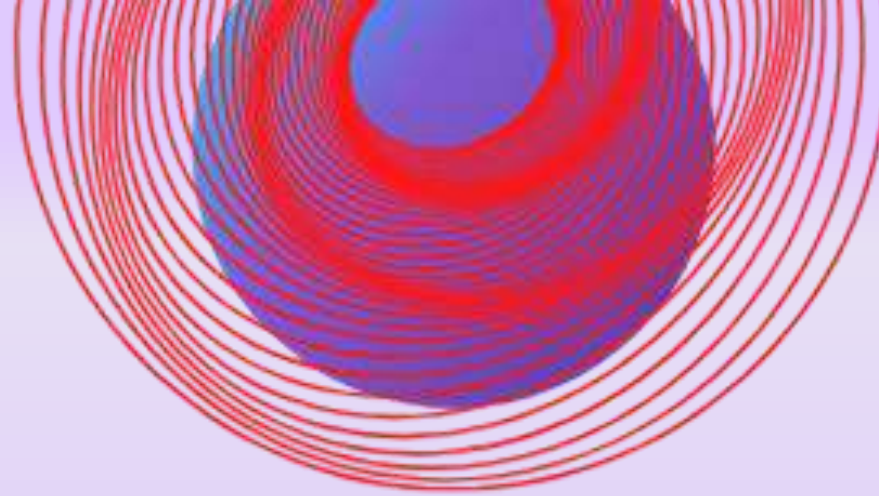




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CONSULTANT TRAINING TOOLKIT

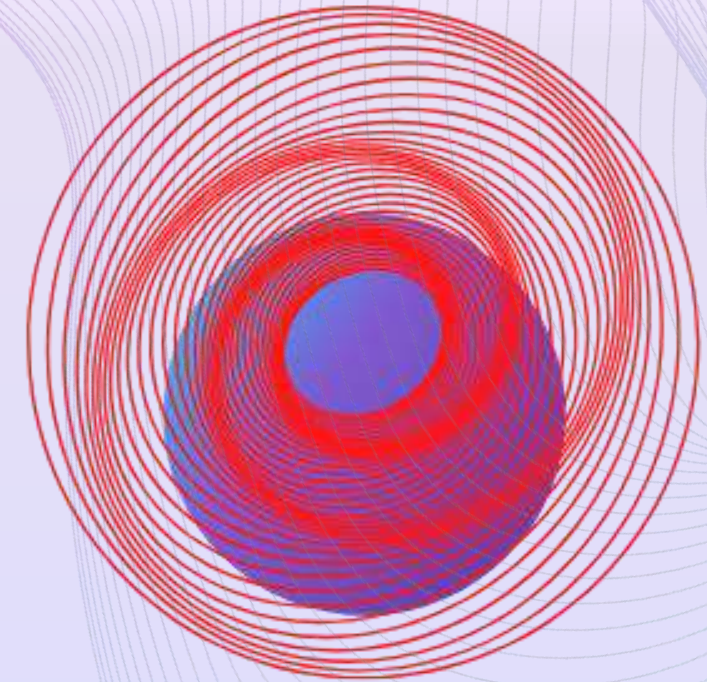
CHAPTER 7

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CHAPTER 7

Networking and Support



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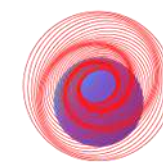
NETWORKING AND SUPPORT

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Adapted from: Vector4Stock https://www.freepik.com/free-vector/support-typographic-header-idea-web-page-diagnostic-service-providing-web-site-with-updated-technical-information-flat-vector-illustration_28695263.htm#query=NETWORKING%20AND%20SUPPORT&position=4&from_view=search&track=sph



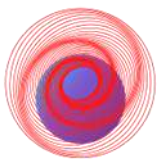
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1.Introduction



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Introduction

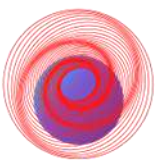


Adapted from: Macrovector - Freepik.com - https://www.freepik.com/free-vector/small-business-owner-family-business-isometric-flowchart-with-vegetable-shop-bakery-barbershop-flowers-pottery-nail-salon-descriptions-vector-illustration_26761555.htm#query=small%20business&position=37&from_view=search&track=sph

Small and medium-sized enterprises (SMEs) are the backbone of the European economy with strong contributions to employment, growth of economy, innovation and entrepreneurship.

They employ more than two thirds of the EU labour force, contribute to more than half of EU value added and have played an important role in the recovery since the financial and economic crisis.

They therefore deserve dedicated support and attention in an attempt to thrive and continue contributing to the developing Europe^{1,2}.



