

# FINANCIAL LITERACY AND SUPPORT AS KEY DRIVERS FOR START UPS

JEAN-LOUIS LELOIR

SPECIAL ADVISOR TO THE BOARD OF AECM

INSME

WEBINAR NOVEMBER 27TH 2019



**aecm**

EUROPEAN ASSOCIATION OF GUARANTEE INSTITUTIONS

# INTRODUCTION

- **RUNNING A BUSINESS MEANS USING COMPLEMENTARY RESOURCES: KNOWLEDGE (SKILLS), CAPITAL ( TO LEVERAGE BORROWING) AND NETWORKS (BUSINESS OPPORTUNITIES)**
- **THE RIGHT GATHERING OF ADEQUATE RESOURCES IS FUNDAMENTAL FOR STARTING, AS IT SETS (OR DOES NOT SET) THE ESSENTIAL BASIS OF THE ENTERPRISE**
- **BUT IT IS ALSO A CONSTANT NEED FOR GROWTH, IMPOSING CONTINUOUS ADAPTATION EFFORTS AS TIME GOES ON**
- **DUE TO THE WELL KNOWN WEAKNESSES THAT CAN AFFECT SMES, PUBLIC AUTHORITIES HAVE CREATED DIVERSE FORMS OF SUPPORT FOR EACH OF THESE RESOURCES S IN MOST COUNTRIES**
- **HERE IS A SHORT OVERVIEW OF SUCH SUPPORTS PROPOSED TO ENTREPRENEURS, BASED ON PERSONAL EXPERIENCE AND FROM AECM (EU LEVEL) AND OECD**
- **WITH A LITTLE BIT OF PERSPECTIVE**

## FROM THE FINANCIAL PRIORITY TO WIDER ASPECTS

**ACCESS TO FINANCE BEING THE MAIN DIFFICULTY FOR START UPS, OBTAINED OBVIOUSLY THE MOST DEVELOPPED SUPPORT**

- **LOAN GUARANTEE SCHEMES HAVE SEEN THEIR ROLE INCREASE OVER THE LAST DECADE, WITH SPECIFIC LINES DEDICATED TO START UPS,**
- **AND OTHERS FOR GROWTH SUPPORT**
- **DEVELOPMENT OF SMES IS CONSIDERED IN SPECIFIC ASPECTS : EXPORT, ACCESS TO INNOVATION, EXTERNAL GROWTH , PRODUCTIVITY INCREASE AND DIGITALIZATION**
- **DEDICATED SUPPORT PROGRAMMES OPEN ADAPTED RESOURCES FOR ALL SUCH PROJECTS,**

**AS GOOD AS THEY MAY BE, ALL SUPPORT PROGRAMMES OBSERVED A COMMON TYPE OF WEAKNESS IN A LARGE PART OF THE SUPPORTED POPULATION: UNSUFFICIENT SKILLS**

- **A RAPID EVOLUTION OF SUPPORT POLICIES IS NOW ATTENDING THIS MATTER**
- **LET US SEE HOW WELL AND FAR IT GOES**

## THE EMERGENCE OF THE CONCEPT OF „ONE STOP SHOP“ IN DEVELOPMENT INSTITUTIONS

- INITIAL STAGE WAS TO OFFER “ONE DOES IT ALL” INSTITUTIONS TO ADDRESS SMES FINANCING NEEDS
- SIMPLIFICATION, SPEED AND IMPROVEMENT OF PROJECT FINANCING WERE INITIAL OBJECTIVES
- PUTTING SEPARATE PUBLIC AGENCIES UNDER THE SAME HEAD STRUCTURE HELPS ENRICHING THE OFFER , AND INCREASE COOPERATION BETWEEN ACTORS;
- EARLY EXAMPLE: BPIFRANCE OFFER INCLUDES PROVISION OF GUARANTEES, LENDING, EQUITY INVESTMENTS (DIRECT OR INDIRECT VIA FUNDS OF FUNDS) AND ALLOCATION OF PUBLIC RESOURCES FOR INNOVATIVE PROJECTS
- FINNVERA IN FINLAND IS A VERY GOOD EXAMPLE OF INTEGRATED MEANS IN THE SAME STRUCTURE
- GERMAN GUARANTEE BANKS, ALREADY COMBINING THEIR ACTIONS WITH REGIONAL PUBLIC BANKS, DEVELOP EQUITY INVESTMENTS

