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**SME Policy Index**

**Western Balkans and Turkey 2022**

**ASSESSING THE IMPLEMENTATION OF THE SMALL BUSINESS ACT FOR EUROPE**

**DIMENSION 10 - Internationalisation of SMEs**

**Qualitative indicators government questionnaire**

**Internationalisation of SMEs assessment framework**

**Internationalisation of SMEs** dimension assesses the performance of the Western Balkans and Turkey in supporting the internationalisation of small and medium-sized enterprises (SMEs).

This dimension is structured around three sub-dimensions:

* Sub-dimension 1: **Export promotion**, which explores government support and initiatives to help SMEs export their goods and services,
* Sub-dimension 2: **Integration of SMEs into global value chains**, which asks whether governments have planned and implemented programmes to help SMEs integrate globally,
* Sub-dimension 3: **Promoting the use of e-commerce**, which examines the economies’ frameworks for facilitating SMEs’ engagement with the digital economy.

Figure 1. Internationalisation of SMEs assessment framework

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Dimension 10: Internalisation of SMEs** | | | | | | | | | |
| **Outcome indicators**  Exports as a share of GDP  Share of exports by enterprise size class  SMEs’ share in exports | | | | | | | | | |
| **Sub-dimension 10.1:**  Export promotion | | | | **Sub-dimension 10.2:**  Integration of SMEs into global value chains | | | **Sub-dimension 10.3:**  Promoting the use of e-commerce | | |
| **Thematic block 1:**  Planning and design | **Thematic block 2:**  Implementation | **Thematic block 3:**  Monitoring and evaluation | | **Thematic block 1:**  Planning and design | **Thematic block 2:**  Implementation | **Thematic block 3:**  Monitoring and evaluation | **Thematic block 1:**  Planning and design | **Thematic block 2:**  Implementation | **Thematic block 3:**  Monitoring and evaluation |
| **Quantitative indicators**  Budget of export promotion agencies | | | **Outcome indicators**  Global Competitiveness Index: Local supplier quality  Global Competitiveness Index: State of cluster development  OECD Local Sourcing Indicators based on World Bank Enterprise Surveys | | | | **Outcome indicators**  Percentage of individuals purchasing online (in the last 12 months)  Percentage of SMEs selling online (in the last 12 months) | | |