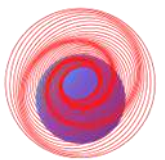
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recovering from COVID-19 pandemic

Introduction



Adapted from: European Commission-Unleashing the full potential of European SMEs :https://ec.europa.eu/info/files/commission-communication-sme-strategy-sustainable-and-digital-europe_en



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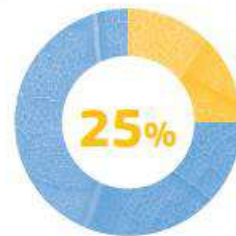
Introduction

EU Support to SMEs

The EU will support SMEs in 3 key areas:



The sustainable and digital transitions



of EU SMEs
work on green
products or
services

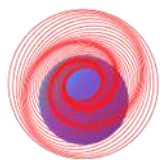


of SMEs have successfully
integrated digital
technologies, compared to
54% of large companies

Based on the new SME Strategy:

- ▶ **Sustainability Advisors** will be appointed within the existing Enterprise Europe Network to help SMEs with environmental and social challenges and improve access to skills.
- ▶ Up to 240 **Digital Innovation Hubs** will advise SMEs on how to integrate digital innovations into their products, business models and processes.
- ▶ The new European Innovation Council (EIC) will make available €300 million as of next year to encourage **breakthrough innovations** delivering Green Deal objectives.

Adapted from: European Commission-Unleashing the full potential of European SMEs
: https://ec.europa.eu/info/files/commission-communication-sme-strategy-sustainable-and-digital-europe_en



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Introduction

EU Support to SMEs

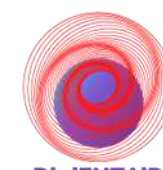


Doing business freely in the Single Market and beyond, notably by cutting red tape

SMEs need improved access to markets. The SME strategy will reduce barriers within the Single Market and open up access to finance to cover the investment needed for the ecological and digital transition.

Challenges	Actions
 While 80% of exporting SMEs sell their products and services on the Single Market, certain sectors like services face more obstacles. And only 600,000 SMEs export goods outside of the EU	 Partnerships among border regions to encourage them to jointly improve, align or coordinate the rules and procedures on cross-border provision of services, for example, on posting of workers and using digital tools. And an extended Erasmus for Young Entrepreneurs Global Scheme to support internationalisation
 Only 40% of businesses in the EU are paid on time. This is the cause of 1/4 of SME bankruptcies	 Support Member States in implementing the Late Payment Directive, by setting up monitoring and enforcement tools
 78% of SMEs cite complex administrative procedures as the biggest obstacle to operating in the Single Market	 Develop an EU Start-up Nations Standard with Member States to accelerate growth of high tech SMEs and start-ups in the Single Market

Adapted from: European Commission-Unleashing the full potential of European SMEs
[:https://ec.europa.eu/info/files/commission-communication-sme-strategy-sustainable-and-digital-europe_en](https://ec.europa.eu/info/files/commission-communication-sme-strategy-sustainable-and-digital-europe_en)



Introduction

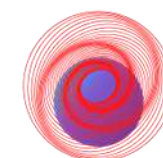
EU Support to SMEs



Better access to finance

Hurdles to accessing finance	Actions
Only 10% of European SMEs' external financing is from capital markets	Creating an SME Initial Public Offering (IPO) Fund with investments channelled through a new private-public fund set up under the InvestEU programme and launching a gender-smart finance initiative to stimulate funding for female-led companies and funds
Only 11% of businesses in Europe consider equity as a viable financing option while only 1% have used it Venture capital investments in Europe are many times smaller than in the US, with three times fewer scale-ups	Create the ESCALAR initiative, a mechanism to boost the size of venture capital funds and attract more private investment, to help high-potential enterprises to grow

Adapted from: European Commission-Unleashing the full potential of European SMEs :https://ec.europa.eu/info/files/commission-communication-sme-strategy-sustainable-and-digital-europe_en



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2. Support Policies and Events for SMEs in EU



