

**PLAN OF ACTION OF THE
BSEC WORKING GROUP ON
SMALL AND MEDIUM ENTERPRISES**

**January 1, 2020-December 31, 2021
Country-Coordinator: Russian Federation**

I. GENERAL OBJECTIVES

The present Plan of Action of BSEC Working Group on Small and Medium Enterprises (hereinafter - Working Group on SMEs) defines main goals, objectives and measures for the closer cooperation in the field of SMEs in 2020-2021.

The Working Group in its activities shall be guided by the *BSEC Charter*, the *Istanbul Summit Declaration on the Black Sea Economic Cooperation* signed on 25 July 1992 and the *BSEC Economic Agenda: Towards an Enhanced BSEC Partnership* (Belgrade, 11 June 2012).

As one of the BSEC priority tasks is to ensure sustainable development in the Black Sea region, key efforts of the Working Group on SMEs are expected to be focused on enhancing the closer cooperation in the field of SMEs and establishing close relationships between the Ministries of Economy of the BSEC Member States which will contribute to the development of trade and economic cooperation among the BSEC Member States.

BSEC Economic Agenda Towards an Enhanced BSEC Partnership was adopted by the BSEC Council of Ministers of Foreign Affairs (Belgrade, 11 June 2012) and endorsed by the BSEC Heads of State and Government during the BSEC 20th Anniversary Summit (Istanbul, 26 June 2012). This document defines general guidelines of action and accordingly priority areas of action. The “Goal 9” states ten frameworks of actions:

1. Increasing the competitiveness of the SMEs by creating fair conditions at both national and regional levels and undertaking regular surveys on SMEs’ needs, priorities and problems in the BSEC Region.
2. Developing BSEC programs aimed at promoting favorable conditions for local businesses and foreign investments; facilitating networking,

exchange of experiences and know-how; organizing training for young entrepreneurs.

3. Promoting and supporting access to finance to SMEs which produce green products and services.
4. Improving the access of SMEs from the BSEC Member States to other markets, in particular by stimulating the export capacity of SMEs and promoting cross-border cooperation and business partnership with neighbouring countries.
5. Focusing on high technology, innovation, clusters, industrial-technology and software parks and business incubators as concrete instruments to facilitate SME start-ups in the Member States and to encourage entrepreneurship, competitiveness and cooperation with large companies in the BSEC Region.
6. Developing a support system for innovation and technology at BSEC region, with the view to promoting cooperation among SMEs and the university environment, or research and development institutions.
7. Promoting the e-business system in the BSEC Region and the use of the BSEC Innovation Data Bank, to be updated under the coordination of the BSEC PERMIS.
8. Aggregating an information network of regional and Member States financial resources available to SMEs, accessible through the BSEC Innovation Data Bank.
9. Promoting business to business contacts through “BSEC SME Expert Exchange” program.
10. Finalizing the establishment of the BSEC Quality Award for SMEs.

The Working Group on SMEs shall initiate joint meetings of the BSEC working groups, seminars, conferences and other international activities aimed at study of the best world practices for developing SMEs surroundings.

The Working Group agreed on the four following priority areas on which it should focus on during the next term (2020-2021):

1. Developing BSEC programs aimed at promoting favorable conditions for local business and foreign investments. Focusing on high technology, innovation, clusters, industrial technology and software parks and business incubators as concrete instruments to encourage entrepreneurship, competitiveness and cooperation with large companies in the BSEC Region.
2. Finalizing the establishment of the BSEC Quality Award for SMEs. Foster the entrepreneurial spirit and culture in Black Sea countries.

3. Facilitating networking, exchange of experiences. Improving the access of SMEs from the BSEC Member States to other markets, in particular by stimulating the export capacity of SMEs and promoting cross-border cooperation and business partnership with neighboring countries.
4. Promoting and supporting access to finance to SMEs which produce green products and services.

2. MEETINGS OF THE WORKING GROUP

The 1st Meeting of the Working Group on SMEs will be held in the format “in absentia” (May 2020). At the meeting, the Plan of Action of the BSEC Working Group on SMEs will be discussed, amended and adopted. Developing BSEC programs aimed at promoting favorable conditions for local business and foreign investments, focusing on high technology, innovation, clusters, industrial technology and software parks and business incubators will be also considered. Project of Black Sea Bread Cup “Baking without borders” will be presented by Russian side and discussed.

The 2nd Meeting of the Working Group (BSEC HQ, autumn 2020, tbc) - consideration of the initiatives within the Plan of Action and implementation of the joint projects as well as finalizing the establishment of the BSEC Quality Award for SMEs. The possibility of promoting the e-business system in the BSEC Region will be also discussed.

The Workshop on SMEs Economic Digitalization (back-to-back to the Meeting of the Working Group on SMEs) will be held to talk over how SMEs can seize benefits of digitalization and what is the role of government, regulators, business sectors and other institutions in supporting SME digitalization. During the workshop BSEC Member States will discuss the role of e-commerce platforms in digitalization of SMEs.

The 3rd Meeting of the Working Group (BSEC HQ, spring 2021, tbc) - consideration of the initiatives within the Plan of Action and implementation of the joint projects and stimulating the export capacity of SMEs and promoting cross-border cooperation and business partnership with neighboring countries. Seminar on Export Support Programs for SMEs and SMEs Formalization (back-to-back to the Meeting of the Working Group on SMEs) will be held to discuss how Export Support Programs can stimulate the export capacity of SMEs and promote cross-border cooperation and business partnership. BSEC Member States will share information on policies and financing instruments for the formalization of small businesses (shadow economy problems).

The 4th Meeting of the Working Group (BSEC HQ, autumn 2021, tbc) - promotion and support of the access to finance to SMEs which produce green products and services, countries' strategies on "Green Economy" and possible joint activities between BSEC Member States. Preparation of evaluation report of Country-Coordinator.

Workshop on Social and Creative Entrepreneurship (back-to-back to the Meeting of the Working Group on SMEs) will be held to explore a clearer and more comprehensive picture of youth, women, creative and innovative entrepreneurship and of concrete constraints and barriers people face, when starting and running business.

3. COOPERATION WITH OTHER BSEC BODIES

a) Other Working Groups

Working Group on Exchange of Statistical Data and Information - cooperation and exchange of information on statistical information about the SMEs environment and macro-economic situation of the BSEC Member States.

Working Group on Banking and Finance, Working Group on Trade and Economic Development - cooperation and exchange of information on the role of financial system and banking sector on the trade and economic development.

b) Related Bodies

BSEC Business Council (BSEC BC), Black Sea Trade and Development Bank (BSTDB) - cooperation on the financial support to SMEs operating in the BSEC Member States.