## Sub-dimension 1: Export promotion

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Question** | | | **Response *[expand box as necessary]*** | **Source/evidence/links** |
| **Thematic block 1. Planning and design** | | | | |
|  | **Since the last assessment (January 2019), has any new export promotion programme targeting SMEs been adopted by the government?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please describe this/these programme(s)[[1]](#footnote-2) |  |  |
|  | Are they linked to the SME strategy or to an equivalent document? And if so, please specify which strategy or equivalent document | Yes [ ]  No [ ] |  |
|  | Has the private sector been consulted in developing programmes? And if so, please specify at what stages and through what means | Yes [ ]  No [ ] |  |
|  | **Are the current government export promotion programmes targeting SMEs associated with:** | |  |  |
|  | a) | an action plan | Yes [ ]  No [ ] |  |
|  | b) | measurable targets | Yes [ ]  No [ ] |  |
|  | c) | timeframe | Yes [ ]  No [ ] |  |
|  | d) | expected impact | Yes [ ]  No [ ] |  |
|  | e) | corresponding budget | Yes [ ]  No [ ] |  |
|  | f) | allocated staff | Yes [ ]  No [ ] |  |
|  | **Did the government identify priority sectors for export promotion?** | |  |  |
|  | If yes | Please specify key priority sectors for export promotion | Yes [ ]  No [ ] |  |
|  | **Is there an export promotion agency or equivalent body (e.g. government department) in place?** | | Yes [ ]  No [ ] |  |
|  | **Are there specific targets that had been set for the agency/equivalent body?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify these targets |  |  |
|  | Did they change since January 2019? |  |  |
| **Thematic block 2. Implementation** | | | | |
|  | **If there is a government-coordinated export promotion programme targeting SMEs, is it operational?** | | Yes [ ]  No [ ] |  |
|  | If yes | How many export promotion programmes are implemented? Please shortly describe them. |  |  |
|  | **Has a budget been mobilised for the SME export promotion programmes?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please indicate its total amount for 2020 (or latest available information) |  |  |
|  | Was the total amount of budget used in 2019? |  |  |
|  | **Have you faced any resource constraints for provision of programmes since January 2019?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify |  |  |
|  | **Is the export promotion agency or equivalent body operational?** | | Yes [ ]  No [ ] |  |
|  | If yes | What activities does the export promotion agency or equivalent body carry out? |  |  |
|  | **Does the export promotion agency or equivalent body have operational autonomy? Have there been any changes in this regard since January 2019?** | | Yes [ ]  No [ ] |  |
|  | **Is there an export promotion website/portal that provides information and services for SMEs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify what kind of services are available for SMEs online. |  |  |
|  | **Does the export promotion agency organise SME promotion events[[2]](#footnote-3)?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please provide two to three examples since January 2019 |  |  |
|  | **Has the export promotion agency organised any SME promotion events since January 2019? If yes, please specify.** | | Yes [ ]  No [ ] |  |
|  | **Has the export promotion agency implemented its targets since January 2019? If yes, please specify.** | | Yes [ ]  No [ ] |  |
