



ENHANCEMENT OF THE BUSINESS ENVIRONMENT IN THE SOUTHERN MEDITERRANEAN





International Networks and Partnerships

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Introduction



- **Context & Necessity**
- **What do we mean by International Networks & Partnerships**
- **Why they are important and the benefits they bring**
- **Major Network & Partnership Opportunities**
- **How they are promoted and utilised**
- **Good Practice Examples**
- **Discussion**



Context



- **Globalisation (evolution) is making the world a smaller place AND intensively competitive;**
- **Global trade agreements (WTO) plus speed of communications, lifecycle dimensions, and multi-national marketing aggression are changing markets & marketing (& cost!);**
- **Internationalisation happens in domestic markets too;**
- **Born Global SMEs,**
- **Why? reach more people/markets, share skills, think bigger!**



Need



- **SMEs must think globally to survive in the modern world;**
- **Challenges but also certainly opportunities;**
- **Implications not only for markets, but IP, processes, standards, certifications and branding;**
- **Daunting if we have to do it alone but we don't;**
- **Networks and Partnerships help overcome the challenges and support SMEs;**
- **If you are travelling in the same direction it makes sense to share the journey!**



Why Networks & Partnerships ?



- **EU/Governments recognise importance and vulnerability of SMEs and the increasing “connectedness” that in knowledge economy most is outside the competency & scope of individual firms;**
- **Impediments/lack: to scale, intelligence/data, experience, resources, finance, language, tariffs, costs, absorption, channels, innovation/competitiveness, standards, legal/regulatory, distance, culture,**
- **and of course lack of support!**



Networks & Partnerships Defined



They are

- Formal & informal groupings, exchanges and organisations that share/exchange/coordinate information, knowledge and resources to stimulate and facilitate business development, innovation and internationalisation;

Can be

- Peer-to-peer enterprise or academic based, supply chain based, public private partnerships, firm & non firm organisations, “coopetition”;

Definition

- Intellectual assets that collaborate and coordinate to solve problems, generate ideas and exploit solutions as competitive advantage & growth in the market place;



What does it mean?



- **Traditionally firms sought advantage internally within the Value Chain of the firm. Now the realisation is that advantage is within the Value System of the Industry and or the region;**
- **Networking/partnership therefore across the value system can exploit synergies for advantage (absolute) then outsourcing for advantage (comparative);**
- **Firms share, collaborate, synergise (2+2=5) network is greater than sum of its parts!**



Evolution



- **Networks have been a part of commercial life for eons – Families, Guilds, Societies, Leagues, Associations etc, the value of networks understood;**
- **Policies emerge, Italy 1970's Emilia Romagna aimed at stimulating companies working in collaborative network (15 years, 17th to 2nd & 7th EU)**
- **Danish Network Programme 1989 brokers 3,500 firms within 18 months becoming a blue print for others including role of Government.**



Types



- **Industry to Industry, Industry Academia, etc**
- **Regional Cooperatives**
- **Pan Value Chain (suppliers, producers, distributors)**
- **Value Chain element**
- **Innovation Centres**
- **Clusters**
 - **Poles of Competitiveness**
 - **Poles of Excellence**
- **Distributed Networks**
- **Social Networks**



International Networks & Partnerships



- **Local**
 - Cooperatives
 - Innovation Centres
 - Centres of Excellence
 - Poles of Competitiveness
 - Poles of Excellence
- **Regional (South-South)**
- **International**
 - EEN (formerly Innovation Relay)
 - EBN
- **Global**
 - GIN Global Issues Network



- **EU determined to strengthen ties between it and its Mediterranean neighbours, Union for the Mediterranean (UfM);**
- **UfM is promoting shared prosperity by fostering industrial cooperation among EU Member States and their MED neighbours;**
- **A crucial element of this is SMEs & UfM 4 year €12m programme;**
 - **Contribute to the improvement of the business environment.**
 - **Develop quality Euro-Mediterranean networks.**
 - **Foster entrepreneurial cooperation**



UfM Objectives



- **Improve the business climate and promote entrepreneurship;**
- **Encourage SMEs to innovate, export, import and internationalise;**
- **Exchange views and experience;**
- **Establish a large Pan-Euro-Mediterranean products market;**
- **These objectives to be achieved require Euro–Med and Med-Med partnerships and networks!**



COSME



- Competitiveness of enterprises and SMEs (COSME) aims at encouraging the competitiveness of European enterprises.
- €2.5bn 2014-2020
- Better access finance, markets, improving conditions for creation & growth and internationalisation of SMEs;
- No formal expressions of interest to join from southern Med and only Jordan, Israel and Morocco could legally join at this moment;
- Another Opportunity?