## **MORE ATTENTION IS GIVEN TO SKILLS EXISTENCE IN SMES**

- **ENTREPRENEURS OFTEN APPEAR WITH ONE DOMINANT SKILL, REFLECTING THEIR CAPACITIES AND EXPERIENCE :**
- **BEYOND A MINORITY OF FORTUNATE EXCEPTIONS, MOST START UPS MASTER ONLY ONE MAJOR ASPECT OF THEIR TRADE : MANAGEMENT, COMMERCIAL, TECHNICAL**
- **ADDITIONAL CAPACITIES ARE NEEDED, BUT NEEDS CAN BE EITHER UNDER ESTIMATED, OR DIFFICULT TO SATISFY ONCE BUSINESS HAS STARTED**
- **FOR A SME, ACQUIRING NEEDED SKILLS AND GOOD UNDERSTANDING OF FINANCIAL MATTERS, IS PROBABLY THE MOST DIFFICULT ELEMENT TO OBTAIN**
- **IT REQUIRES ADEQUATE BACKGROUND, TIME, MOTIVATION, AND ADDITIONAL FINANCIAL RESOURCES, BEYOND COVERAGE OF THE USUAL INVESTMENTS AND INCEPTION COSTS**
- **AND THIS EFFORT COMPETES WITH THE NECESSARY EFFORTS TO RUN THE BUSINESS SIMULTANEOUSLY (DETRIMENTAL TO RESPECT OF BUDGETS)**
- **USUAL PROBLEM FOR START UPS, “ENTREPRENARIAL APPRENTICESHIP”;**

## THE COMPLEX „HUMAN FACTOR“ AFFECTS ALSO SME GROWTH

- **SMES, AS SMALL STRUCTURES, OFTEN ASSEMBLE SKILLS FROM VARIOUS ORIGINS AND VARIOUS PROFILES**
- **A GROUP OF COMPLEMENTARY SHAREHOLDERS CAN EXPERIENCE DIFFICULTIES FROM DIVERGING MANAGEMENT OPINIONS, AND SPLIT**
- **KEY EMPLOYEES HOLDING ESSENTIAL KNOWLEDGE MAY BE LOST DUE TO COMPETITORS, OR LEAVE TO RUN THEIR OWN BUSINESS**
- **LIFE ACCIDENTS CAN ALSO CREATE UNEXPECTED AND URGENT PROBLEMS**
- **THE AGE OF CEO OR OF SOME KEY EXECUTIVES CAN PREVENT THEIR ADAPTATION TO A FAST CHANGING CONTEXT**

## **SKILLS SHORTAGES CREATE A HIGHER HANDICAP FOR CATEGORIES OF POTENTIAL ENTREPRENEURS**

- **YOUNG EDUCATED PEOPLE CAN FACE THE CHALLENGE OF STARTING A BUSINESS, SPECIALLY IF THEY POSSESS DIGITAL SKILLS OR GRADUATE FROM BUSINESS SCHOOLS WHICH PROVIDE APPROPRIATE PREPARATION**
- **BUT SOME CATEGORIES OF THE POPULATION ARE LESS ACTIVE IN ENTREPRENEURSHIP :THEY REPRESENT A SMALLER PERCENTAGE IN THE POPULATION OF ENTREPRENEURS THAN THEIR PERCENTAGE OF THE NATIONAL WORKFORCE:**
- **THE OECD CALLS THIS “THE MISSING ENTREPRENEURS”: THE LESS EDUCATED YOUNG , THE UNEMPLOYED, THE SENIORS, THE WOMEN AND IMMIGRANTS**
- **ALL THESE CATEGORIES FAIL TO PLAY THEIR ROLE IN THE DEVELOPMENT OF SELF EMPLOYMENT, AND STILL REQUIRE SPECIFIC SUPPORT**