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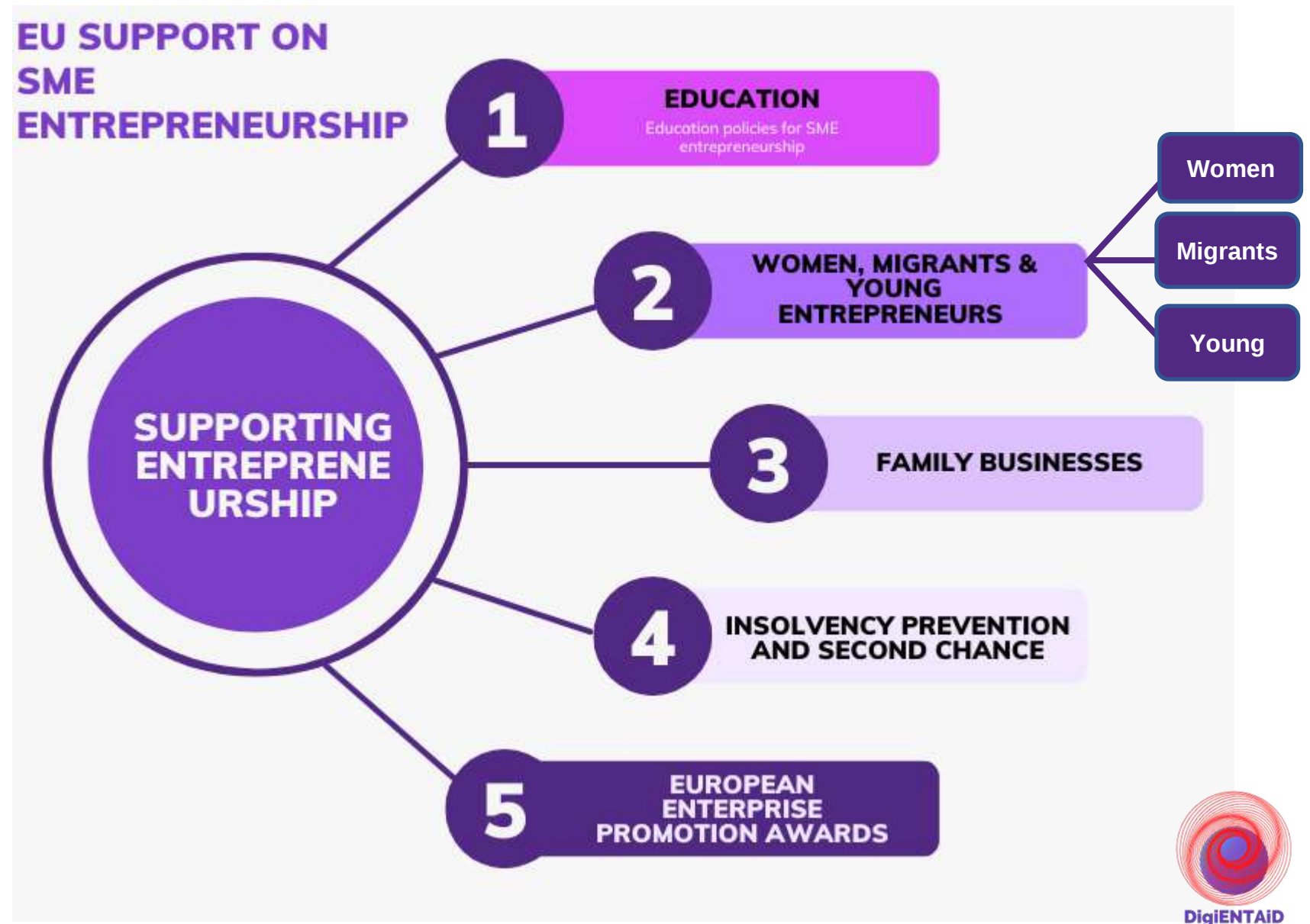
Support Policies and Events for SMEs in EU

EU has established a lot of different policies and events for SMEs.

The support bodies are related to either **strategy**, **networking**, **entrepreneurship** and **education** and are available for all the SMEs across Europe ^{1,2,3}.



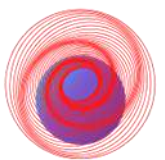
*Support Policies and Events
for
SMEs in
EU- ENTREPRENEURSHIP*



3. Support Bodies for SMEs in EU



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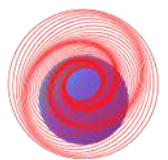
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Support Bodies for SMEs in EU

EU has established a lot of different support bodies for SMEs.

Each one of them provides different type of support to SMEs in an attempt to form resilient, green, sustainable and solid companies^{1,2,3,4,5}.



