



Session IV

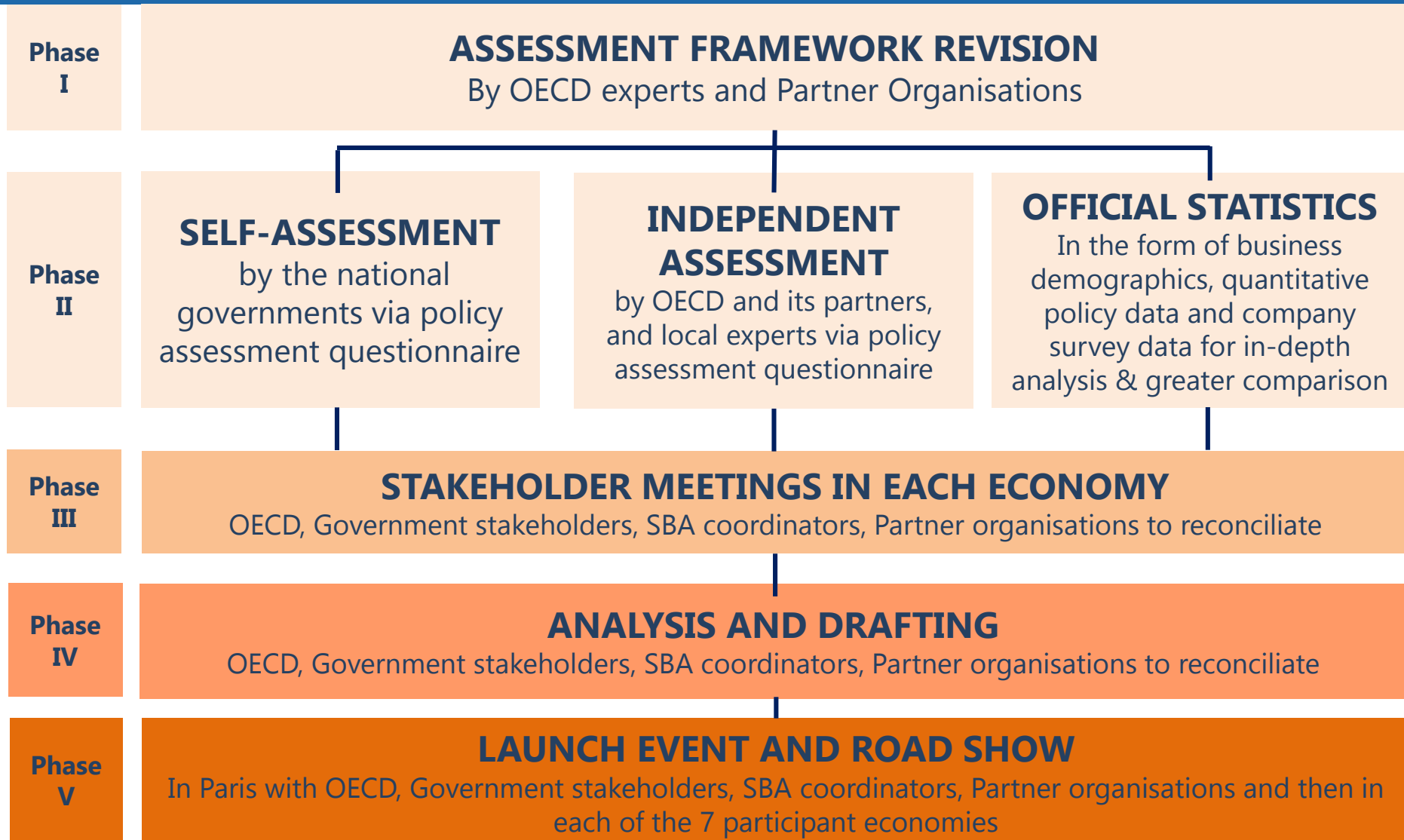
What is the SMEPI?