|  | **Does the responsible government body provide tailored support (different levels and types of support) for each target segment?** | | Yes [ ]  No [ ] |  |
|  | **Does the responsible government body provide additional services/ activities to SMEs:** | |  |  |
|  | a) | trade policy information and commercial intelligence | Yes [ ]  No [ ] |  |
|  | b) | representation of your economy at major trade fairs | Yes [ ]  No [ ] |  |
|  | c) | strategic counselling and marketing | Yes [ ]  No [ ] |  |
|  | d) | product development and training | Yes [ ]  No [ ] |  |
|  | e) | networking platforms / connection with partners | Yes [ ]  No [ ] |  |
|  | f) | assistance to acquire products certifications necessary for exports | Yes [ ]  No [ ] |  |
|  | g) | other (please specify) |  |  |
|  | **Can SMEs benefit from financial support for export promotion activities[[3]](#footnote-4)?** | | Yes [ ]  No [ ] |  |
|  | If yes | What type of financial support is currently available? |  |  |
|  | Is there a formal structure[[4]](#footnote-5) to the financial support mechanism for export promotion? |  |  |
|  | How many SMEs benefitted from financial support in last year (latest data available)? |  |  |
| **Thematic block 3. Monitoring and evaluation** | | | | |
|  | **Is there a monitoring mechanism in place for:** | |  |  |
|  | a) | the export promotion programmes? |  |  |
|  | b) | the export promotion agency or equivalent government body? |  |  |
|  | c) | the provision of financial support for export promotion? |  |  |
|  | **Does the monitoring in place include an evaluation on the extent to which the services are efficient or cost-effective in increasing exports?** | |  |  |
|  | **Is there a database of indicators on the implementation and the outcomes of export programmes that is publically available online?** | |  |  |
|  | **Is there independent review of the export promotion programmes?** | | Yes [ ]  No [ ] |  |
|  | If yes | How often? |  |  |
|  | **Does the government (or statistics authority) collect data on the internationalisation of SMEs (i.e. exports, imports)?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify if additional data was collected since January 2019? |  |  |
|  | **Does the export promotion agency (or equivalent body) publish a publicly available annual report?** | | Yes [ ]  No [ ] |  |
|  | If yes | Have any adjustments been made based on the results of these reports since January 2019? |  |  |
|  | **Are the beneficiaries of financial support made public?** | | Yes [ ]  No [ ] |  |
|  | **Are SME promotion events monitored (to ensure that they are well attended, stakeholders are well represented, SMEs are able to establish cooperation and increase competitiveness)?** | | Yes [ ]  No [ ] |  |
| **Questions related to the impact of the COVID-19 pandemic on export promotion** | | | | |
|  | **To what extent was the work of the export promotion agency or the equivalent body impaired by the pandemics?** | |  |  |
|  | **Did the government put in place specific responses to the pandemics with the respect to export promotion? If yes, please specify** | | Yes [ ]  No [ ] |  |
|  | **What lessons have been learnt in this area due to the pandemics and are there any strategic changes planned due to this experience?** | |  |  |
| *Optional - Please provide any further information on* ***export promotion*** *provided by the government in your economy that you deem relevant for the assessment* | | |  |  |

