



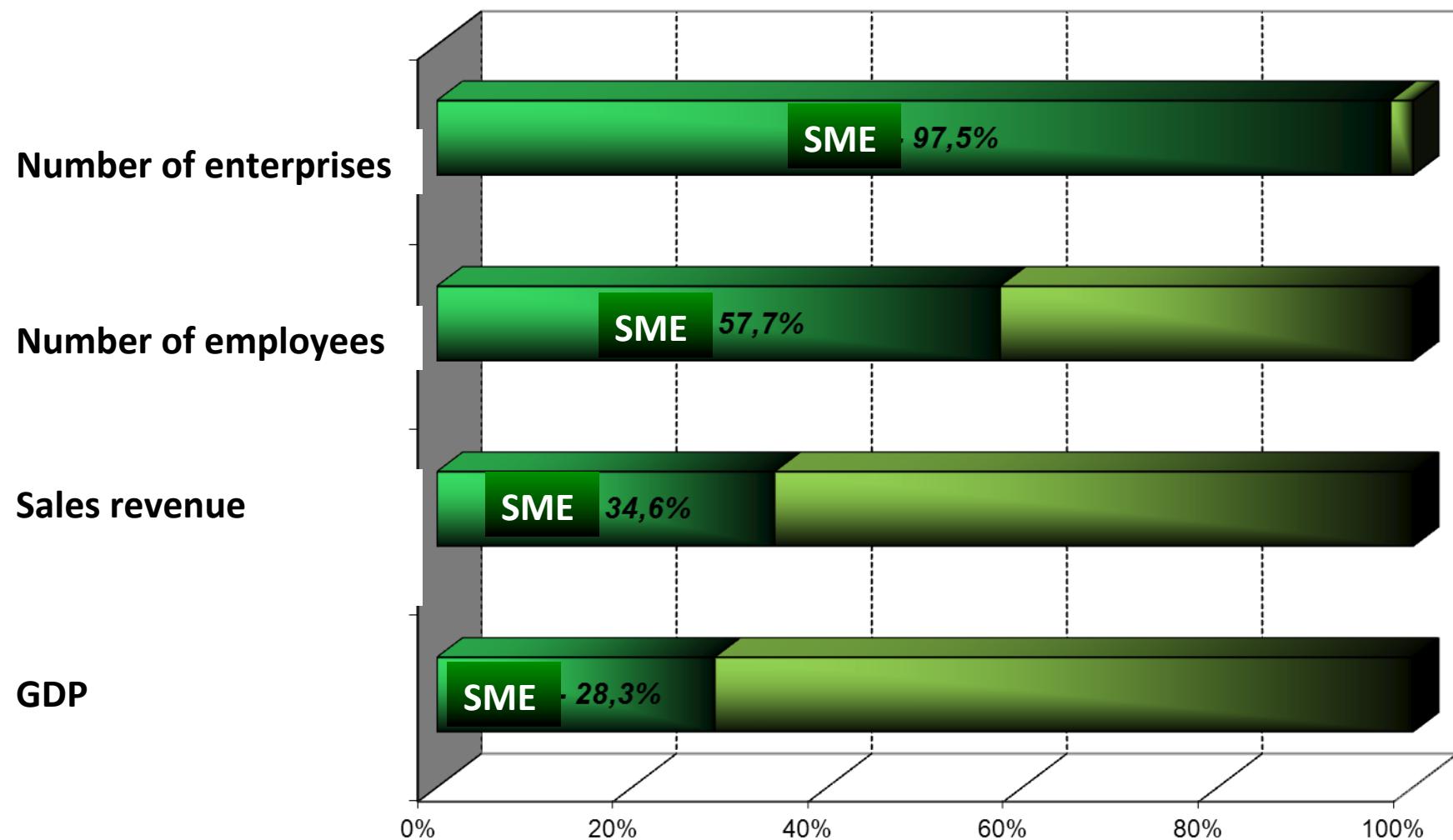
# ***SUPPORTING SME COMPETITIVENESS IN THE EASTERN PARTNER COUNTRIES***

*Republic of Moldova experience on the peer review process*

Vilnius, 26 November 2013



# The share of SMEs in the national economy of Moldova in 2012





# Strategic Documents

- ✓ National Development Strategy of the Republic of Moldova - **Moldova 2020**

(7 development priorities, approved in 2012)

- Aligning the **education system to labor market needs** in order to enhance labor productivity and increase employment in the economy.
- Reducing **financing costs** by increasing competition in the financial sector and developing risk management tools.
- Improving **business climate** by streamlining the regulatory framework and applying information technologies in public services for businesses and citizens



# Strategic Documents

- ✓ Small and Medium Enterprise sector development Strategy for 2012-2020

*„Creation of a favourable business environment, promotion of business culture in the course of SMEs support and assurance of social unity”.*

- ✓ Action Plan for the period 2012-2014 approved.