SME Policy Index Objectives

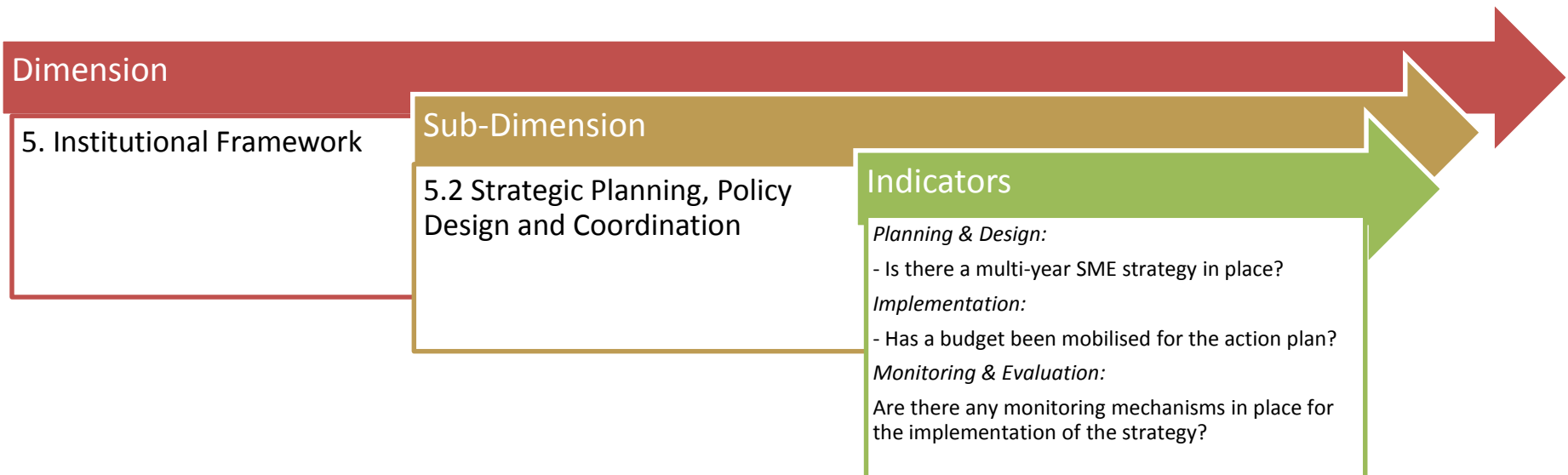
- To compare SME policy across countries and time and measure progress on policy convergence at regional level;
- To assess the level of policy development across key dimensions;
- To identify strong and weak points in policy design and implementation at country level;
- To provide a tool to policy makers and stakeholders to monitor progress in policy implementation.



