

A decorative graphic on the left side of the slide consists of a light blue circle with a thin teal border. Inside the circle, a large blue left-facing bracket is positioned to the left of the main text. To the right of the main text, a large red right-facing bracket is positioned. The main text is centered between these two brackets and is contained within a light blue horizontal bar.

Initiative on **European-Russian Business and Technology Centre** (EU-RU BTC) creation.

Support to internationalisation of EU and Russian SMEs

Oleg Luksha,

Russian Technology Transfer Network

Subgroup on SMEs and Enterprise Policy meeting

Moscow, 4 March 2010

SME internationalisation. Importance/barriers

- Internationalisation is an engine for SME competitiveness
- Internationalised companies - better capacity to innovate and grow.
- The benefits of internationalisation do not refer exclusively to exports. Other forms of internationalisation such as **foreign direct investment** (relocation or outsourcing), **technology transfers**, **participation in international value chains**, and other forms of SME co-operation are important

BUT

Internationalization barriers impact more on SMEs than on larger companies because

- Limited resources
- Lower capacity to absorb risks, especially when operating in intensely competitive markets

“Small Business Act” for Europe 2008

*The EU and Member States should support and encourage **SMEs** to benefit from the growth of markets outside the EU, in particular through market-specific support and business training activities.*

principle X

- To be able to access these markets, **SMEs need assistance** in
 - **getting information on potential partners** and openings in their markets.
 - help to **overcome cultural barriers** to business and differences in legal environments.

- ***To translate this principle into practice European Commission will:***
 - continue to facilitate EU SMEs' access to the markets of candidate and other neighborhood countries, in particular through the ***Enterprise Europe Network***
 - establish ***European Business Centres*** in 2009 in selected markets, starting with the fast-growing economies of India and China

Case study – Importance of support infrastructure.

Pilot action in the framework of FP7 ICT SA(support action) project ISTOK-SOYUZ

The general objective of the **internal call for proposals** was to select at least 15 teams with strongest ICT R&D collaboration potential from Russia and four targeted EECA countries, and to provide them with personalized hands-on support in order to increase number of **ICT partnerships under FP7**.

- **Wide information campaign** (including direct mailing to more than 1000 records from EU-RU competence platform) and consultancy support to interested to prepare the proposal
- **Selection of the teams** on the criteria of the ICT FP7 competencies and readiness for international cooperation for the further support
- **Consultancy support – including EU partners search from the joint EU-RU consulting team**

Results

- **29 EECA teams selected and supported** by EU-RU consulting team
- **17 Proposals submitted** for 4 and 5 ICT Calls (incl 6 SMEs)

Case study. New EU Internationalisation support body model of for entering emerging markets - EBTC

- **EU Business Technology Centre** - more than traditional export promotion agencies
- The pilot project – EBTC in India - to provide **support to European companies and science and technology entities**. The EBTC will:
 - ✓ **Help European companies and researchers** to access the market
 - ✓ Promote and support **European clean technologies (Specific sector activities: biotech, energy, environment and transport)**
 - ✓ **Increase the understanding** among EU SMEs and S&T entities of all opportunities offered by India
 - ✓ **Create synergies** and active links with other European stakeholders based in the country and help enhance EU-Indian policy dialogue and business cooperation
 - **Project activities from January 2009**
 - **Total budget: 8, 2 mln Euro grant contract (co-financing 80%)**
 - **Duration: 5 years**
 - **Target groups: European companies and research entities interested in entering the Indian market**
 - **EUROCHAMBRES - project leader**
 - **Consortium of 16 business and research organisations + Network partners**

The concept of **European-Russian Business and Technology Centre (EU-RU BTC)**

Help European companies and researchers to access the Russian market

Help Russian companies and researchers to access the EU market

*Promote and **support European technologies in Russia**, taking into account Russian priorities on modernisation*

- **two - way model** - EBTC in Russia and Russian Business and Technology Centre in Europe or one centre with mixed EU-Russia personnel
- **sectoral approach** – the Russian priorities for technological modernization, other EU-RU identified collaboration priorities:
 - **energy efficiency** and conservation, including the development of new fuels,
 - **nuclear** technology,
 - **space** technology, primarily related to telecommunications,
 - **medical** technology, especially diagnostic equipment and drugs,
 - strategic **information technology**, including the creation of supercomputers and software development.
- **coordination/links** with EU-RU bodies-projects-networks (EEN-Russia, ...).

EU-RU BTC services/activities

- Promoting **the transfer of technologies** (on both sides agreed priorities)
- Identifying and **facilitating relationships** with businesses, research partners, suppliers and customers
- Responding to **individual information requests** from European and Russian companies with particular regard to market access issues
- **Exchange of information** between European industry associations and Russian associations on sector regulations and opportunities
- **Networking** through the organization of events (brokerage and others) and development of **comprehensive database** linking together private sector actors and well research institutions and centres in the EU and Russia
- **Regular dialogues and consultations** with wide range of Russian and EU partners (companies, industry associations, researches institutions etc) to ensure the effective link to EU - Russian policy dialogues
- Providing information on sources of finance. **Facilitating the participation of EU researches** in Russian funded programmes and vice versa
- **Facilitating trade fair** and conference participations
- **Project development support**
- **Assistance in** dealing with the legal, regulatory and bureaucratic procedures in both regions (EU and Russia)
- **Signposting** to the relevant services providers



Thank you for the attention!

Oleg Luksha o.luksha@rttn.ru, Skype o_luksha