# PUBLIC POLICIES DEVELOPED COMBINING FACTORS FOR PROJECT PREPARATION

- BETTER INFORMATION IS A FIRST STEP:
  - SIGN-POSTING FOR SUPPORT SERVICES
  - ONLINE INFORMATION
- COHERENT AND MULTI-LEVEL APPROACHES TO ENTREPRENEURSHIP ARE NOW PUT IN PLACE
- MIXING FINANCE RESOURCES AND ADVISORY SUPPORT IS A WELL EXPERIENCED SUCCESS
- A FEW INITIAL EXAMPLES
  - THE DEVELOPMENT BANK OF CANADA :STATISTICS SHOW INCREASE OF PERFORMANCE OF 50 % FOR SME TAKING ADVISORY AS WELL AS FINANCIAL RESOURCES
  - START UPS SUPPORTED BY PEER REVIEWS AND MENTORING BY ASSOCIATIONS ( ADIE, AFACE IN FRANCE) REDUCE BY HALF THE DEFAULT RATE
  - CHAMBERS OF COMMERCE ADD TRAINING TO THEIR NETWORKING SUPPORT

# PRESENT POLICIES TEND TO INTEGRATE ALL FORMS OF SUPPORT

## AN INCREASED PRESSURE APPEARS FOR MONITORING AND EVALUATING PUBLIC POLICIES

### THIS LEADS TO RESEARCH FOR HIGHER PERFORMANCE AND OUTREACH

- DEVELOPPING SYNERGIES AND PERFORMANCE LEVEL OF SUPPORTED ENTREPRENEURSHIP LEAD TO THE LOGIC OF INTEGRATION AND OPTIMAL COOPERATION
- SUPPORT EXISTED UNTILL RECENTLY IN A MAZE OF PUBLIC BODIES, AGENCIES, CHAMBERS OF COMMERCE AND IN LOCAL, REGIONAL ASSOCIATIONS OFFERING INITIAL SCREENING OF PROJECTS, THEN MENTORING,
- DEVELOPMENT INSTITUTIONS EXPERIENCE COOPERATIONS WITH OTHER AGENCIES
- THEY AIM NOW AT INTEGRATING ADVISORY IN THEIR PACKAGE OFFER
- INTERNATIONAL DONORS SUCH AS WORLD BANK GROUP TWIN INSTRUMENTS (SKILLS AND CAPACITY BUILDING, AND ACCESS TO FINANCE)

THIS BECOMES PART OF THE STANDARD FRAME OF NATIONAL PROJECTS

## SOME EXAMPLES OF INTEGRATION AND COOPERATION

- **BELGIUM GROUP SOWALFIN MERGES 3 PUBLIC AGENCIES: THE FINANCING ARM, THE PREPARATION AND TRAINING AGENCY, AND INCUBATORS FOR INNOVATIVE START UPS**
- **ENTERPRISE IRELAND HAS A TRAINING “NETWORKS PROGRAM” (SUPPORTED 15 000 COMPANIES THROUGH 66 LEARNING GROUPS)**
- **THE MIX OF SUPPORT CAN TAKE THE FORM OF ACTIVE COOPERATION WITH THE WORLD OF FORMATION ACADEMICS AND BUSINESS SCHOOLS**
- **EXAMPLES : BPIFRANCE AND HEC IN FRANCE, CLOSE COOPERATION BETWEEN NATIONAL GUARANTEE INSTITUTIONS AND LOCAL UNIVERSITIES IN PORTUGAL AND SPAIN; AND ALSO ENTERPRISE IRELAND (COOPERATES WITH 50 INSTITUTES OF TECHNOLOGY)**

## DIFFICULTIES IN ORGANIZING POLYVALENT SUPPORT STRUCTURES

- **STRATEGIC OBJECTIVES MAY BE COMMON FOR ALL SUPPORT BODIES, BUT PRACTICAL APPROACHES DIFFER / LIKE CURVED ROADS TAKE DIFFERENT WAYS TOWARDS THE SAME GOAL**
- **HISTORY AND CULTURE OF PREVIOUSLY INDEPENDENT INSTITUTIONS REFLECTS IN ATTITUDE AND MAY LIMIT INTENSITY OF COOPERATION**
- **THEY HAVE DIFFERENT RYTHMS (SPEED OF DELIVERY, AMOUNT OF DUE DILIGENCES)**
- **DIFFERENT TIMING FOR THEIR ACTIONS (BEFORE LAUNCH OF PROJECT, DURING IMPLEMENTATION, DURING CRISIS OR DEVELOPMENT STAGES)**
- **DIFFERENT CONCERNS ( SUPPORT TO PREPARATION IS AIMING AT HELPING ALL CANDIDATES TO ENTREPRENEURSHIP; FINANCIAL DECISIONS HAVE TO BE MORE SELECTIVE)**
- **SEING THE PROBLEM ( WEAK FINANCIAL STRUCTURE AND UNSUFFICIENT KNOWLEDGE ON SUCH MATTERS) IS ONE THING.; PROVIDING ADAPTED SOLUTIONS AND DEVELOPPING RIGHT ATTITUDES IS ANOTHER**