|  |  |
| --- | --- |
| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) |  |
| Brief justification |  |
| Assessor name and institution |  |

## Sub-dimension 2: Integration of SMEs into global value chains

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| --- | --- | --- | --- | --- |
| **Question** | | | **Response *[expand box as necessary]*** | **Evidence/links** |
| **Thematic block 1. Planning and design** | | | | |
|  | **Was there any change in government programmes to support SME integration in global value chains (GVCs)[[5]](#footnote-6) since January 2019?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please describe the SMEs specific support programmes introduced since January 2019 |  |  |
|  | What activities does the programme carry out to facilitate integration of SMEs in GVCs? |  |  |
|  | Are they linked to the SME strategy or to an equivalent document (e.g. entrepreneurship, industrial, trade or investment promotion strategies)? If so, please specify which strategy or equivalent document | Yes [ ]  No [ ] |  |
|  | Has the private sector been consulted in developing these programmes? If so, please specify at what stages and through what means | Yes [ ]  No [ ] |  |
|  | **Are there any new programmes that had been introduced since January 2019 to raise awareness of SMEs of the potential of participation in GVCs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please shortly describe them |  |  |
|  | **Do current programmes aim to raise awareness:** | |  |  |
|  | a) | facilitate access to accurate information on market opportunities for subcontracting and on potential foreign partners? If so, please specify through which means | Yes [ ]  No [ ] |  |
|  | b) | encourage SMEs to call in external consultants for the implementation of feasibility studies and market research in order to support FDIs? If so, please specify | Yes [ ]  No [ ] |  |
|  | c) | encourage SME investment by facilitating companies’ efforts to expand their business globally through information services and other means? If so, please specify | Yes [ ]  No [ ] |  |
|  | d) | facilitate information flows (including information sharing about needs between upstream and downstream partners) throughout the entire GVC? If so, please specify | Yes [ ]  No [ ] |  |
|  | **Are there any new programmes that had been introduced since January 2019 aiming to enhance supplier quality of SMEs?** | |  |  |
|  | If yes | Please shortly describe them |  |  |
|  | **Are there any new programmes that had been introduced since January 2019 aiming to promote industrial clustering?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please shortly describe them |  |  |
|  | Do they provide targeted support for clusters in selected technologies? If yes, please specify | Yes [ ]  No [ ] |  |
|  | **Are there any programmes aiming to promote the exchange or movement of highly skilled workers from MNEs or large exporting companies to domestic SMEs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please shortly describe them |  |  |
|  | **Are there any programmes and policy initiatives aiming to attract foreign multinationals to sectors with higher potential for linkages with domestic SMEs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please shortly describe them |  |  |
|  | **Are these government programmes linked to the broader SME strategy or to an equivalent document?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify which strategy or equivalent document |  |  |
|  | **Are the government programmes to support SME integration in GVCs associated with:** | |  |  |
|  | a) | an action plan | Yes [ ]  No [ ] |  |
|  | b) | measurable targets | Yes [ ]  No [ ] |  |
|  | c) | timeframe | Yes [ ]  No [ ] |  |
|  | d) | expected impact | Yes [ ]  No [ ] |  |
|  | e) | corresponding budget | Yes [ ]  No [ ] |  |
|  | f) | allocated staff | Yes [ ]  No [ ] |  |
|  | **Did the government identify priority sectors to support SME integration in GVCs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify priority sectors identified by the government |  |  |
|  | **Do the programmes target or prioritise specific value chain activities to support SME integration in GVCs? If yes, please specify the value chain activities:** | | Yes [ ]  No [ ] |  |
|  | a) | research and development (i.e. generating and experimenting with ideas related to new products, services or processes) |  |  |
|  | b) | design of products, services and processes (i.e. detailed planning and engineering of products, services or processes) |  |  |
|  | c) | production (i.e. acquiring, coordinating, and assembling resources to produce a product or deliver a service) |  |  |
|  | d) | marketing (i.e. promoting and selling products or services to prospective customers) |  |  |
|  | e) | distribution (i.e. delivering products or services to customers) |  |  |
|  | f) | customer services (i.e. providing after-sale support to customers) |  |  |
|  | g) | other (please specify) |  |  |
|  | **Do the programmes target or prioritise SMEs located in less developed regions or regions that are less integrated into GVCs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please indicate the geographic areas |  |  |
|  | **Are there any initiatives for cluster development that were put in place since January 2019?** | | Yes [ ]  No [ ] |  |
|  | If yes | Do they provide targeted support for clusters in selected technologies? If yes, please specify |  |  |