SMEPI assessment: methodology and process

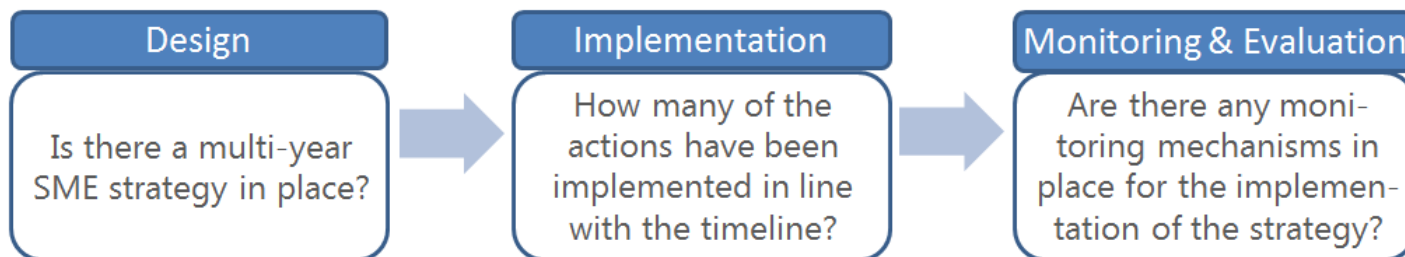


SMEPI Methodology

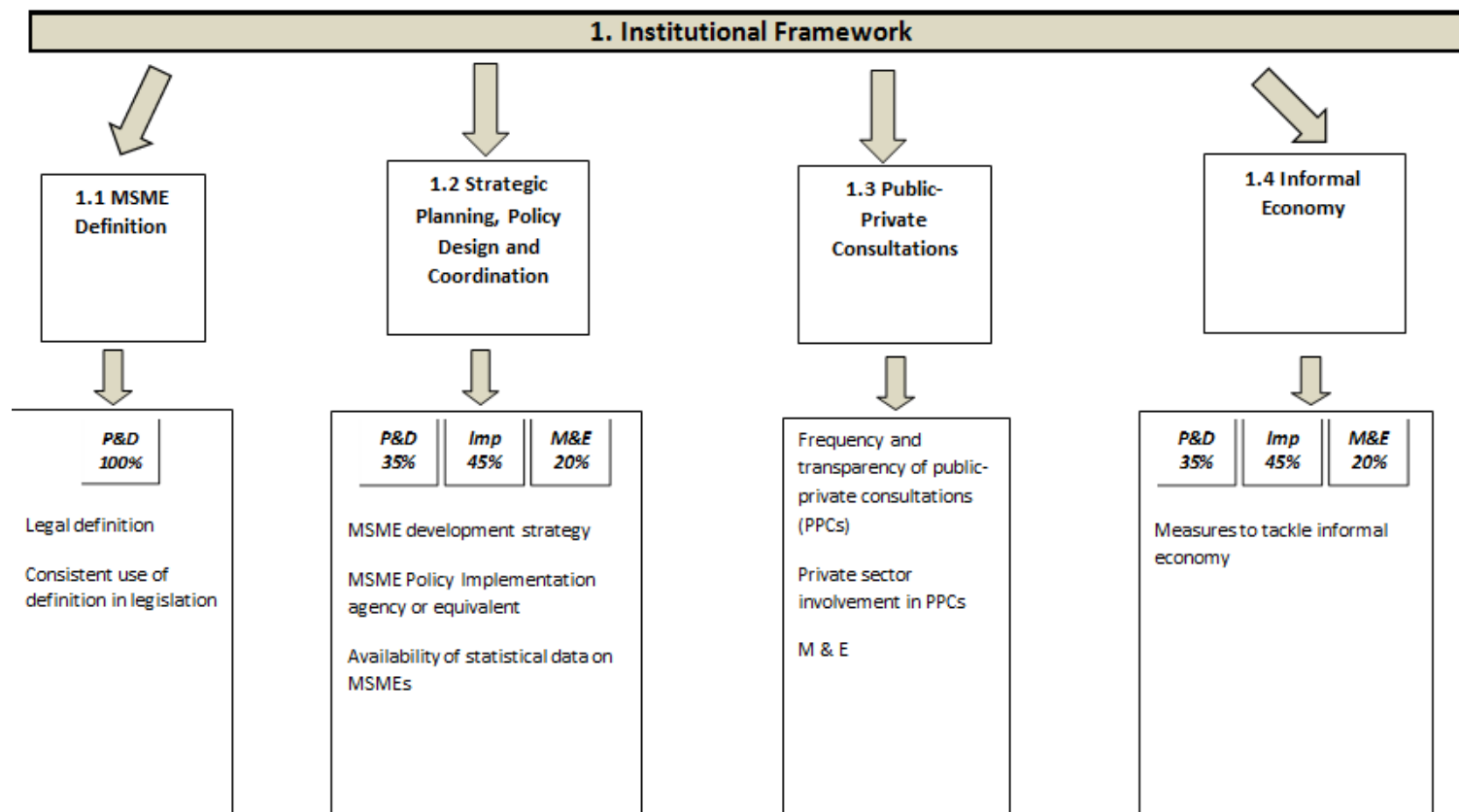


In order to be able to address systematic policy issues in a more detailed manner and enhance the depth of policy recommendations, some sub-dimensions have been split up into thematic blocks:

