



EASTERN EUROPE AND SOUTH CAUCASUS INITIATIVE

SME Policy Index 2015

Measuring Progress in the implementation of the Small
Business Act for Europe

A decorative background graphic featuring a purple world map with white dots. Several white lines curve across the map from the bottom left towards the top right.

**OECD
EURASIA**
COMPETITIVENESS PROGRAMME

SME Panel

Vilnius, 26-27 November 2013



With the financial assistance of
the European Union

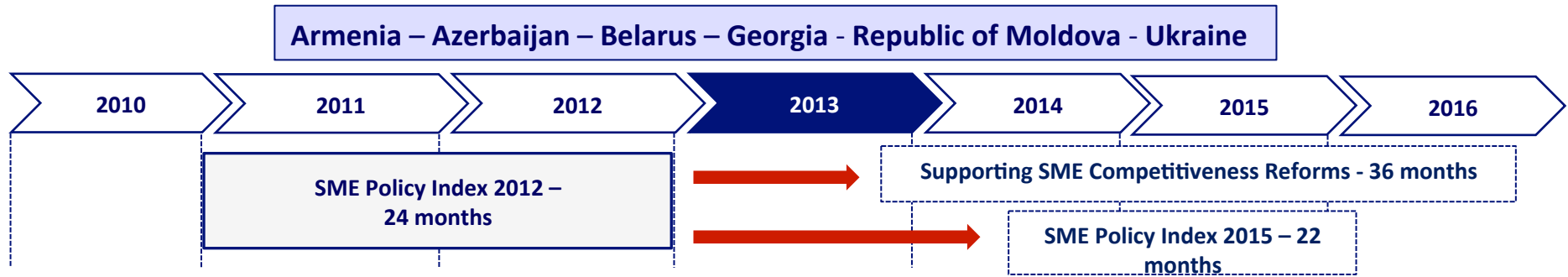
Agenda

Project context

Project approach

Key dates

***SME Policy Index: Eastern Partner Countries 2012* assesses implementation of the Small Business Act for Europe and provides policy recommendations**



SCOPE OF THE PROJECT

- ✓ **Monitoring implementation of the Small Business Act for Europe** in the six Eastern Partner Countries
- ✓ **SBA assessment completed and country-specific policy recommendations** issued across 10 policy dimensions
- ✓ **Exchange of good practices** through regional policy working groups and capacity building seminars
- ✓ **Developed in collaboration with the European Commission, European Training Foundation and EBRD** under the SME Panel of the EU Eastern Partnership