# **POLICIES NOW COMBINE OTHER SUPPORT INSTRUMENTS CONCERNING SKILLS**

**ACCESS TO FINANCE BECOMES LINKED WITH AN OFFER OF PROVISION OF CAPACITIES , (WHICH IS SOMETIMES IMPOSED TO BENEFICIARIES THROUGH PROCESSES)**

- **DIGITALIZATION HELPS PUTTING IN LINE COMPLEMENTARY FORMS OF SUPPORT (E LEARNING, WEBINARS...)**
- **PROJECT PREPARATION IS IMPROVED: MANAGEMENT TRAINING AND FINANCIAL BASIC INFORMATION ARE PROVIDED CURRENTLY IN THE WORKFLOW OF APPLICATIONS**

**AMBITIONS FOR SME SUPPORT INSTITUTIONS ARE ENLARGED: THEY SHOULD HELP LEVERAGING SKILLS FOR SMES ON ALL ESSENTIAL ASPECTS**

- **EDUCATION AND TRAINING IN PRELIMINARY STAGES**
- **COACHING AND MENTORING**
- **IMPLEMENTATION OF KNOW HOW FOR EXPORT DEVELOPMENT, AND INNOVATION**



## **PROJECTS PREPARATION ARE MADE EASIER AND MORE ACCURATE**

- **DIGITALIZATION ALLOWS DEVELOPMENT OF ACCESSIBLE TOOLS ON WEB SITES**
- **DOCUMENTS, APPLICATIONS, BUSINESS PLAN MODELS, Q. AND A., PRACTICAL ADVICE ARE NOW AVAILABLE**  
**E- TRAINING LEVERAGES LARGE CAPACITIES FOR THE POPULATION OF ENTREPRENEURS AT .**  
**. VERY LOW COST**
- **INTEGRATE ACCUMULATED EXPERIENCE FACTORS : BETTER SCREENING**
- **A LINEAR AND STREAMLINED WORKFLOW OF FILES WITH DIGITALIZED PROCESSES ALLOWS TO LIMIT ASSYMETRY OF INFORMATION BETWEEN SME AND THE INSTITUTION, AND IMPROVE CONFIDENCE FACTOR**



# ARE FINTECH AND NEW ASPECTS IN THE WORLD OF BUSINESS OBLITERATING TRADITIONAL PROBLEMS ?

- **NEW OPPORTUNITIES, GREATER FACILITIES?**
- **WHAT TO ADAPT IN LESSONS FROM THE PAST?**

# **A FAST CHANGING ECONOMY, WHERE NEW OPPORTUNITIES ARISE AND NEW SOLUTIONS APPEAR**

- **INNOVATION, DIGITALIZATION ARE TODAY HEAD OF PRIORITIES FOR SMES AND PUBLIC POLICIES**
- **THE PRESENT CONTEXT SHOWS ACCELERATION OF CHANGES; MARKET SHARES ALTER, COMPETITION IS MUCH SWIFTER, AND BUSINESS CERTAINTIES DISAPPEAR**
- **THE « NEW ECONOMY » « E – ECONOMY » BASED ON INTERNET BASED APPLICATIONS HAS OPENED NEW OPPORTUNITIES AND LARGE POTENTIAL MARKETS:**
- **SUCCESSFUL VENTURES CREATE ATTRACTIVE EXAMPLES FOR ENTREPRENEURS, AND STIR UP MOTIVATIONS**
- **THE RAPID CHANGE IN TECHNIQUES BRINGS OPPORTUNITIES TO YOUNGER ENTREPRENEURS AND GRADUATES.**

