

Blog no. 3

A, B, C of Public Support Measures for internationalisation of SME

In this blog, we are going to list the institutions involved in provision of public support measures for SMEs by the type of support they offer. There are institutions, responsible for setting up the legal framework for internationalisation and its implementation through strategy and action plans; and there are institutions that are providing services on behalf of the regulator. Below is the list of potential institutions that you should take into account by mapping the internationalisation stakeholders.

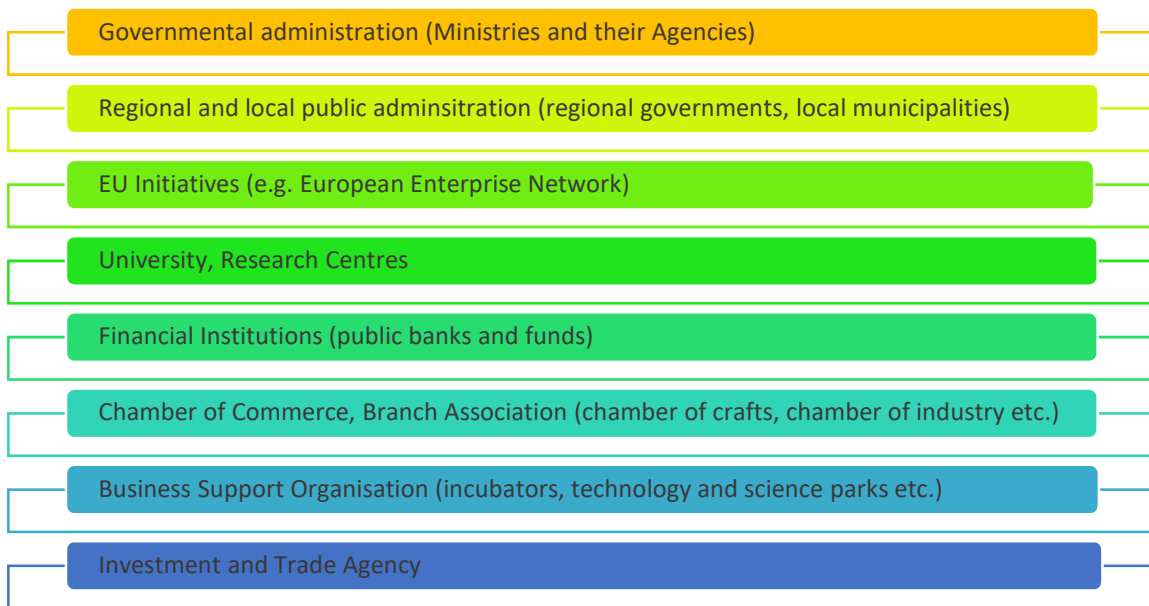


Fig. 1: Internationalisation's environment

The public organisations are providing different services for internationalisation of SMEs, among them the financial support services, SMEs support infrastructure and other non-financial services, Services for developing human resources/managerial capacity, and Information provision services. Below you will find the typical services belonging to specific category.

The institutions (in comparison with other, or as self-reflection) do evaluate their contribution to the internationalisation of companies with different measures: from the high quality of support services offered to SMEs to the large range of services or even integrated approach (e.g. one-stop-shop), or services aligned to the individual needs of SMEs (this is foremost important for start-ups and micro enterprises). The support services can be sector specific or more general, they can be provided by a single agent or in collaboration and networks with other national or foreign service providers. The support is always connected to financial means, therefore it is important, how responsive the institutions are and how deep their specific knowledge about technologies, markets and products is.



Financial support services for internationalisation	SMEs support infrastructure and other non-financial services	Services for developing human resources/managerial capacity	Information provision services
<ul style="list-style-type: none"> • Insurance solutions and risk management • Financing short-term exports • Insurance solutions and risk management • Financing short-term exports • Pre-shipment financing and post-shipment financing • Loans • Credit guarantee scheme • Tax preferences • Funding/grants for recruitment of advisors, researchers, accountants • Funding to attend international trade events and exhibitions • Grants to support any stage of the internationalization activity 	<ul style="list-style-type: none"> • Market research support • Export/Internationalization observatory facilities • IPR support • Technology transfer, technology consultancy services • Account management support • Services tailored especially for start-ups, incubating services • Services provided by business parks • Services provided by science parks • Specialized services provided by technology centers • Consultancy support 	<ul style="list-style-type: none"> • Training on internationalization and new market entry strategy • Training on smart mobility market trends and opportunities • Language and cultural training • Country-focused training (fiscal, legal, ...) • Export coaching course • Export forums • Internationalization/export academies • International technology transfer 	<ul style="list-style-type: none"> • Export promotional activities/marketing • Regularly updated analysis reports on foreign markets • Information about administrative rules and regulations • Trade missions, business forums and other promotional events • Partner search services • One stop customer service to assist SMEs exporters with foreign markets • Trade centers abroad • Market intelligence services

Fig. 2: Provision of services

As seen from the interviews across INTRA regions, it is very rare that an institution could claim that without their support SMEs would not internationalise their activities. However, they see different benefits for SMEs, resulting from their services: new experiences gained, direct financial support for export activities, actual economic and foreign market information, IPR and business support that led to the internationalisation, and not to be overlooked the managers/staff of SMEs improved their attitude toward internationalisation because of trainings, courses, mentoring sessions (training and qualifications). The benefits for SMEs are also in improved on-line and advertisement presentation, realised contacts with foreign partners, improved competences about administrative rules and regulations as well as improved relations with local suppliers/partners/agents/distributors.

In mapping the stakeholders, the conduction of interviews is highly recommended. During the interview you can ask about the challenges they face in working with SMEs (non-collaboration, different expectations of SMEs versus provided services, shortage of qualified experts/consultants, too long procedures in provision of services etc.) and their proposal for more efficient provision of services (intensive collaboration among service providers, inclusion of private agents, more specific info and their online distribution and others).

In conclusion, please note that not all institutions were set up specifically to foster the internationalisation but they may handle the whole range of business support activities (e.g. programmes for mentoring of entrepreneurs, innovation technologies for management systems, environmental innovations and better using of info and communication technologies etc.) This is typical for incubators, technology parks and others. And what we found most interesting is, that internationalisation is interpreted as the export activities of SMEs, notably all activities that are performed outside the national borders of the country where the headquarters of the SME is located. This means that the internal market of the EU is perceived, by stakeholders and SMEs alike, as part of external activities. The benchmarked policies under the internationalisation therefore do not necessarily go beyond the single European market.