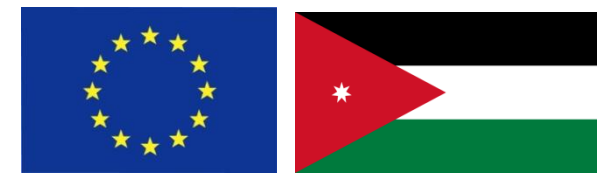
Advantages & Benefits



- **Increased Scale & Scope**
- **Shared Risks & Costs**
- **Increased Competencies for Complexities**
- **Learning Synergies & Enhancement**
- **Multiplier Effects (Quality & Funding)**
- **Benefits Materially, Developmental, Psychological**
- **Flexibility**
- **Effectiveness**
- **Efficiency**
- **Lifecycle/ Speed Gains**



Determine the Need & the Route



- **Different types of SMEs have different needs and the appropriate networking strategy will vary accordingly. However, all must be connected to the most prolific sources of new knowledge and expertise, either directly or through multi-layered networks that link the most competitive and/or innovative firms to others at regional, national and global levels.**



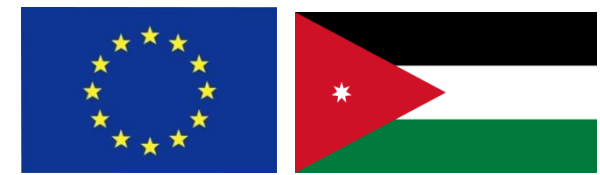
Why EU?



- Access to a market of 503 million consumers the third largest in the world after China and India;
- €12,945bn economy
- Largest importer 1;6.4% of global trade followed by US 15.5% & China
- 15.4% of Exports, China 13.4% & US 10.5%
- The EU means huge opportunity and through it & EEN access to Global Opportunity