|  | **Was there any change in the dedicated entity[[6]](#footnote-7) responsible for the implementation of the programme since January 2019?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify |  |  |
| **Thematic block 2. Implementation** | | | | |
|  | **If there is a government programme to support SME integration in the global value chains (GVCs), is it operational?** | | Yes [ ]  No [ ] |  |
|  | If yes | Is there a website/portal where SMEs can find information on government supported GVC integration programmes? |  |  |
|  | **Has a budget been mobilised for the programmes supporting SME integration in GVCs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please indicate its total amount for 2020 |  |  |
|  | Was the total amount of budget used in 2019? |  |  |
|  | How many SMEs have benefitted from the programmes supporting SME integration in GVCs? | |  |  |
|  | a) | In 2020: |  |  |
|  | b) | In 2019: |  |  |
|  | Is the programme implemented in partnership or in collaboration with other government entities responsible for internationalisation issues (e.g. ministries and implementing agencies responsible for investment promotion, trade promotion, innovation, etc.)? | | Yes [ ]  No [ ] |  |
|  | If yes | Please indicate the entity(ies) |  |  |
|  | **Does the dedicated entity responsible for the implementation of the programme:** | | Yes [ ]  No [ ] |  |
|  | a) | provide help to SMEs to import? If yes, please specify the type of help that is provided |  |  |
|  | b) | promote domestic business linkages with large exporting domestic firms? If yes, please specify |  |  |
|  | c) | promote technology transfers from multinational corporations (MNCs)? If yes, please specify |  |  |
|  | d) | promote the mobility of highly skilled workers from multinational corporations (MNCs) to domestic firms, including SMEs? If yes, please specify |  |  |
|  | **Are the programme(s) implementing their targets according to the relevant action plan(s)?** | | Yes [ ]  No [ ] |  |
|  | **Have government programmes achieved any business linkages[[7]](#footnote-8) between SMEs and multinationals?** | | Yes [ ]  No [ ] |  |
|  | If yes | How many partnerships have been established with government support (since January 2019)? |  |  |
|  | Please specify 2 to 3 most recent examples (since January 2019) |  |  |
|  | **How many clusters have been established in the economy?** | |  |  |
|  | **Does the government systematically inform SMEs about the programmes and policy initiatives facilitating integration of SMEs in GVCs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify in what way / through what means |  |  |
| **Thematic block 3. Monitoring and evaluation** | | | | |
|  | **Are there any new monitoring mechanisms in place for the programme since January 2019?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify them |  |  |
|  | **Does the monitoring in place include an evaluation on the extent to which the services are efficient or cost-effective in increasing SME integration into GVCs?** | | Yes [ ]  No [ ] |  |
|  | **Is there an independent review of the programme?** | | Yes [ ]  No [ ] |  |
|  | If yes | How often? |  |  |
|  | **Are the results of the monitoring presented in a publicly available report?** | | Yes [ ]  No [ ] |  |
|  | If yes | Have any adjustments been made based on the results of these reports since January 2019? |  |  |
|  | **Does the government (or statistics authority) collect data on the integration of SMEs into global value chains?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please shortly describe the type of data that is collected and changes that might have occurred since January 2019 |  |  |
|  | Is this data publically available online? |  |  |
| **Questions related to the impact of the COVID-19 pandemic on institutions and policies aiming at the integration of SMEs into GVCs** | | | | |
|  | **Have the institutions responsible for SME integration in GVCs made adjustments to their activities to help SMEs respond to the Covid-19 crisis? If yes, please specify the type of adjustments:** | | Yes [ ]  No [ ] |  |
|  | a) | changes in policy objectives (e.g. focus on emergency planning and crisis recovery) |  |  |
|  | b) | changes in policy budgets (eg. re-allocation of funds to new priorities, increases/cuts in specific programme budgets) |  |  |
|  | c) | changes in target groups (e.g. new or enhanced emphasis on micro and small firms or SMEs in the most affected sectors) |  |  |
|  | d) | changes in policy workstreams (e.g. new policy initiatives) |  |  |
|  | e) | changes in the geographic area of implementation (e.g. focus on specific regions within the economy) |  |  |
|  | f) | changes in the timeframe of implementation (e.g. extended deadlines for specific policy initiatives) |  |  |
|  | g) | changes in the mode of policy delivery (e.g. online services, virtual meetings) |  |  |
|  | h) | changes in sectoral focus (e.g. focus on medical equipment, health technologies) |  |  |
|  | **Did the government put in place specific responses to the pandemic with respect to the integration of SMEs into GVCs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify |  |  |
|  | **What lessons have been learnt in this area due to the pandemics and are there any strategic changes planned due to this experience?** | |  |  |
| *Optional - Please provide any further information on* ***integration of SMEs into global value chains*** *provided by the government in your economy that you deem relevant for the assessment* | | |  |  |