Example: Institutional Framework



Dimensions, Sub-dimensions, and thematic blocks



*P&D – Planning and Design
 *Imp – Implementation
 *M&E – Monitoring and Evaluation

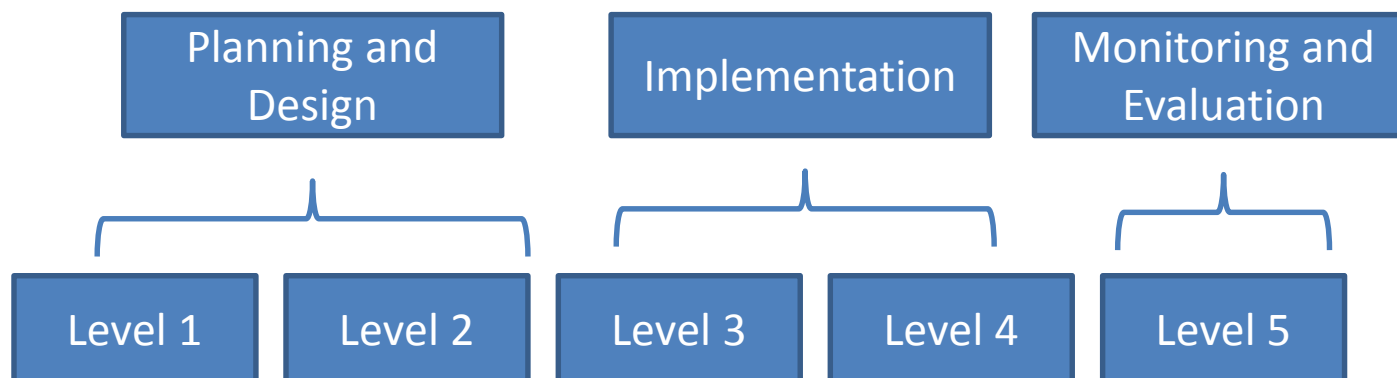


Indicators

THEMATIC BLOCK 1: PLANNING & DESIGN			Points
1	Is there a multi-year SME strategy in place?		1
1.1	If yes	Is the SME strategy embedded into a national development strategy?	0.083
1.2		Does the strategy build upon previous SME strategies?	0.083
		Does the strategy include the following elements?	
1.3		Measurable targets	0.083
1.4		Action plan	0.083
1.5		Descriptive part about monitoring and evaluation of the strategy and action plan	0.083
1.6		Does the strategy include elements from the ASEAN SAPSMED 2016-2025 (SAP)?	0.083
1.7		Are there measurable and time-bound targets attached to the action plan?	0.083
1.8		Is one central institution in charge of leading and coordinating SME strategy?	0.083
1.9		Has an inter-ministerial consultation process taken place in the development of the strategy?	0.083
1.10		Has the private sector been consulted in the development of the strategy?	0.083
1.11		Have the other relevant stakeholders (e.g. civil society, regular citizens etc.) been consulted in the	0.083
1.12		Did the strategy include specific strategies for certain industries / sectors?	0.083
2	Does a leading SME policy implementation body or equivalent exist?		1
2.1	If yes	Does the SME policy implementation body have operational autonomy?	0.333
2.2		Are other ministries represented on the governance board or equivalent of the implementation body?	0.333
2.3		Is the private sector represented on the governance board or equivalent of the implementation body?	0.333
Total			4