## **FINANCIAL RESOURCES ARE ALSO IN A PROFOUND CHANGE**

- **THE NEW ECONOMY IS REFLECTED IN SOME SPECTACULAR SUCCESS STORIES**
- **FINANCIAL MARKETS CAN RAISE UNPRECEDENTED HUGE EQUITY AMOUNTS, WITH OUTSTANDING VALUE OF VENTURES COMPARED TO PERSISTING OPERATING LOSSES**
- **FAST DEVELOPMENT OF VENTURE CAPITAL**
  - **MORE ACTORS, MORE SPECIFIC CATEGORIES, (SEED, GROWTH, TRANSFER, AND BUSINESS ANGELS)**
  - **MORE RESOURCES (FUNDS OF FUNDS, SUPPORT FROM THE GUARANTEE SCHEMES, EU PROGRAMMES)**
- **ALTERNATIVE SOURCES OF FINANCE, SUCH AS CROWDFUNDING, PEER TO PEER FUNDING AND ASSET FUNDING , ARE GROWING FAST**
- **FINANCIAL RESOURCES FROM THE “REAL ECONOMY”, FROM PARTNERS IN THE VALUE CHAIN, SUCH AS CLIENTS, SUPPLIERS, BUT ALSO FROM THE LOGIC OF BLOCKCHAINS**

## **BUT....MARKET IMPERFECTIONS CAN BE OBSERVED**

**OPPORTUNITIES FOR STARTING MOST BUSINESSES STILL FACE THE USUAL PROBLEMS**

- **INNOVATION SUPPORT PROGRAMS TEND, IN SOME COUNTRIES, TO LEAVE FEWER MEANS AND ATTENTION TO PROGRAMMES FOR TRADITIONAL ACTIVITIES,**
- **BUT INNOVATIVE ENTERPRISES ARE STILL A MINORITY IN THE SME POPULATION,**
- **TRADITIONAL ACTIVITIES (NOW CONCENTRATED IN SERVICES ) ARE STILL THE ONLY WAY FOR ENTREPRENEURSHIP IN MOST CASES**
- **SLOW GLOBAL GROWTH INCREASES COMPETITION BETWEEN EXISTING COMPANIES AND REDUCES OPPORTUNITIES TO NEW UNDERTAKINGS**
- **THE WAVE OF INNOVATION WILL IMPACT MOST ENTERPRISES ON THE ASPECT OF ASSETS MODERNIZATION. THE PROPER INNOVATION PROCESS REMAINS FOR A MINORITY,**
- **CONCENTRATION OF EQUITY SUPPORT TO SMES IN RELATIVELY FEW OPERATIONS ; ALSO, REGIONAL DISTRIBUTION SHOWS UNDERSERVED AREAS -**

## FINANCIAL MATTERS CREATE A CONTRASTED VISION

- **IN SPITE OF THE VERY FAST GROWTH OF ALTERNATIVE FINANCING, BANK LOANS REMAIN BY FAR THE MAIN SOURCE OF FINANCING FOR SMALLER ENTREPRENEURS.**
- **CROWDFUNDING WORKS BETTER ON THEMATIC PROJECTS ( BASED ON “VALUES” RATHER THAN ON PROFIT MODELS)**
- **FOR EQUITY INVESTORS, SOME UNICORNS LOSE THEIR APPEAL : TURNOVER EXPECTATION LEADING TO ABSURD VALUATION, IS NOT ALWAYS THE RIGHTFUL APPROACH**
- **SOME RECENT EVENTS ARE SENDING STRONG SIGNALS TO MARKET, ABOUT THE “GOOD OLD REASONING” USING OBSERVED PROFITS FOR A VALID BUSINESS EVALUATION**

# THE PROS AND CONS OF FINTECH AND DIGITALIZATION FOR ENTREPRENEURS

- + DIGITALIZATION REDUCES COSTS OF PUBLIC ADMINISTRATION FOR COMPANIES
- + FINTECHS BRING REMARKABLE CHANGES, IN TRANSMISSION OF INFORMATION,
- + DEVELOPMENT OF SERVICE PROVIDERS NETWORKS HELPS OPTIMIZING RESOURCES COLLECTION AND BUSINESS MATCHMAKING AND OPPORTUNITIES
- + CONCERNING SME FINANCING, DECISIONS ON SMALL OPERATIONS ARE ACCELERATED
- - DIGITALIZATION, PRODUCTIVITY CONCERNS AND BASEL 3 RULES DRIVE BANKS TO USE MORE MODELIZED PROCESSES AND RATING SYSTEMS, ARTIFICIAL INTELLIGENCE
- - FINTECHS PROGRESSES ADRESS MORE CONSUMERS NEEDS AND SMALL LOANS OR MICRO FINANCE THAN SMES FINANCIAL PROBLEMS
- - DIGITAL PROCESSES LEAD TO BINARY ATTITUDE (YES/ NO), REDUCING HUMAN INTERVENTION
- - CONSEQUENTLY MORE DIFFICULTIES FOR COMPLEX PROJECTS, UNRESPECTFULL OF SELECTION RATIOS AND WITHOUT CLEAR VISIBILITY