*Support Bodies for
SMEs in EU-
Enterprise Europe Network*

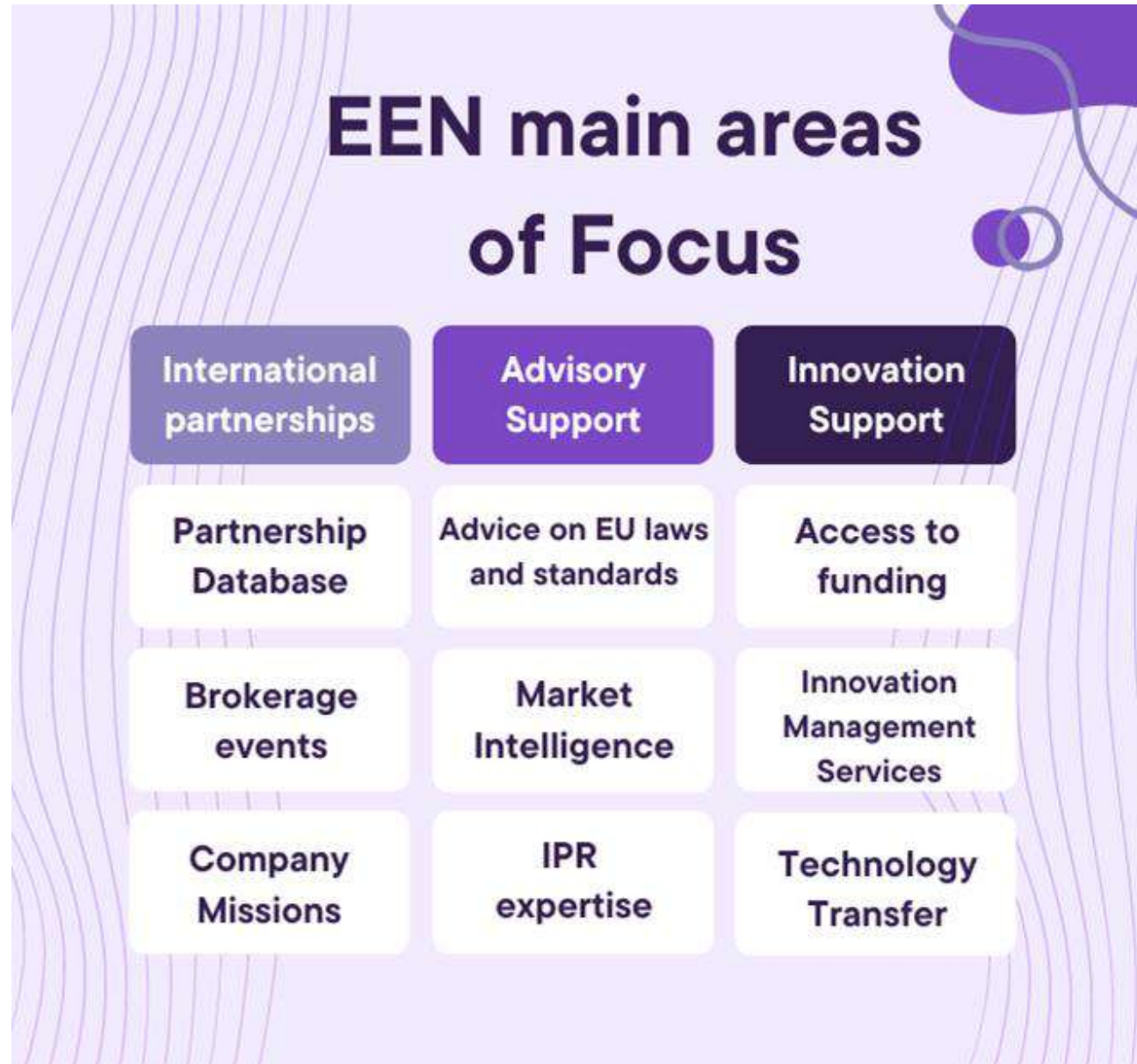


The **Enterprise Europe Network** is the world's largest support network SMEs and helps European companies to make the most of business and technology opportunities in the EU and other major global markets. <https://een.ec.europa.eu/>⁶.

- Active in 56 countries
- Managed by more than 600 host structures, representative of business support organisations, financial institutions, regional agencies
- Composed by more than 3,000 professionals



*Support Bodies for
SMEs in EU-
Enterprise Europe Network*



Support Bodies for SMEs in EU-COSME

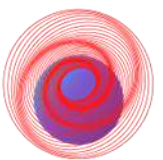


COSME aims to support SMEs in the following areas:

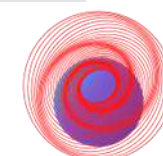
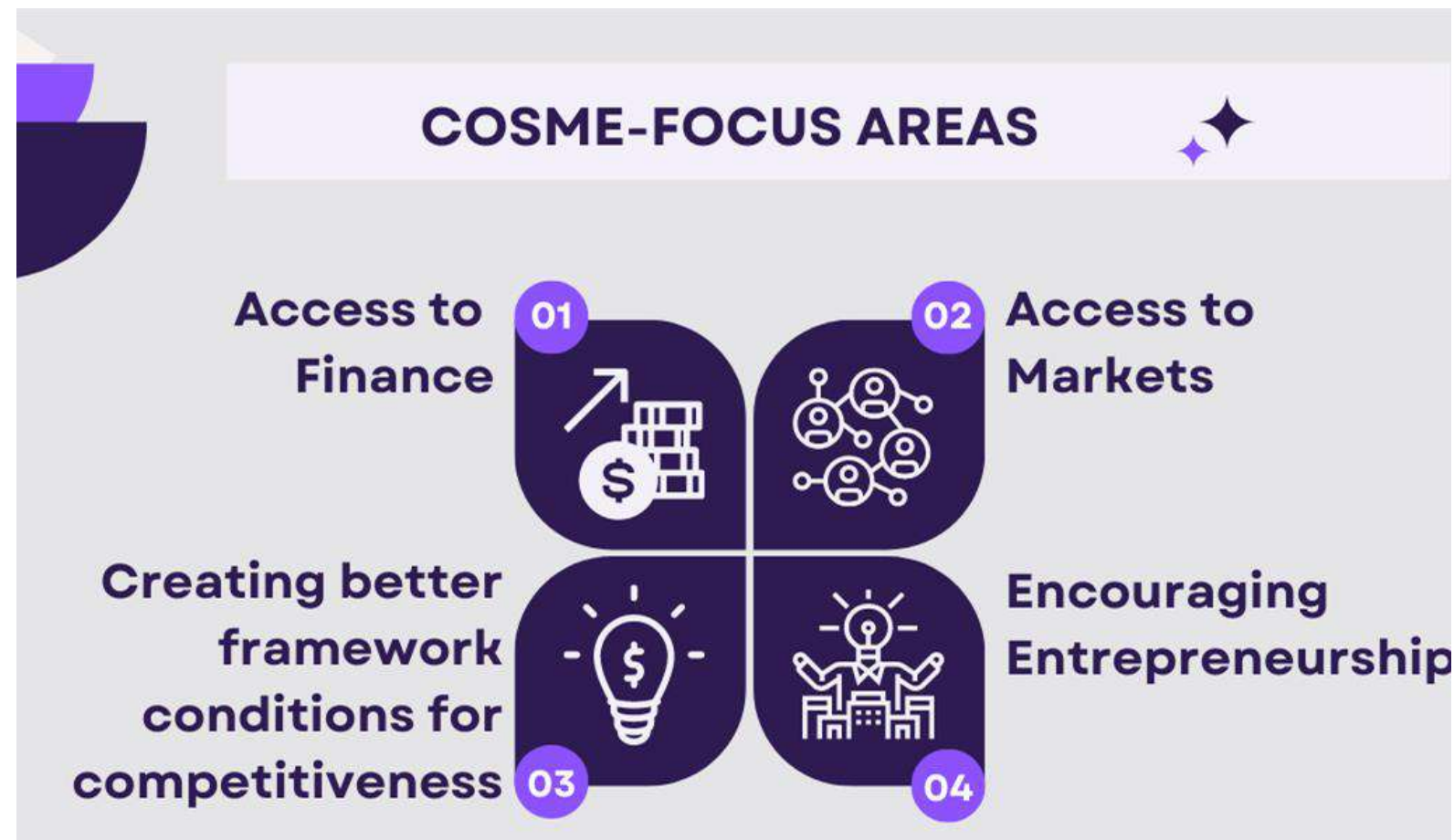
- Facilitating access to finance
- Supporting internationalisation and access to markets
- Creating an environment favourable to competitiveness
- Encouraging an entrepreneurial culture

COSME is a programme implementing the Small Business Act (SBA) which reflects the Commission's political will to recognise the central role of SMEs in the EU economy ⁴.

https://single-market-economy.ec.europa.eu/smes/cosme_en



Support Bodies for SMEs in EU-COSME



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*Support Bodies for
SMEs in EU-
Enterprise Europe Network*



Eurochambres represents over 20 million businesses in Europe through 45 members (43 national associations of chambers of commerce and industry and two transnational chamber organisations) and a European network of 1700 regional and local chambers ⁷.



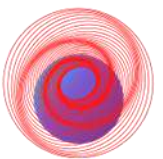
*Support Bodies for
SMEs in EU-
Enterprise Europe Network*



SME2B fosters a continuous match-making process by organising online and offline meeting for business opportunities in Europe among entrepreneurs of different countries.⁹

What can you do on SME2B?

- **Present services and products in an interactive marketplace.**
- **Search, filter and find a business partner fast and easily.**
- **Meet potential business partners directly through virtual meeting spaces⁹.**



Support Bodies for SMEs in EU- European Digital Innovation HUBs

European Digital Innovation HUBs (EDIHs) are operating at local and European level. The EDIHs were created so that digital expertise transfer will be facilitated according to the “Digital Europe” Programme. EDIHs will aid enterprises during their digitalization process so that they become more competitive⁸.



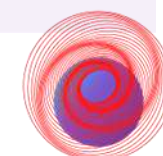
4. Financial Support of EU for SMEs



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Funding Opportunities for SMEs in EU

Funding for European SMEs comes from EU funding bodies, or through Private Funding sources.



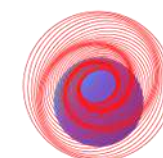
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Funding Opportunities for SMEs in EU

The Multiannual Financial Framework (MFF) for the programming period 2021 – 2027 includes (in current prices) a total of €2.18 trillion (1210.9 Long Term Budget and 806.9 Next Generation EU) ¹⁰.