Score Development



Example: Turkey

Sub-dimension: **Legal and Regulatory Framework**

Dimension: **Access to Finance**

Score: **3.89**

Assessment: **Turkey is in the implementation phase**



Score Development

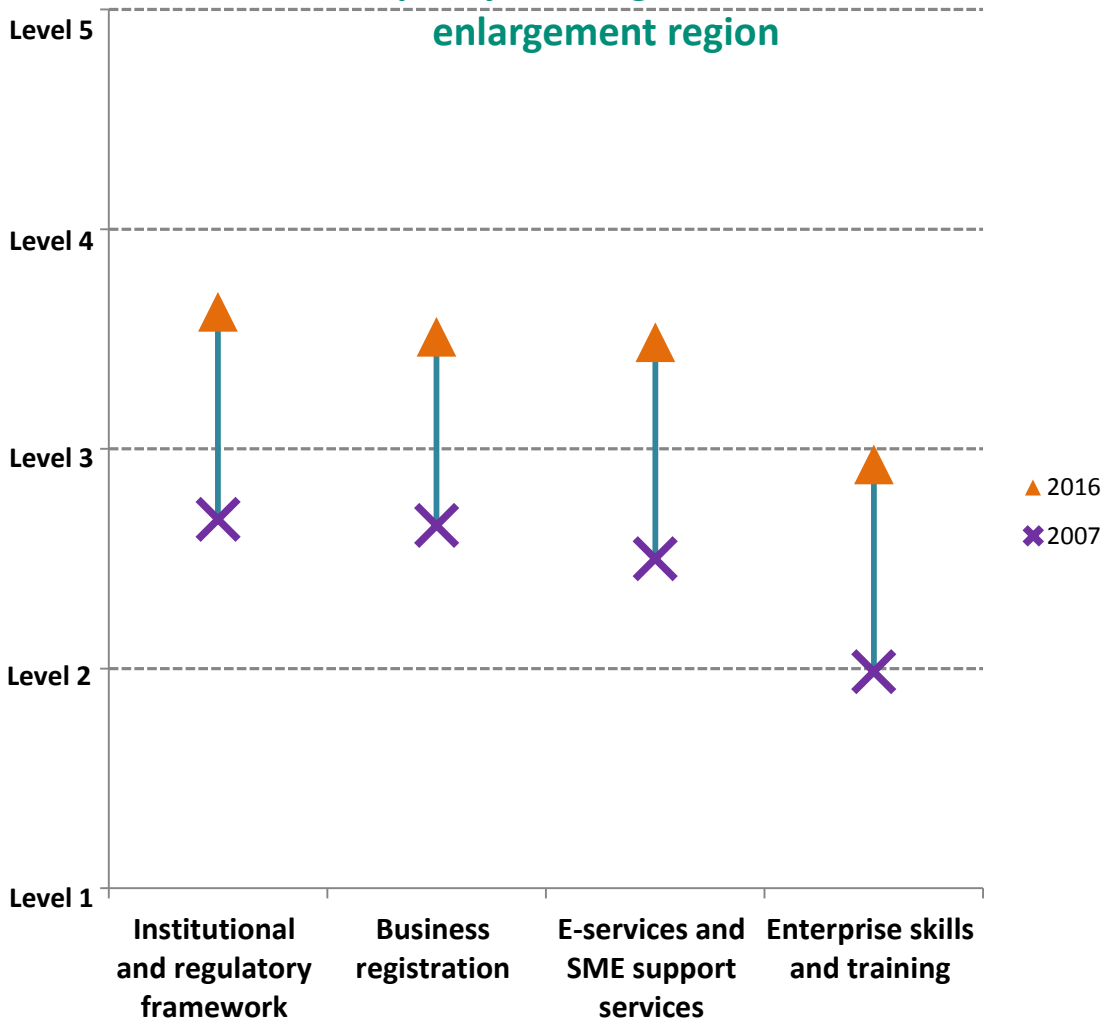
Examples of corresponding scores based on responses

Indicator	Response	Score
Yes/No questions	Yes	1
	No	0
Is there a multi-year SME strategy in place?	Strategy exists, has been approved by the government and is in the process of implementation	1
	Draft strategy exists but yet not approved by the government	0.67
	Strategy is in the process of development	0.33
	There is no strategy under development	0
Does the strategy include elements from the ASEAN SAPSMED 2016-2025 (SAP)?	All elements of the SAP was used in the development of the strategy	1
	Most elements of the SAP was used in the development of the strategy	0.75
	Some elements of the SAP was used in the development of the strategy	0.5
	There is a plan to use SAP as a reference in the development of the strategy	0.25
	The SAP was not used as a reference in the development of the strategy	0
Has a budget been mobilised for the action plan?	From government budget only	1
	Mainly government budget with some donor support	0.75
	Funds are balanced between government and donor	0.5
	Mainly with donor contributions	0.25
	Budget has not been mobilised	0



Achievements: 10 years overview of SME Policy in the EU enlargement region

SME policy convergence in the EU enlargement region



❖ Effective policy transfer of good practices was observed through the SME Policy Index across a number of areas:

- SME support agencies established
- Administrative procedures for businesses simplified
- Technical standards in line with Single Market requirements
- Support to innovative SMEs and start-ups provided.