The priority actions are:

- Adjustment of the normative and regulatory framework to match SMEs needs.
- Improvement of acces to financing for SMEs
- Development of human capital through promotion of competences and entrepreneurial culture.
- Increase SMEs development in regions
- Business partnership development



# OECD support 2010-2013

- I. SME policy review 2010-2011
- II. SME Development Strategy 2012-2020 and Action Plan 2012-2014.
- III. Access to finance for SMEs and Support services for SMEs and start-ups were selected as priority area for additional research and peer review

# Recent Moldova-OECD cooperation

## SME sector

Year	Focus
2010	<p>Launch of the multi-annual Programme: „Support to SME Policies in the Republic of Moldova” focussing on the consolidation and strengthening of the institutional SME support set-up in the Republic of Moldova including the design of a mechanism to improve the country's SME policy-making consultation, design, implementation and monitoring processes</p> <p>(value 0.6 mn Euro for the period 2010-2013)</p>

# Recent Moldova-OECD cooperation

## SME sector

Year	Focus
2011	<p>Within the framework of this Programme the following actions undertaken:</p> <ul style="list-style-type: none"><li>• Analysis of SME policies and their impact on the country's businesses;</li><li>• Identification of SME sector growth impediments;</li><li>• Organisation of 4 workshops covering: 1) SME policy-setting, 2) SME access to finance, 3) innovation, competitiveness, internationalisation of SMEs and potential support tools;</li><li>• SME human resources development including the instilling of an entrepreneurial culture in the country.</li></ul>

# Recent Moldova-OECD cooperation

## SME sector

Year	Focus
2012	<p>Within the framework of this Programme the following actions undertaken:</p> <ul style="list-style-type: none"><li>• Formulation of the Moldova 2012-2020 SME Development Strategy;</li><li>• Initiation of a Business Development Services (BDS) Study;</li><li>• Initiation of an Access to Finance (AF) Study.</li></ul>

# Recent Moldova-OECD cooperation

## SME sector

Year	Focus
2013	<p>Within the framework of this Programme the following actions undertaken:</p> <ul style="list-style-type: none"><li>• Finalisation of the Business Development Services (BDS) Study;</li><li>• Finalisation of the Access to Finance (AF) Study;</li><li>• Broad presentation and consultation process of the main findings and recommendations put forward in the BDS and AF studies to the Moldovan SME sector stakeholders.</li></ul>



# Main deliverables

- An assessment of the SME sector in the Republic of Moldova performed;
- The “Fostering SME Development” report that provided a detailed assessment and benchmarking of critical policy settings and institutional conditions that shape the environment for SMEs in the Republic of Moldova was published.
- The SME sector analysis in RM integrated in the SME Policy index for the Eastern Partner Countries for 2012
- The National Strategy on Small and Medium Enterprise Sector Development Strategy for 2012-2020 and Action Plan elaborated and approved
- The “Access to Finance for SMEs in the Republic of Moldova” report was published and includes policy guidelines in support of SME development;
- The “Business Development Infrastructure and Services in the Republic of Moldova” report was published and includes policy guidelines in support of SME development.



## Next steps

- Moldova intends to further use the analytical feedback of the OECD reports and the outcomes of the workshops.
- We look forward continuing our excellent cooperation with OECD and getting feedback on the efficiency and effectiveness of our country's SME policies.
- We intend to continue using this type of positive and negative feedback to improve the overall SME business environment in Moldova.



## Next steps

- We look forward to our cooperation with OECD to enhance the capacity building of public authorities of Moldova responsible for SME policy development and implementation.
- OECD has agreed to support Moldova in designing and applying appropriate schemes to monitor and evaluate the actual impact of SME Strategy 2012-2020 within the Moldovan SME sector and we see this peer review activity as an integral part of launching this process.