## THE « NEW ECONOMY » AND INTANGIBLE ASSETS: A NEW DIFFICULTY FOR SMES

- **ENTREPRENEURSHIP ADDRESSES TODAY MORE AND MORE SERVICES AND PROVISION OF IMMATERIAL GOODS,**
- **FINANCING SUCH PROJECTS IS DIFFICULT FOR BANKERS, AS THE VALUATION OF INTANGIBLE / IMMATERIAL ASSETS IS DIFFICULT**
- **BOTH INVESTMENTS AND THE POSSIBLE OFFER OF ASSETS AS COLLATERAL RAISE QUESTIONS:**
- **WHAT MARKET VALUE OF SUCH ASSETS, IF PROPOSED AS GUARANTEE?**
- **CHANGES IN COMPETITION COME QUICKLY, IMITATION ABOUNDS**
- **INTELLECTUAL PROPERTY RIGHTS ? WHAT PROTECTION FOR THE OWNER AND, CONCERNING PLEDGED ASSETS, FOR THE LENDER?**

## **SKILLS LEVEL REMAIN A STRUCTURAL WEAKNESS FACTOR FOR SMES**

- **OECD STUDIES SHOW SMES HAVE LESSER PRODUCTIVITY THAN LARGE ENTERPRISES DUE TO MORE DIFFICULTIES TO ACCESS AND KEEP APPROPRIATE STAFF SKILLS**
- **INTERNATIONAL COMPETITION FROM OTHER HIGHLY INNOVATIVE COUNTRIES IS HARD, AND INCREASES INNOVATION INVESTMENT COSTS, SOMETIMES BEYOND SMES POSSIBILITIES**
- **SMES CAN ONLY PAY LESSER WAGES, AND FACE MORE STAFF INSTABILITY**
- **COMPETITION IS HARDER FOR THEM**

## **HIGH TECHNOLOGICAL NEEDS LEAD TO NEW FORMS OF WEAKNESSES**

- **DIGITALIZATION IS A “MUST”, SOMETIMES OUT OF SME REACH**
- **IT AFFECTS NOT ONLY EQUIPMENT AND PROCESSES, BUT CAPACITIES TO COMMUNICATE OR ORGANIZE COOPERATION WITH INDISPENSIBLE DATA PROVIDERS**
- **INTERNAL SKILLS ARE ESSENTIAL, BUT IN MANY CASES OUT OF REACH FOR SMALLER SMES**
- **NEED FOR MORE AND MORE AGREEMENTS WITH SERVICE PROVIDERS**
- **UNEXPECTED SKILLS SHORTAGES APPEAR (IN SOME CATEGORIES OF THE LABOR MARKET) AND INCREASING LABOR COST MAY AFFECT BADLY SMES**
- **ACCESS TO DATA, TO BIG DATA RAISES ENTRY BARRIERS IN PROFESSIONS (COST AND SKILLS)**
- **MANY PROJECTS NEED TO BE INSERTED IN BLOCK CHAIN STRUCTURES, INCREASING TECHNICAL DEMANDS BEYOND CAPACITIES FOR SMES**

# **CONCLUSION: NEW CHALLENGES APPEAR FOR DEVELOPMENT INSTITUTIONS AND SUPPORT PROVIDERS**

## **WHAT IS MISSING FOR IMPROVING THE KEY DRIVERS OF SMES, SKILLS AND FINANCING?**

- **MORE SUPPORT TARGETED DIRECTLY AT ENTREPRENEURS, AS EARLY AS POSSIBLE**
  
- **MEANS TO FACE THE GROWING CONSEQUENCES OF ENVIRONMENTAL PROTECTION POLICIES (WHICH IMPOSE MORE ADAPTATION COSTS, RED TAPE, ORGANIZATIONAL CHANGES , ALL PRONE TO REDUCE PRODUCTIVITY AND COMPETITIVENESS)**
  