|  |  |
| --- | --- |
| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) |  |
| Brief justification |  |
| Assessor name and institution |  |

## Sub-dimension 3: Promoting the use of e-commerce

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Question** | | | **Response *[expand box as necessary]*** | **Evidence/links** |
| **Thematic block 1. Planning and design** | | | | |
|  | **Have there been any changes in the legal framework for e-payments[[8]](#footnote-9) and consumer protection in the e-commerce[[9]](#footnote-10) since the latest assessment (January 2019)?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify |  |  |
|  | **Is the legal framework in place for e-payments and consumer protection in the e-commerce aligned with the EU standards? If yes, please specify** | | Yes [ ]  No [ ] |  |
|  | If yes | Are there any regulations and secondary legislation still pending? |  |  |
|  | Is sectoral legislation harmonisation complete and aligned with the e-payments and e-commerce framework (e.g. banking services, courier services)? |  |  |
|  | **Did the government identify priority sectors for e-commerce promotion?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify the key priority sectors |  |  |
|  | **Are there any new government programmes for SMEs to promote e-commerce introduced since January 2019?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please describe new SMEs specific support programmes |  |  |
|  | **Did the government put in place specific responses to the pandemics with the respect to promotion of the use of e-commerce among SMEs? If yes, please specify** | | Yes [ ]  No [ ] |  |
|  | **Are these programmes linked to the broader SME strategy or to an equivalent document?** | |  |  |
|  | If yes | Please specify which strategy or equivalent document |  |  |
| **Thematic block 2. Implementation** | | | | |
|  | **Is a government co-ordinated e-commerce programme operational?** | | Yes [ ]  No [ ] |  |
|  | If yes | What activities does the programme carry out to facilitate e-commerce of SMEs (e.g. training, financial support for hardware/software purchases and digital marketing services, etc.)? |  |  |
|  | **Is there a dedicated entity responsible for the implementation of the programme?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please specify the dedicated entity |  |  |
|  | **Has a budget been mobilised for the e-commerce promotion programmes targeting SMEs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please indicate its total amount |  |  |
|  | Was the total amount of budget used in 2019? |  |  |
|  | **Is there a website with easily accessible information regarding e-commerce and guidelines for e-traders?** | | Yes [ ]  No [ ] |  |
| **Thematic block 3. Monitoring and evaluation** | | | | |
|  | **Is there a monitoring mechanism in place for the e-commerce promotion programmes?** | | Yes [ ]  No [ ] |  |
|  | If yes | Have any adjustments been made based on the results of the monitoring since January 2019? |  |  |
|  | **Does the government (or statistics authority) collect data on e-commerce of SMEs?** | | Yes [ ]  No [ ] |  |
|  | If yes | Please shortly describe the type of data that is collected and changes that might have occurred since January 2019 |  |  |
|  | Is data collected on e-commerce aligned with EUROSTAT indicators? |  |  |
|  | Is data collected on e-commerce publically available online? |  |  |
| **Questions related to the impact of the COVID-19 pandemic on the promotion of the use of e-commerce** | | | | |
|  | **What was the impact of the pandemics on the use of e-commerce by the SMEs? Was this impact quantified?** | |  |  |
|  | **To what extent was the work of the authorities impaired by the pandemics?** | |  |  |
|  | **Did the government put in place specific responses to the pandemic with respect to promoting the use of e-commerce? If yes, please specify** | |  |  |
|  | **What lessons have been learnt in this area due to the pandemics and are there any strategic changes planned due to this experience?** | |  |  |
| *Optional - Please provide any further information on* ***e-commerce programmes provided by the government*** *in your economy that you deem relevant for the assessment* | | |  |  |

|  |  |
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| **Question** | **Response** |
| Self-assessed level  (1 through 5, whole and half numbers) |  |
| Brief justification |  |
| Assessor name and institution |  |

|  |  |
| --- | --- |
| **Self-assessed level (1 through 5, whole and half numbers) for the overall dimension – Internationalisation of SMEs** |  |

1. These can be a part of a general government export promotion strategy/programme. [↑](#footnote-ref-2)
2. These include trade fairs and national SME conferences (policy dialogue between SME associations, regional agencies, NGOs). [↑](#footnote-ref-3)
3. This can include financial support for obtaining product certificates, publishing promotional materials and participation in trade fairs, as well as export credit and export insurance. [↑](#footnote-ref-4)
4. This entails clear guidelines on how to qualify for financial support, as well as a clear selection process if only some firms are selected to receive it. [↑](#footnote-ref-5)
5. Programmes to encourage SME integration into GVCs could include:

   1. Programmes to promote business linkages, through such measures as matchmaking, financial support and linkage related conditions and incentives for FDI (e.g. tax credits to foreign-invested firms that provide tangible benefits to domestic suppliers).

   2. Programmes to promote industrial competitiveness clusters which can then become integrated into GVCs. [↑](#footnote-ref-6)
6. This could be a government body or a separate agency. [↑](#footnote-ref-7)
7. Business linkages between multinationals and SMEs could involve procurement, manufacturing subcontracting, outsourcing, distribution and retail, franchising etc. [↑](#footnote-ref-8)
8. E-payments can be widely defined as payments that are initiated, processed and received electronically. [↑](#footnote-ref-9)
9. An e-commerce transaction is the sale or purchase of goods or services, conducted over computer networks by methods specifically designed for the purpose of receiving or placing of orders. [↑](#footnote-ref-10)