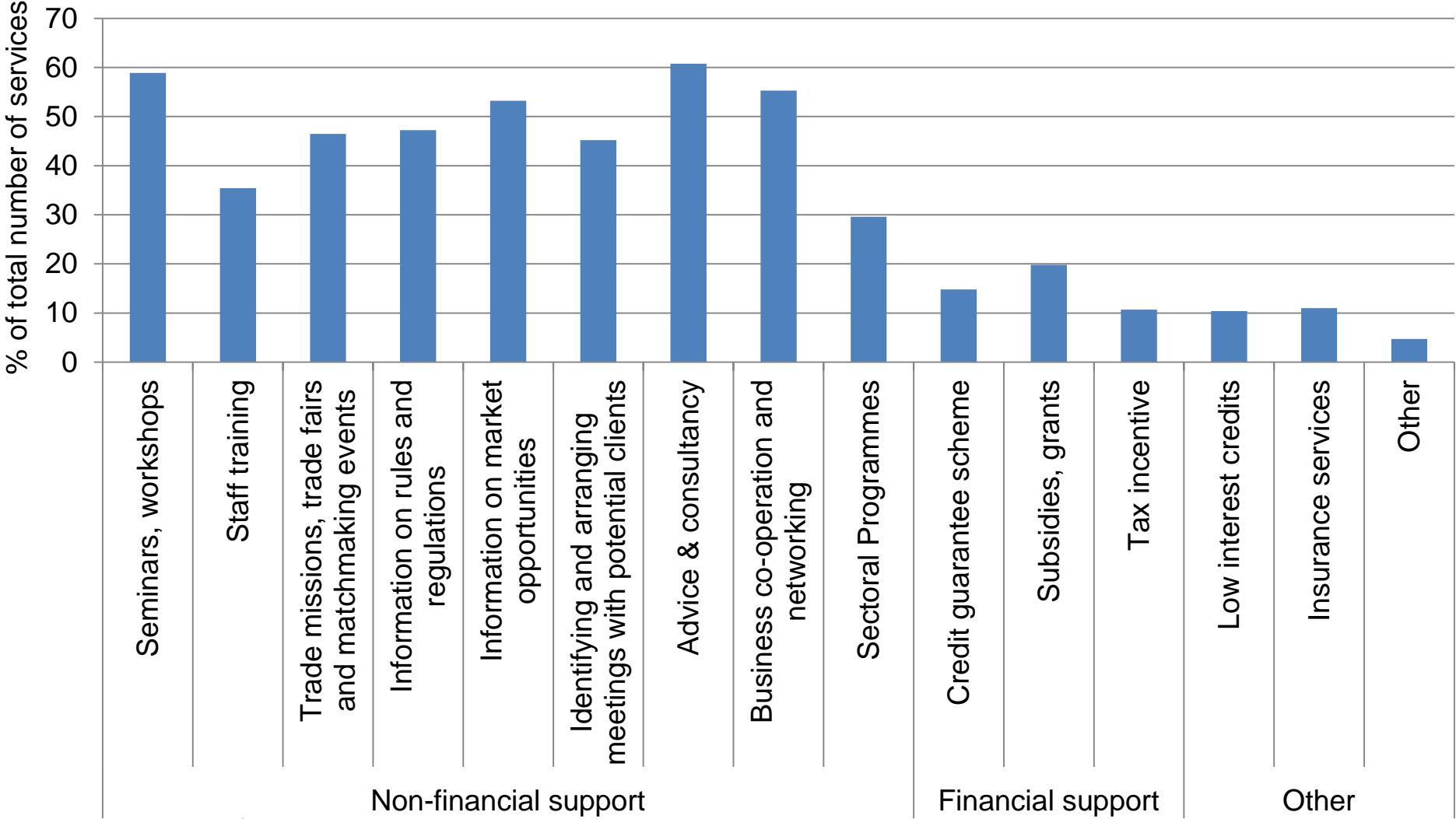
3.4 Type of services

Number of services supporting various ways of internationalisation



3. Survey results and gap analysis

3.4 Type of services



3. Survey results and gap analysis

3.5 Target markets of instruments

	Number of services in EU as a whole	Number of EU Member States that target this market specifically	Number of services in the country
All countries outside EU	291	27	301
Australia	54	17	75
Brazil	93	19	105
Canada	72	20	87
Chile	69	18	81
China	114	21	162
Egypt	37	15	45
India	79	17	92
Indonesia	18	8	40
Israel	43	10	64
Japan	11	8	19
Malaysia	9	5	47
Mexico	21	6	26
Morocco	20	5	41

	Number of services in EU as a whole	Number of EU Member States that target this market specifically	Number of services in the country
Russia	86	16	99
Saudi Arabia	2	2	7
Serbia	21	6	48
South Africa	5	3	25
South Korea	4	3	14
Taiwan	8	2	11
Thailand	6	2	16
Tunisia	3	3	20
Turkey	28	6	41
Ukraine	47	7	58
United States	28	12	48
Vietnam	1	1	2
Other	131	24	134

3. Survey results and gap analysis

3.6 Results for third countries

- Absence of targeting (firm size, age, internationalisation experience);
- 45% of the support services in third countries are open to SMEs from all EU Member States. In the EU this rate is 26%;
- Most services support all ways in which SMEs can internationalise;
- Compared to EU27, slightly higher share of support services need to have an own contribution;
- The distribution of characteristics of the services in third countries is comparable to the EU.

3. Survey results and gap analysis

3.7 Overview: identifying the gaps

- Eligibility
 - No obvious gaps;
 - Very few services for specific target groups.
- Types of services
 - No gaps in internationalisation activities (only in India);
 - Most services have multiple characteristics, especially non-financial services.
- Target markets
 - All Member States have services that target all third countries;
 - Most services are targeted towards BRIC countries, followed by large and/or nearby countries;
 - EU services for third countries are mainly workshops and seminars, but in the third countries themselves a broader range of services is provided.

4. Conclusions and recommendations

- The web survey collected 1,117 support services by 1st of December.
- The collected data show that there is no focusing of support services (by size, sector, new or existing firms, starting to internationalise or experienced).
- Most of the support services are provided at national level and for export.
- For almost half of the services an own contribution is asked (for third countries a bit higher).

4. Conclusions and recommendations

- This mapping has not yet covered all support services (not exhaustive); hence it is not possible to give definite answers on gaps and overlaps.
- This mapping exercise has been a good start. Needs to be complemented and updated with full cooperation of all MS. This could be part of SBA yearly monitoring.
- Following recent evaluations, more targeting of support services can be recommended.

5. Discussion