- **A DEEPER COORDINATION IS NEEDED FOR CONTINUITY AND RANGE OF SKILL SUPPORT PUBLIC POLICIES**
  - **EDUCATION AND TRAINING ON ENTREPRENEURSHIP IN THE INITIAL EDUCATION SYSTEM IS NEEDED**
  - **LIFE LONG TRAINING AND RE-TRAINING SHOULD BE CONSIDERED IN SPECIFIC SME PROGRAMS**
  - **AND MORE DEVELOPMENT OF COACHING AND MENTORING BY EXPERIENCED PROFESSIONALS;**

## POSSIBLE PATHS TO FOLLOW FOR SUPPORT POLICIES

- CONCENTRATE IN “PRODUCTIVE ENTREPRENEURSHIP”?
  - PRODUCTIVE ACTIVITIES MEANS PROJECTS WITH A SOCIAL CONCERN, GENERATING ACTIVITIES THAT CONTRIBUTES TO GROWTH, TAKEN IN A BROAD AND QUALITATIVE DEFINITION
  - IT DIFFERENTIATES FROM UNPRODUCTIVE ACTIVITY, GENERATING VALUE FOR ONLY THOSE INVOLVED
  - SOME ACTIVITIES CAN BE EVEN DESTRUCTIVE ( CRATING PREJUDICE FOR THE COMMUNITY, SUCH AS ILLEGAL ACTIVITIES)
- INCREASE USE OF “BIG DATA” TO HELP SETTING A FINE TUNING FOR FORMS OF SUPPORT:
  - RECENT EXAMPLES OF SURVEYS ASSOCIATING THE WORLD BANK AND OECD WITH FACEBOOK AND LINKEDIN : “THE FUTURE OF BUSINESS”, “FUTURE OF JOB REPORTS”
  - POLICY MAKERS GET THROUGH THIS A MORE GRANULAR OVERVIEW OF ECONOMIC DEVELOPMENTS, AND OFFER TAILOR MADE POLICIES FOR SPECIFIC TARGET GROUPS

**THANK YOU FOR YOUR ATTENTION**


- [jean-louis,leloir@aecm.eu](mailto:jean-louis.leloir@aecm.eu)


# ABOUT AEEM: 42 MEMBERS FROM 26 COUNTRIES IN- AND OUTSIDE THE EUROPEAN UNION





OUR MEMBERS


 **AUSTRIA**  
• aws  
• NÖBEG

 **BELGIUM**  
• Fonds Bruxellois de Garantie – Brussels Waarborgfonds  
• PMV – Waarborgregeling  
• Groupe SOWALFIN

 **BOSNIA AND HERZEGOVINA**  
• Guarantee Fund of the Republic of Srpska


 **BULGARIA**  
• National Guarantee Fund EAD


 **CROATIA**  
• HAMAG-BICRO

 **CZECH REPUBLIC**  
• CMZRB

 **ESTONIA**  
• KredEx

 **FRANCE**  
• Bpifrance  
• SIAGI  
• La Fédération Nationale des SOCAMA

 **GERMANY**  
• Verband Deutscher Bürgschaftsbanken

 **GREECE**  
• ETEAN SA


 **HUNGARY**  
• AVHGA  
• MVA  
• Garantiqa

 **IRELAND**  
• SBCI

 **ITALY**  
• ISMEA  
• Assoconfidi

 **LATVIA**  
• ALTUM

 **LITHUANIA**  
• Garfondas  
• INVEGA UAB


 **LUXEMBOURG**  
• MCAC

 **POLAND**  
• BGK

 **PORTUGAL**  
• IAPMEI  
• SPGM


 **ROMANIA**  
• FGCR  
• FNGCIMM  
• FRC S.C. Fondul Roman de Contragarantare S.A.  
• FRGC

 **RUSSIA**  
• FSECA

 **SERBIA**  
• Guarantee Fund of the Autonomous Province of Vojvodina

 **SLOVENIA**  
• RRA-GIZ  
• Slovene Enterprise Fund  
• Slovenian Regional Development Fund

 **SPAIN**  
• CESGAR

 **NETHERLANDS**  
• The Netherlands Enterprise Agency

 **TURKEY**  
• TESKOMB  
• KGF

 **UNITED KINGDOM**  
• British Business Bank