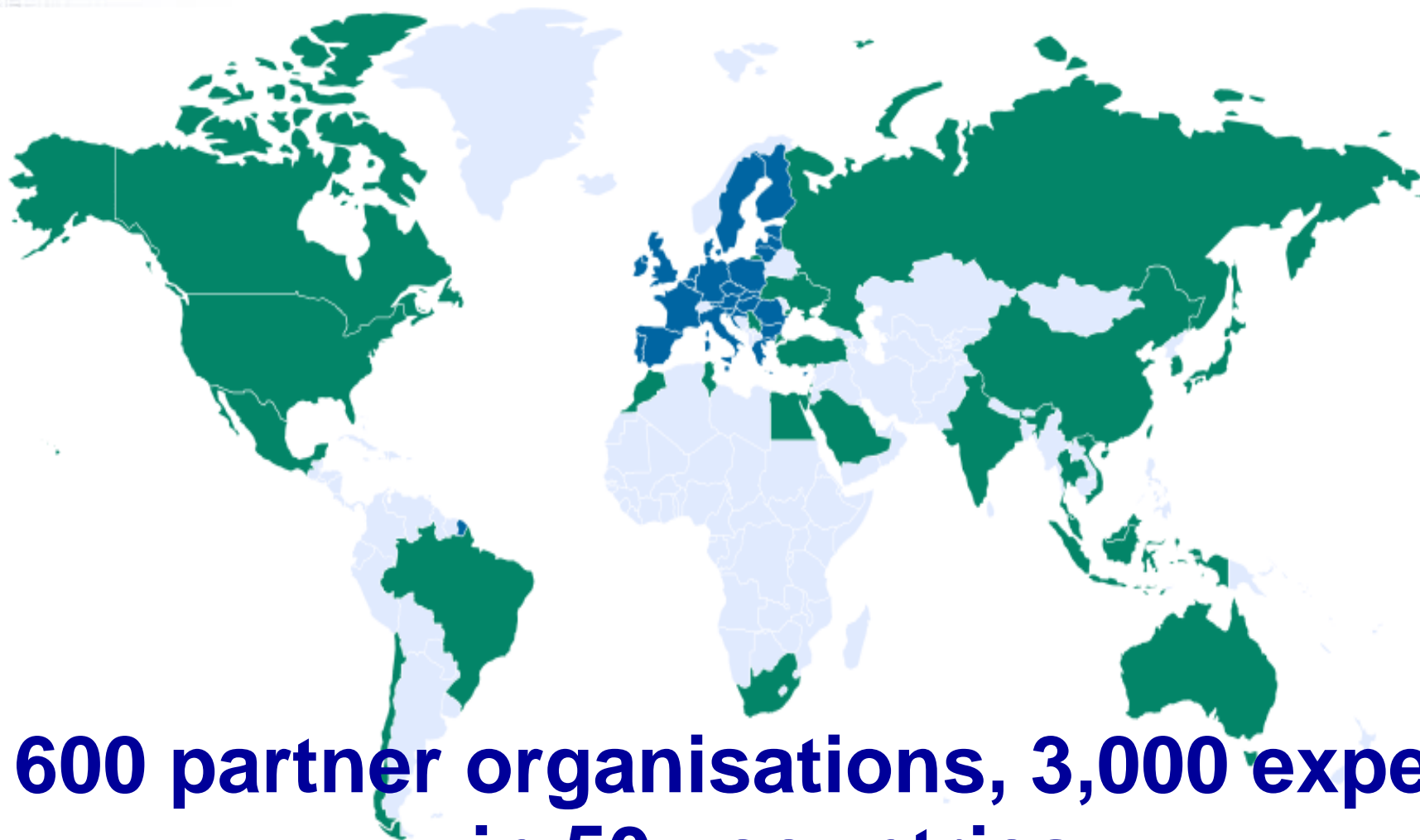
European Enterprise Network EEN



- **Established 2008 amalgamating EIC (Euro Info Centre 1987) and IRC (Innovation Relay Centres 1995)**
- **Brings together 600 business support organisations in more than 50 countries**
- **Four Med partners (so far) Egypt, Israel, Morocco & Tunisia**



EEN Partner Countries



**600 partner organisations, 3,000 experts
in 50+ countries**



European Enterprise Network EEN

How do I find a new
market abroad?

How do I get
European funding?

I need a business partner in
another country...

How can I sell my innovative
ideas and technology?

What does this EU law
mean for my business?





EEN Services



- **Going International: Access competent and trustworthy partners via database, Brokerage and trade missions, joint country missions;**
- **Technology Transfer access to database of over 23,000 profiles, introductions, buy in or sell;**
- **Access to Finance: Venture Capital & Loans, Grants, building the business case;**
- **Research funding Horizon 2020 & partners;**
- **EU Laws, what you need to know & how to comply;**
- **IPR develop and implement an IP strategy internationally**
- **Inward investment EEN website first point of contact**



Networking and learning from each other



Training activities: enhance your skills and competences

Annual Conference: Gathering together once a year!

Mentoring & staff exchange: learning from each other

Good practices: sharing methodologies and tools

Success stories: EEN makes the difference!



What are Opportunities & Benefits



- **Access to markets EU Global, Agadir, GCC;**
- **Access to new ideas, innovation, design and creativity;**
- **Access to expertise, mentoring, consultancy, funding & finance;**
- **Access to networks, interest groups, partners, channels, customers;**



European Enterprise Network EEN



Since its launch, the Network has:

- **Attracted 1m people to events and brought 90,000 companies to international brokerage events**
- **Helped more than 11,000 companies sign Business, Technology or Research partnership agreements**
- **Answered 600,000 questions**



Drivers



- **Private sector need of, and funding for, development/innovation activities;**
- **Institutions need for income and exploitation/commercialisation of research;**
- **Clusters & Centres of Excellence;**
- **Relationship drivers: Shared values & goals and recognition of benefits;**
- **Mutual trust & commitment;**
- **Creation of a broad mix of relationships spanning diverse activities and outputs.**



Initiatives



- **Initiatives that promote and communicate the value and benefits of cooperation;**
- **Incentivises this cooperation horizontally and vertically;**
- **Put Enterprise and SMEs at the heart of economy competitiveness/innovation and recognises them as the conduit to both inform, stimulate and realise new valuable ideas;**
- **Recognises and rewards success;**



Success Stories



- **Positive Economist Susan Hayes expanded consultancy from Ireland to Malta via EEN;**
- **French Healthcare firms go big in Japan EU gateway programme**
- **Guided Tours for the Digital Age Audio book & podcast company from Germany team up with Icelandic mobile app start-up who did virtual tour guide**