No	Program name	Budget in billions €
1	SINGLE MARKET, INNOVATION AND DIGITAL	149,512
2	COHESION, RESILIENCE AND VALUES	426,694
3	NATURAL RESOURCES AND ENVIRONMENT	400,996
4	MIGRATION AND BORDER MANAGEMENT	25,699
5	SECURITY AND DEFENCE	14,922
6	NEIGHBORHOOD AND THE WORLD	110,597
7	EUROPEAN PUBLIC ADMINISTRATION	82,474



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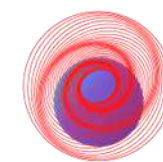
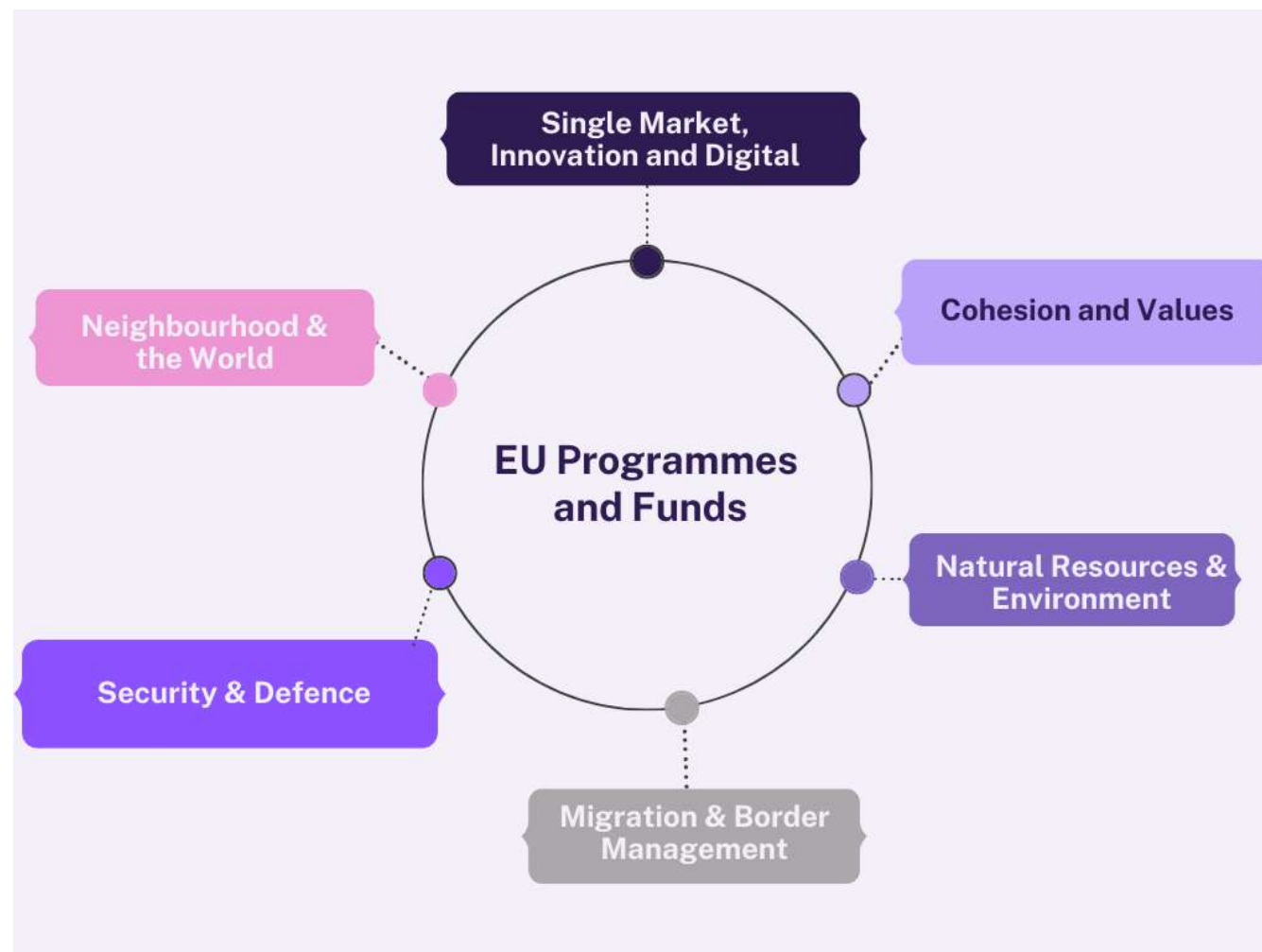
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Funding Opportunities for SMEs in EU- Funding Bodies/Tools

Different Funding tools and bodies are available in the EU for SMEs ^{11, 12,13,14,15}.

