


Going global remains a challenge for Slovak SMEs

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There have been many discussions, committees established and steps undertaken in support of Slovak SMEs' internationalization in recent years. However, the exports of SMEs in 2014 only represented 29% of the total exports of Slovak companies. Moreover, only 5% of SMEs undertake exports in Slovakia (compared to 64% of large companies). Over 89% of Slovak SMEs' exports were intra-EU (compared to 81% for large companies). Over 10% of SMEs' exports were outside the EU (compared to 19% for large companies).

more visible and increase their business potential in competitive international markets.

In addition, since 2008 the SBA has been a part of the Enterprise Europe Network (EEN), the biggest network assisting SMEs to make the most of the EU marketplace. Working through local business organizations such as the Slovak Business Agency, the EEN can assist with: developing a company's business in new markets, finding potential business and technology partners in the EU and outside the EU, sourcing or licensing new technologies, and accessing EU finance and EU funding.

Last but not least, in 2016 the SBA will launch The Better Regulation Center that will analyze the regulatory burden on SMEs when doing business and propose regulatory framework revisions relating to issues associated with going global.

According to European Commission data for 2015, Slovakia lags behind the EU average by a large margin as regards the principles of the Small Business Act (SBA) – internationalization (benefit from the growth of markets outside the EU) were it ranked in last place of EU countries. As regards the single market principle (greater benefit from the opportunities offered by the Single Market), Slovakia achieved better results, but these were still below the EU average.

Agency (SBA) include a range of supporting measures. These will be undertaken as part of the SBA National Business Center concept. This will be introduced initially in the Bratislava region from 2016, and subsequently in all Slovak regions. The SBA's support will be combined for 2014-2020 with measures executed by SARIO.

underpinning this service is to enable SMEs to directly promote their products and services to potential customers and contractors. The SBA will cover costs such as attendance fee, accommodation costs, travel expenditures, exhibition space costs, etc.

- Finally, SMEs will be able to take advantage of online marketing and promotion services when entering a new foreign market. The idea is to allow SMEs to become

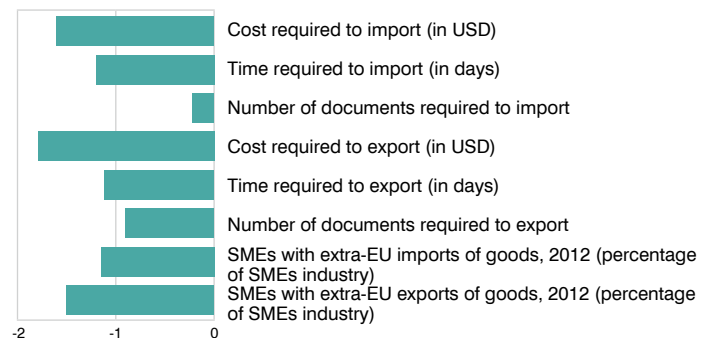
The SBA will provide several key services that it has identified that SMEs will benefit from when going global:

- Seminars and workshops on various internationalization topics to strengthen SMEs' export readiness and export capabilities.
- Short- and long-term consulting services - highly experienced consultants to provide SMEs with the techniques and skills to achieve success in international markets. The consultants will also guide SMEs when preparing their export strategies, market research of foreign markets or feasibility studies.
- Opportunity to attend events abroad such as tradeshows or fairs as required. The idea

What are the conclusions? For example, the costs of going global are amongst the highest in the EU (1,525 USD as regards exports). The time required to export was 16 days, five days longer than the EU average. More than four documents are needed in the EU for SMEs to export, whereas five documents are required in Slovakia.

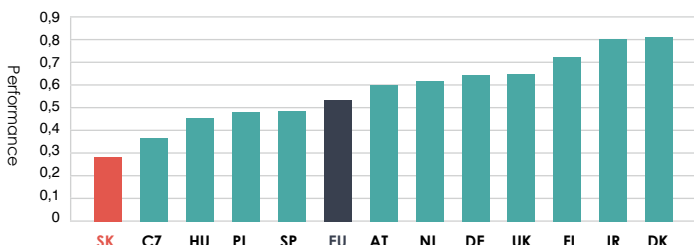
That's why for the new 2014-2020 programming period the issue of going global (EU and non-EU markets) for Slovak SMEs was one of the topics included in the Operational Program Research and Innovation. The actions to be taken by the Slovak Business

Performance of Slovakia: Indicators of SBA Principle of Internationalization (Variation from the EU Average)



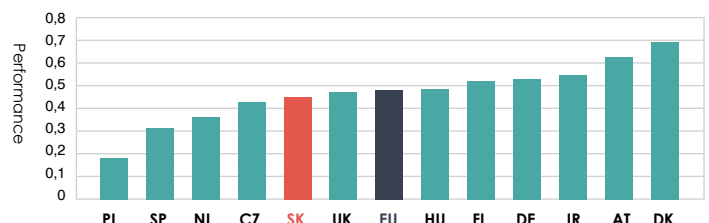
Source: SBA, according to the European Commission data

Internationalisation



Note: Performance = effectiveness of the implementation of policy measures regarding the principles of the Small Business Act for Europe (SBA)

Single Market



Source: SBA, according to European Commission data.