Success Stories



- **Italian Energy Efficiency company helped enter London market;**
- **Italian Innovation from bottle to glass, designs bottle that becomes a glass. Helped by EEN crack IPR and awarded creativity**

<http://www.youtube.com/watch?v=aJQi-1MjL8Q>



Israel & EEN



- **MATIMOP – *The Consortium’s coordinator; focused on facilitating industrial R&D international collaboration.***
- **Manufacturers Association of Israel (MAI) – *focused on facilitating international technological collaboration.***
- **Israel Export and International Cooperation Institute (IEICI) – *focused on facilitating international commercial collaboration.***



Israel & EEN



- **StePac modified atmosphere and modified humidity fresh produce packaging looking for ne3w technologies**
- **Profiled in EEN link UK CitroX Biosciences user of 'Citrox' in medicine and oral dentistry.**
- **StePac & CitroX collaboration use of CitroX in combination with its packaging materials**



Israel & EEN



- **Feedweb Research is an Israeli SME which has developed a reliable web platform for precise and comprehensive research of public opinion**
- **Needed Partners to test new system**
- **Israel EEN + East UK EEN identified UK based market research and public opinion company;**
- **Feedweb Research benefitted by taking its product to a first international pilot. The UK based company tested a new advanced public opinion software**



Egypt & EEN



- **Egypt Entrepreneur Network (EEN)** is an online social, business networking platform that acts as a one-stop shop for entrepreneurial success in Egypt providing single window access to all possible business related information/resources and networking opportunities vital for an entrepreneur,
- **The E-Learning Competence Center (ELCC)** was established in 2004 by the Ministry of Communications and Information Technology (MCIT) in cooperation with Cisco Systems with the mandate of diffusing innovation and developing and delivering state-of-the art e-learning program;
- **ImagineNations Network** is a social networking platform for young entrepreneurs to connect to their peers, supporters, NGOs, financing sources, commercial outlets and others committed to helping young people build businesses and livelihoods around the world.



Jordan EDAMA



- **Jordanian Business Association that seeks innovative solutions for energy and water independence and productivity;**
- **EDAMA Association is the first of its kind in Jordan, as it provides a platform for a large number of public, private and NGO sector representatives to discuss the future development of the EWE sector in Jordan with particular emphasis on renewable energy;**
- **Developed partnership with Barefoot college to help women in rural communities become self-sufficient . Signed a number of MOUs with similar NGOs to improve collaboration. Prompted the creation of Jordan Energy Chapter, (JEC) to develop local capacities in the field of energy Advocacy to speed up the process of passing the renewable energy law and regulations**



Anima Investment Network



- **A cooperation platform for economic development in the Mediterranean contributing to cooperation, developing economic intelligence on markets and international exchanges**
- **75 Members in 22 countries**
- **8,500 foreign investment Projects**
- **2,000 partnerships generated**



EUROMED Invest



- **Promote business and Private Investment for inclusive economic investment in Med;**
- **6 partners : Coordinated by Anima it includes;**
Eurochambres (Association of European Chambers of Commerce), ASCAME (Association of Mediterranean Chambers of Commerce), BusinessMed (Union of Mediterranean Confederations of Enterprises), EMDC (Euro-med Development Centre for Micro, Small and Medium Enterprises), GACIC (German-Arab Chamber of Commerce) and EABC (Euro-Arab Business Council)
- **100 projects €5m 2013 to 2016**



Others



- **ASCAME: Gathers Chambers North & South 250 members 23 countries representing 30m companies facilitating dialogue and cooperation between business communities;**
- **BUSINESSMED: objective is economic integration within Europe and World economy**
- **MedAlliance: Alliance of economic development organisations Anima, CCIs (ASCAME Eurochambers) and specials UNIDO, GIZ, EPA**



SEEN



- **Knowledge based network of independent consulting engineers with main objective of exchanging knowhow and expertise to improve quality of offering to clients;**
- <http://www.seen-network.com/seen/>



Conclusions



- **SMEs are the future but they cannot do it alone;**
- **Increasingly developed economies are utilising connected global networks which put developing economies at a competitive disadvantage;**
- **Networks & partnerships at local and international levels are critical for both firm and economy prosperity;**



Thank you for your attention
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