Level 1: No framework

Level 2: Draft/pilot, some signs of government activity

Level 3: Solid framework in place

Level 4: Level 3 + concrete indications of effective policy implementation

Level 5: Level 4 + significant record of concrete and effective policy implementation

Note: This comparison only includes the average of indicators which remained the same over time.



Advantages of the Methodology

- It captures the **quality of planning, implementation and monitoring** of SME policies, and thus goes beyond the pure existence of strategies and programmes.
- It incorporates qualitative and quantitative questions to provide a more **precise assessment** for each indicator.
- It integrates national statistics, company-level and independent company-surveys to measure the **performance** of policies on the ground.
- It supports governments in assessing themselves whether they have reached their targets on SME policies and puts an increased focus on **monitoring and evaluation**.



Coverage of the SMEPI

❖ Since 2006, the SME Policy Index has been applied 9 times in 4 regions, covering 32 economies in total:

- ❑ EU pre-accession region (the Western Balkans and Turkey) in 2007, 2009, 2012 and 2016
- ❑ Eastern Partnership countries in 2012 and 2016
- ❑ Euro-Mediterranean Partnership Countries in 2008 and 2014
- ❑ ASEAN member countries in 2014.
- ❑ Regional SME policy assessments foreseen in Latin America and the Gulf region








MENA region:
2 editions (2014, 2008)

Western Balkans and
Turkey:
4 editions (2016, 2012,
2009, 2007)

Eastern Partner Countries:
2 editions (2016, 2012)



Coverage of the SMEPI

South East Europe	2007 Western Balkans	2009 Western Balkans	2012 Western Balkans and Turkey	2016 Western Balkans and Turkey	2019 Western Balkans and Turkey	
The Middle East and North Africa	2008 The Mediterranean and MENA	2014 The Mediterranean and MENA	2017 The Mediterranean and MENA			
Eurasia			2012 Eastern Partner Countries	2016 Eastern Partner Countries	2019 Eastern Partner Countries	
Southeast Asia			2014 ASEAN			
Latin America and the Caribbean					2018 Latin America	

Examples of how participating economies have benefited from the SME PI

- *Western Balkans and Turkey:* SME PI results are regularly incorporated into the EC Enlargement Strategy Papers and they have been used by participating economies and the EC to design technical assistance programmes. The SME PI results have been taken into account for the establishment of the Western Balkans Enterprise Development & Innovation Facility (EDIF). The findings of the assessments are also instrumental for preparation of annual Economic Reform Programmes in Western Balkans and Turkey.
- *Eastern Partner Countries:* All six countries have already developed or are currently finalising an SME development strategy based on the assessment results and recommendations contained in the SME PI.
- *Mediterranean, Middle East and North Africa:* SME PI has been used by individual economies (e.g. Morocco and Egypt) to regularly monitor the SME policy development. The results of the SME PI have been incorporated into the 2015 -2020 SME Development Strategy of Jordan.
- *ASEAN:* In the Philippines the SME Development Strategy was largely based on the findings from the 2014 ASEAN SME PI. Based on the result of the 2014 SME PI, ASEAN has established a regional task-force to improve company registration procedures.



Project Outputs

- **Final Publication**, with overall assessment per sub-group and specific country notes for each dimension
- Comparable **Benchmarking** and Identification of Strengths and Weaknesses
- **Policy Dialogue** – Creation of SME Network
- Basis for future country-specific and regional projects to address revealed priority policy areas (**implementation and technical-assistance**)



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