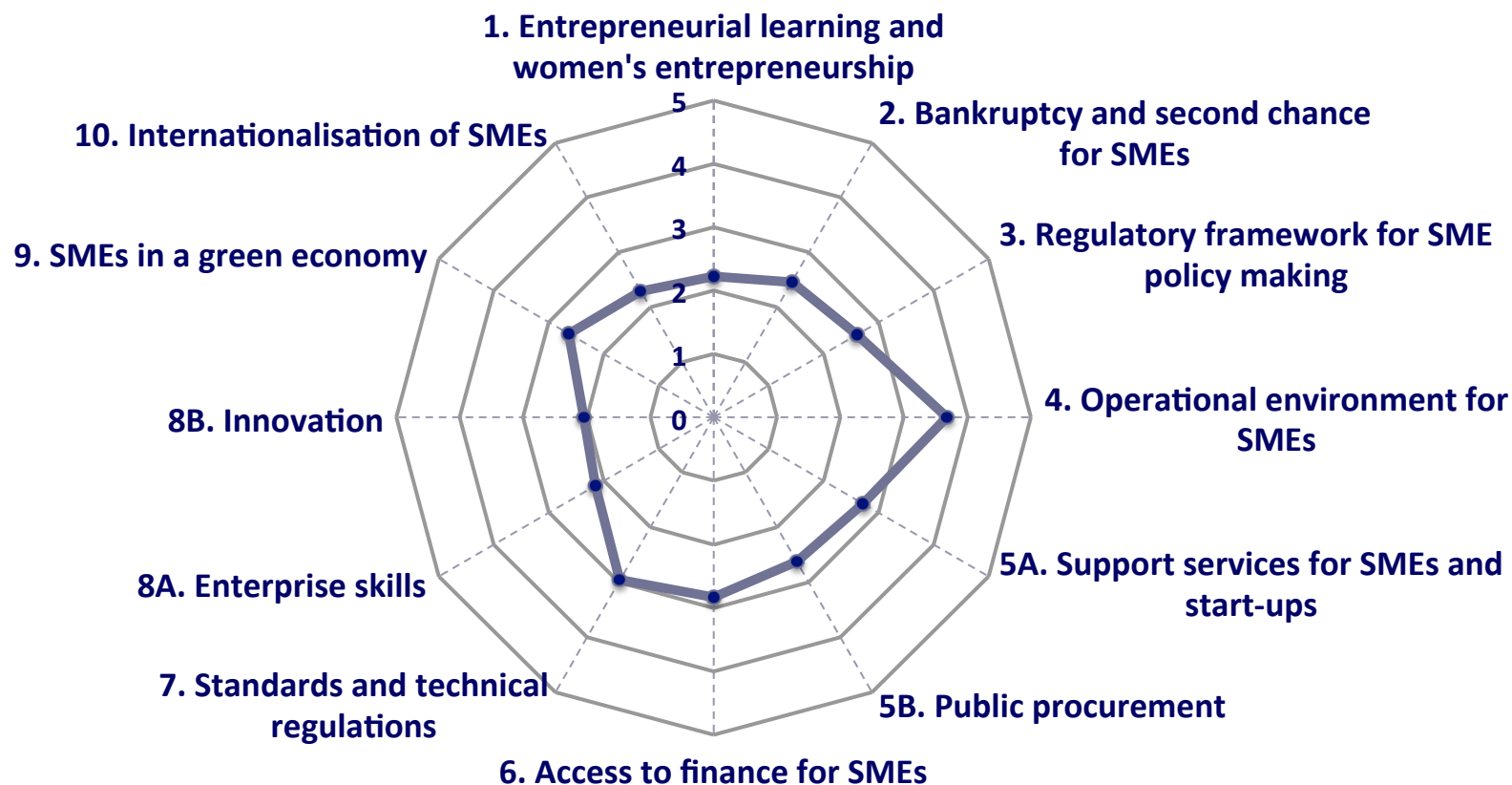
RECENTLY RELEASED PUBLICATION



Launch in October 2012 in Georgia with SME policy co-ordinators from all six Eastern Partner countries

Assessment results of the SME Policy Index 2012

SME policy assessment based on 92 indicators across 10 policy dimensions



Most EaP countries have started to implement **business climate reforms** to create a conducive environment for private sector development;

However they still face significant challenges in developing **an inclusive approach towards the SME sector** to complement these efforts with **more targeted measures**.

OECD Eurasia Ministerial Conference, Warsaw, 28 June 2013

Ministers from Eastern Partner countries endorsed the Programme



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SME Policy Index 2015

Monitoring progress in the implementation of SME policy reforms

The SME Policy Index 2012 provided policy assessment and established a baseline for all Eastern Partner Countries

The SME Policy Index 2015 will monitor progress in reform implementation based on a second assessment cycle with a specific focus on the following project questions:

PROJECT QUESTION	SUGGESTED ACTIVITY
1 ➤ Which new SME policy priorities have emerged in the Eastern Partner Countries?	 Review existing indicators and develop new indicators to better reflect emerging priorities
2 ➤ How do public authorities assess implementation and evaluate results of SME policy measures?	 Revise methodology to better assess the level of policy implementation and effectiveness of SME policy measures
3 ➤ What is the impact of SME policy measures at the company level?	 Carry out a company survey to collect additional data and input from the private sector

First regional workshop to review indicators and identify new priorities

April 2014

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SME Policy Index: Eastern Partner Countries 2015

Measuring policy areas related
to the **Small Business Act for Europe**:

1. Entrepreneurial learning and women's entrepreneurship
2. Bankruptcy and second chance for SMEs
3. Regulatory framework for SME policy making
4. Operational environment for SMEs
5. SME support services and public procurement
6. Access to finance for SMEs
7. Standards and technical standards
8. Enterprise skills and innovation policy for SMEs
9. SMEs in a green economy
10. Internationalisation of SMEs



Suggested topics to discuss in a first regional workshop

- ✓ What instruments have government's at their disposal to strengthen the absorptive capacity of SMEs to better engage in innovative activities?
- ✓ How to further streamline green growth policies in SME policy frameworks to create new business opportunities by greening the environment?
- ✓ How to strengthen internationalisation of SMEs by linking export promotion with investment promotion activities and linking up to global value chains?

Second regional workshop on methodology and company survey

July 2014

Current limitations of the SME Policy Index methodology

2

- ✓ The SMEPI provides a good assessment on institutional and policy development, but does not fully capture policy implementation and does not measure impact. Yet, the impact evaluation of policy measures allows policy makers to understand their effectiveness and helps them make improved policy decisions in the future.