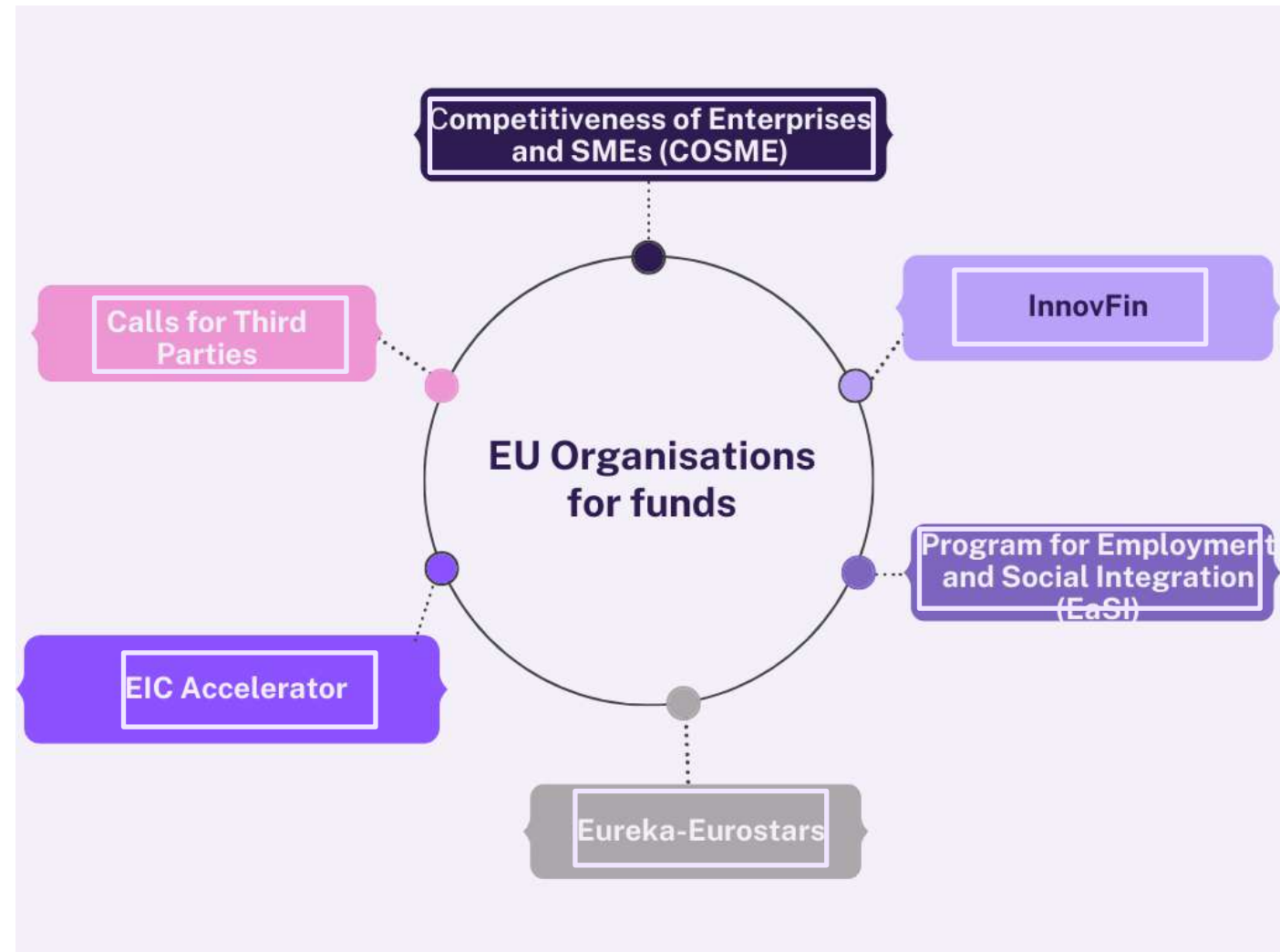
National Strategic Reference Framework that is funded by **European Regional Development Fund (ERDF)**, provides in each EU country, funding for SMEs through Operational or Sectoral Programmes ^{11, 12,13,14,15}.

SMEs, depending on their areas of interest may be eligible to apply to specific funded programmes in the EU ^{11, 12,13,14,15}.



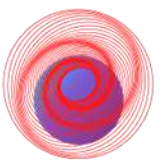
Funding Opportunities for SMEs in EU- Funding Bodies/Tools

Different Funding organisations are available in the EU for SMEs ^{11, 12,13,14,15}.



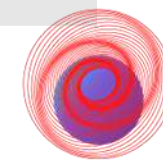
*Funding Opportunities for
SMEs in EU-
Funding Bodies/Tools*

Different Funding organisations are available in the EU for SMEs ^{11, 12,13,14,15}.



