



# MED MSMEs

Policies for inclusive growth

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*Support to an Enabling Business Environment  
for MSMEs Development & Financial Inclusion*

*“Leveraging digitalization for SME Export development”*

**Roundtable - July 28<sup>th</sup>, 2021**

**10:00 – 12:30 CET on Zoom**

## 1. Context

Based on the results of the study on policies and instruments supporting SME exports, implemented by the MED MSMEs Programme in the EU Southern Neighborhood region<sup>1</sup>, among the obstacles encountered by SMEs in accessing foreign markets there are:

- SMEs' difficulties in accessing information on international markets
- Lack of adequate SME export support services
- Poor information on SME export supporting tools

Considering the recent developments of the digitalisation in the area of international trade and value chains, the MED MSMEs Programme has set up an action to address the above issues through the use of digital tools.

Indeed, digitalisation and the rise of the platform economy are rapidly changing the way companies do business. This trend is reflected in the EU's new Industrial Strategy, the SME Strategy for a Sustainable and Digital Europe as well as in several digital strategies in the South Mediterranean region.

This megatrend has only become more pronounced with the COVID-19 pandemic, which has led to a rapid increase in the digitalisation of procedures, service provision and the way of doing business. This trend concerns e-commerce, which now enables SMEs, even from remote locations, to find buyers via B2B or B2C platforms and thus to export or integrate global value chains. Nevertheless, it also concerns the way in which conventional trade is facilitated by digital access to services and the digitization of business procedures, which generally reduce the time and cost of acquiring information and carrying out the necessary procedures. This reduction in cost and time is particularly important for SMEs that do not have the resources to manage the associated processes, from the identification of buyers to paper-based customs procedures and the necessary travel involved. On the other hand, there is a risk that SMEs that are not digitally ready and that exist in an ecosystem that is not capable of supporting their businesses will be further marginalised. This is why it is important to put in place policies, regulations and support instruments that are aligned with international good practice and that help SMEs to benefit from digitalisation rather than being left behind.

In the current COVID-19 crisis, adapting to digital means and exploiting new opportunities are essential for the survival of SMEs. In the post-Covid-19 environment too, there will be no alternative to going digital. Around the world, the pandemic has seen people increasingly turning to e-commerce platforms for services or to order goods as well as for service delivery to companies increasingly being handled through digital platforms, including export development and promotion services (market information, trade information, e-B2B meetings etc.).

However, this requires also an update of the regulatory as well as the business environment. A recent UNCTAD survey of digital entrepreneurs and e-commerce platforms highlighted several major obstacles that developing countries faced during the COVID-19 crisis.<sup>2</sup> In addition to the general disruptions in supply chains and trade logistics, respondents expressed the need to improve e-commerce policies in response to the pandemic and challenges regarding the availability and reliability of electronic payment solutions. The same holds true for digital services for exporting companies.

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<sup>1</sup> Egypt, Morocco, Tunisia, Jordan, Palestine and Lebanon.

<sup>2</sup> UNCTAD (2020) : COVID-19 and E-Commerce. Impact on business and policy responses, Geneva.

A regional perspective on the digitalisation of trade and export support mechanisms can offer the advantage of mutual learning and inspiration, but in the case of digitalisation, it goes even further. The regional perspective is in fact imperative because coherence in policy making on digital trade, as called for by, for example, UNCTAD is not only essential in general, but also essential to encourage intra-regional trade. Where regulations are contradictory and mutually accepted payment systems are lacking, commercial exchange within the region is hampered. The analysis of digital ecosystems for exporting SMEs can therefore benefit enormously from a regional perspective. Moreover, the regional perspective is a crucial complement to the many national initiatives currently active in the field of digitalisation.

## **2. A round table on the digitalisation of the SME export ecosystem**

The MED MSME Programme is organising this roundtable focusing on enabling SME export ecosystem through digital transformation of government agencies and export enablers, policies and tools.

The round table's objective is to exchange experiences and good practices in digitalisation for SME export development and to raise awareness among policymakers and relevant stakeholders. Its purpose is furthermore to kickstart the following analysis of the level of development of these services in the South-MED targeted countries (Egypt, Morocco, Tunisia, Jordan and Lebanon) that will identify pilot actions in each country to be supported by the programme in the coming months.

The target group of the intervention consists of institutions and organisations of the SME ecosystem with the mandate to support SME exports and GVC integration, both from the public and private sector:

- Ministries of Trade, Commerce, ITC, Digital Economy, Transport
- Export agencies, MSME development agencies, investment agencies, digital agencies
- Business and sector associations
- Incubators, accelerators and other MSME support initiatives, including trade finance institutions.

The ultimate beneficiaries being MSMEs in the EU Southern Neighbourhood countries exporting or looking to export and to integrate global and regional value chains.

The expected results from this round table are the following:

- The target group (5-10 managers from the above organisations in the beneficiary countries) is made aware of the policies and best practices of digital platforms for business internationalisation services.
- The national dialogue on the strengthening of policies and digital services to support SME export is supported.
- The support aimed at strengthening the skills, organisation and/or the regulatory framework of the SME export digital ecosystem is formulated and provided by the MED MSME programme.

The roundtable is designed to be participative with an interactive conversation. Participants will be invited to share experiences and best practices, challenge ideas shared in the main stage and issue recommendations during two interactive sessions.

In a first overview presentation, the following three dimensions of the SME Export ecosystem will be presented with case studies of SME Export digital platforms from Europe and the world:

1. Governance (SME export strategy, coordination among stakeholders and supporting instruments, assessment of export supporting instruments and programmes, ....)
2. Business environment (simplification of international trade procedures, access to information, ...)
3. Support services for exporting SMEs (B2B and B2C, quality standards, market research, digital marketing, trade finance, ....)

A second presentation will allow the participants to explore in depth the theme of “Support Services to exporting SMEs”. This area will be also the focus of the country- assessment/ questionnaire that will follow the round table. In comparison to “governance” and “business climate”, this theme allows immediate and practical action in manageable timeframes for this pilot.

### 3. Agenda

#### ***“Leveraging digitalisation for SME export development”***

**Roundtable - July 28<sup>th</sup>**

**10:00 – 12:30 CET**

10:00- 10:10	Welcome and introductory notes	Eloise Roos, Project Assistant European Commission - DG NEAR  Michel Marciano, Senior Blending Officer European Commission - DG NEAR  Christophe Malherbe, Team Leader - MED MSMEs Programme  Paolo Castrataro, Key Expert - MED MSMEs Programme
10:10 - 10:40	Leveraging digitalisation to capture new opportunities to develop SME Exports – Overview presentation and case studies (Governance, Business Climate, Services to SMEs)	Amel Saidane Project team leader
10:40 – 11:10	Discussion with and feedback from participants	All
11:10 – 11:30	Deep Dive presentation – Services to SMEs	Amel Saidane Project team leader
11:30 - 11:40	Expert insights: Skills development in SME digitalisation	Sara Baiocco Policy analyst at Joint Research Centre, European Commission

11:40 - 11:50	Expert insights: platforms going international	Zackary Kilhoffer Researcher at CEPS (Centre for European Policy Studies)
11:50 - 12:20	Discussion with and feedback from participants	All
12:20 - 12:30	The way forward / Closing remarks	Paolo Castrataro, Key Expert - MED MSMEs Programme