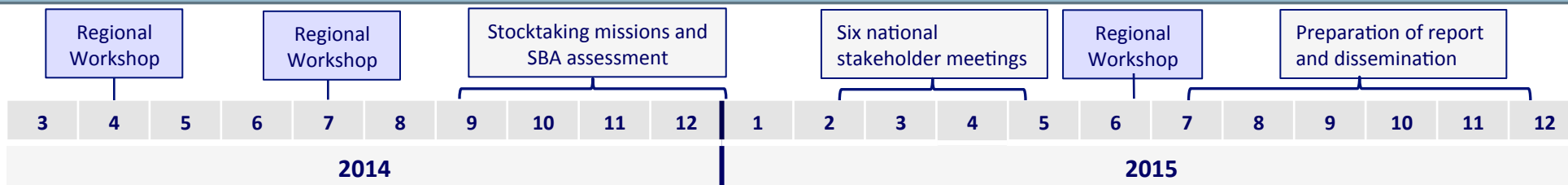
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- ✓ The SMEPI focuses on qualitative elements, while it lacks quantitative information. In particular, the Index lacks the integration of national statistics, company-level data from other international organisations, or independent company-surveys to measure the performance and impact of policies on the ground.

Suggested topics for discussion in a second regional workshop

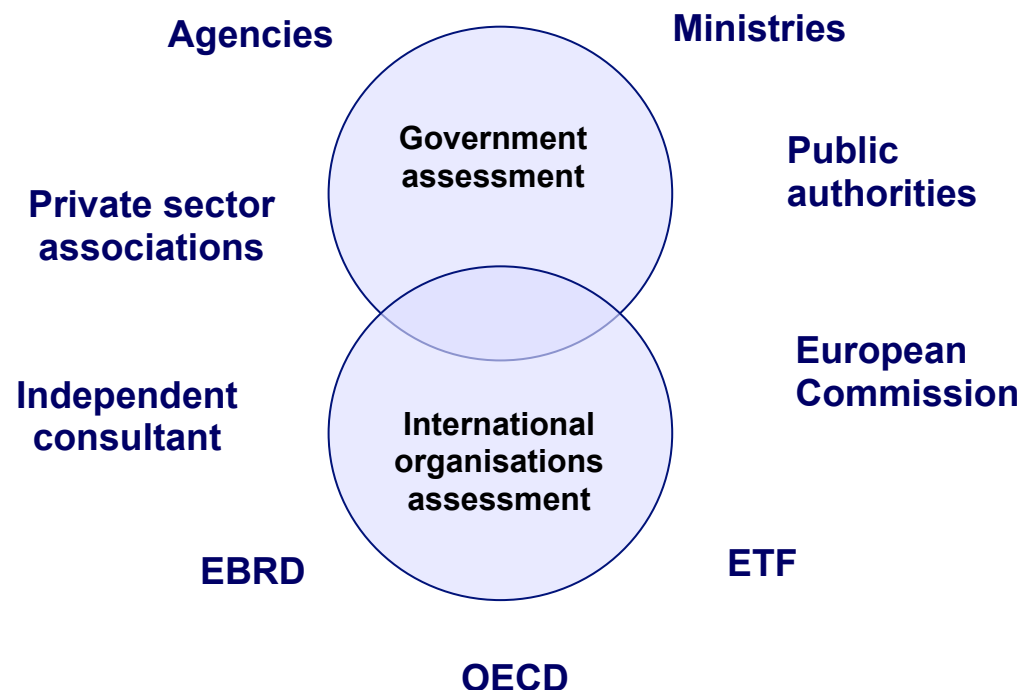
- ✓ How to further evolve the SME Policy Index assessment methodology to track **how public authorities monitor and evaluate the impact of policy measures**
→ e.g. introducing a level 6 and 7 to further refine the indicator structure
 - ✓ How to better assess the **effectiveness and impact of SME strategies and action plans?**
→ e.g. adopting new methodology for countries with an official SME strategy in place
-
- ✓ Which data points to collect across the region through **company surveys** encompassing a critical number of SMEs per country?
 - ✓ Which data points could be collected by **national statistics offices** to provide additional evidence on the impact of policy measures?

SME Policy Index 2015 – SBA Assessment Process



Dimensions		Sub-dimensions				
6	Access to finance for SMEs					
Sub-Dimensions	6.1	Sources of external finance for SMEs				
	6.2	Legal and regulatory framework				
Sub-dimensions		Indicators				
6.1	Sources of external finance for SMEs					
Indicators	6.1.1	Credit guarantee schemes				
Indicators		Level of Reform				
Indicators		1	2	3	4	5
	Credit guarantee schemes					
	Public start-up funding					
	Business angels network					

SBA Assessment Process



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- ✓ **April 2014 –**
First regional workshop to discuss upgrade of methodology and revise indicators
- ✓ **July 2014 –**
Second regional workshop to finalise methodology and develop company survey
- ✓ **September – December 2014 –**
Government self assessments and stocktaking missions to all six EaP countries
- ✓ **February – May 2015 –**
SBA Stakeholder meetings in all six EaP countries
- ✓ **June 2015 –**
Third regional workshop to validate assessment results
- ✓ **July – October 2015 –**
Preparation of report
- ✓ **November – December 2015 –**
Launch and dissemination

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