*Funding Opportunities for
SMEs in EU-
Funding Bodies/Tools*

Programme Name with Link	Application for:	Website
<u>Loans for the private sector</u>	Corporates, Midcaps	https://www.eib.org/en/products/loans/private-sector.htm
<u>Intermediated loans for SMEs and Midcaps</u>	SMEs, Midcaps	https://www.eib.org/en/products/loans/sme-mid-caps.htm
<u>CEF Debt Instrument</u>	SMEs, Public and private entities	https://www.eib.org/en/products/blend/cef/index.htm
<u>InnovFin</u>	SMEs through financial intermediaries	https://www.eib.org/en/products/blend/innovfin/index.htm
<u>Global Innovation Fund</u>	SMEs, NGOs, Others	https://www.globalinnovation.fund/
<u>Seedrs</u>	SMEs, Others	https://www.seedrs.com/



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Funding Opportunities for SMEs in EU-Private Sector-Funding Bodies

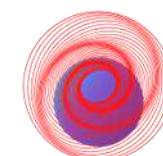


Adapted from: Vectorjuice - Freepik.com:
https://www.freepik.com/free-vector/angel-investor-abstract-concept_12084840.htm

A business angel is a private individual, who directly invests part of their assets in new and growing private businesses. Besides capital, angel investors usually provide business management experience, skills and contacts for the entrepreneur. They are increasingly important as providers of risk capital and contributors to economic growth and technological advances¹⁶.

For more info on available funds from Business angels:

- https://single-market-economy.ec.europa.eu/access-finance/policy-areas/business-angels_en
- <https://www.businessangelseurope.com/>



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Funding Opportunities for SMEs in EU-Private Funding



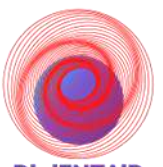
An investment fund is a way of investing money alongside other investors in order to benefit from the inherent advantages of working as part of a group such as reducing the risks of the investment by a significant percentage¹⁷.

Depending on how much capital a company needs, using personal funds might be the best option. Personal Funds - Self funding your business means providing the initial funds to start your business through your own personal means.

The most common funding for small businesses comes from the founders'/owners' personal savings.

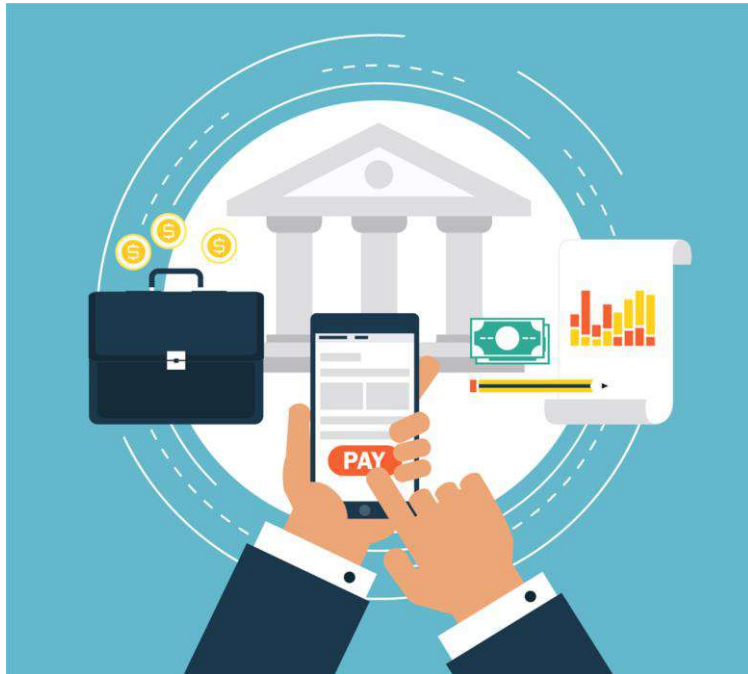
Self funding allows the owners/founders of a business to retain equity in the business without saddling the business with ongoing debt payments during its early stages¹⁷.

Adapted from:Upklyak - Freepik.com:
https://www.freepik.com/free-photo/3d-illustration-wallet-with-coins-credit-cards_34613015.htm



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Funding Opportunities for SMEs in EU-Funding Banks



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If you want to retain complete control of your business, but don't have enough funds to start, consider a small business loan.

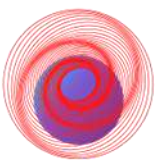
To increase your chances of securing a loan:

- have a business plan
- expense sheet
- financial projections for the next five years.

These tools will give you an idea of how much you'll need to ask for, and will help the bank know they're making a smart choice by giving you a loan¹¹.

EU provides specific loans for SMEs:

https://single-market-economy.ec.europa.eu/access-finance/policy-areas/eu-supported-loans-guarantees-and-equity-investments_en



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13. Invest EU Funding: https://single-market-economy.ec.europa.eu/access-finance/investeu_en
14. Funding Opportunities for small businesses: https://ec.europa.eu/info/funding-tenders/how-apply/eligibility-who-can-get-funding/funding-opportunities-small-businesses_en
15. EU Funding Bodies: https://ec.europa.eu/info/funding-tenders/find-funding/eu-funding-programmes_en#heading-6-neighbourhood-amp-the-world
16. Business Angels Europe: <https://www.businessangelseurope.com/>
17. Online Banking - HSBC Continental Europe: <https://ec.europa.eu> <https://www.hsbc.gr>



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