



SME Digitization Support Tool

Country name:		Republic of Moldova
Region:		Republic of Moldova
City:		Republic of Moldova
Public organisation responsible for the initiative	National language	Organizația pentru Dezvoltarea Sectorului Întreprinderilor Mici și Mijlocii (ODIMM)
	English	Organization for Small and Medium Enterprises Sector Development (ODIMM)
Department (if any)		SME Digitization Department
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Webpage:		SMEs digitization - Organizația pentru Dezvoltarea Sectorului IMM (odimm.md)

Initiative description

Title:	SME Digitization Support Tool
Features of group/s of beneficiaries	Small and medium enterprises in the Republic of Moldova, defined by Law no. 179/2016 on small and medium enterprises, regardless of the type of ownership and legal form of organization, except for individuals operating under the entrepreneurial patent and of legal persons under public law. SMEs with digitization needs, which have IT equipment and internet connection, which would allow them to capitalize on the support provided; have basic knowledge of using office, web, social media and google resources.
Initiative / tool objective	<p>The instrument aims to support technology transfer and digital development of small and medium-sized enterprises to exploit their innovative potential, including facilitating their access to internal and external markets.</p> <p>Objectives:</p> <ul style="list-style-type: none"> • Improving the knowledge and skills of entrepreneurs on e-commerce opportunities and conversion of sales of finished products through e-commerce tools; • Facilitating the access of SMEs to support services in the way of digitization, planning, understanding and adoption of digitization tools; • Strengthen the capacity of business support institutions to provide qualified information to SMEs on e-commerce facilitation.

<p>Steps / phases / stages of tool / initiative implementation and its activities description</p>	<p><u>Phase 1. Regulation of the instrument</u> Objective: Initiation and regulation of the initiative Scope of activities (activities description):</p>
	<p>The instrument is implemented being regulated by the Order no. 100 of 26.05.2020 of the Ministry of Economy and Infrastructure of the Republic of Moldova, which describes the implementation process.</p>
	<p><u>Phase 2. Strengthening the institutional and operational framework</u> Objective: Establishing the institutional framework Purpose of activities (description): ODIMM was appointed responsible for the implementation of the instrument, within which a unit dedicated to the instrument was established. The Implementation Manual was developed, including all the competition documentation, evaluation and other related operations. The coordination of the implementation of the instrument is carried out by a Supervisory Committee of the Instrument (min 5 members).</p>
	<p><u>Step 3: Launching the call and evaluation of the applications</u> Objective: Organising the call Purpose of activities (description): Publication of the call announcement on various channels, provision of consultations to applicants, receipt of applications and evaluation by the Commission, selection of applicants according to requirements.</p>
	<p><u>Step 4: Providing support through information and communication</u> Objective: Rising awareness of SMEs concerning the importance of digitization and IT tools Purpose of activities (description): Informing SMEs about the benefits, importance and advantages of digitizing the company's activity by organizing webinars and online events on relevant topics. Promoting the consumption of local products, the use of e-commerce platforms and tools and the need for support of local businesses by highlighting the economic and social benefits, as well as their transposition into audio, video, images and articles. Promoting the success stories of local businesses that have managed to comply with new market conditions and those that have managed to maintain / improve their positions due to e-commerce.</p>
	<p><u>Step 5: Providing support through entrepreneurship training and education</u> Objective: Strengthening the knowledge of SMEs in e-commerce Purpose of activities (description): Development and application of a mechanism for self-assessment of the degree of readiness of SMEs for e-commerce. Development of guidance and support materials for entrepreneurs in the process of orientation towards e-commerce, digitization of resource management systems, adoption of digital technologies and digital marketing. Conducting training courses to guide SMEs towards e-commerce, digitization of resource management systems, adoption of digital technologies and digital marketing.</p> <p><u>Step 6: Providing support through financial aid of two types:</u> 1) "Business Voucher" for accessing consulting and mentoring services of SMEs to develop their website, set up on social pages, develop an online profile and describe the activity of the company and its products; web page development / adjustment and adherence to</p>

	<p>marketplace platforms, which offer online payment possibilities and integrated logistics aspects. The value of the financial support in the form of a “business voucher” can constitute 100% of the investment amount, but not more than 20 thousand lei / per beneficiary.</p> <p>2) “Grant” for the purchase of equipment and software for innovation and introduction of new technologies in the context of the digitalisation of SMEs and to eliminate / minimize the risks imposed by the market. The value of the financial support in the form of a Grant constitutes up to 90% of the amount of the investment project, but not more than 200 thousand lei / per beneficiary, and the beneficiary enterprise comes with its financial contribution of at least 10% of the amount of the investment project.</p> <p><u>Step 7: Monitoring and evaluation</u></p> <p>Monitoring is performed by two methods:</p> <ol style="list-style-type: none"> 1. Ex officio monitoring involves questioning the beneficiary about the provision of relevant information (e.g. progress, difficulties encountered, etc.). Based on the monitoring activities, the Post-financing Monitoring Form is prepared (The standard model of the monitoring form will be approved by the internal evaluation committee), signed by the ODIMM employee, which is included in the Beneficiary's non-reimbursable financing file. 2. Field monitoring, provides for the visit to the place of business and aims to confirm the degree of realization of the investment, the reality, legality and existence of economic and financial operations. Based on the monitoring activities, the Post-financing Monitoring Form is drawn up, signed by the ODIMM employee and the Beneficiary, which is included in the Beneficiary's non-reimbursable financing file, in original.
Expected result(s)	<p><u>Initiative / tool organisation dimension (what kind of added-value the initiative / tool brings for the implementing organization?):</u></p> <ul style="list-style-type: none"> • Development of procedures for organizing the competition and selection • Specialization in providing thematic support to SMEs in times of crisis <p><u>Beneficiaries dimension (what kind of added-value the initiative / tool brings for the Target Group members?):</u></p> <ul style="list-style-type: none"> • 57 SMEs benefited from grants and purchased equipment and software, implemented new digitization technologies. • 123 SMEs benefited from vouchers and developed their own web pages, promoted their products on social networks, joined marketplace platforms, implemented online payments.

Transferability

Transferability to other countries (to be assessed by all Project Partners)	<ul style="list-style-type: none"> • Medium – the initiative / tool can be transferred with the fulfilment of some demanding requirements by adopting organization
Transferability on country of origin level (to be assessed by all Partner from specific country)	<ul style="list-style-type: none"> • Medium – the initiative / tool can be transferred with the fulfilment of some demanding requirements by adopting organization

Necessary resources	<p>Technical infrastructure:</p> <ul style="list-style-type: none"> • Offices: <ul style="list-style-type: none"> ○ Basic office infrastructure and working space for the implementation team (specialized department) • Technology: <ul style="list-style-type: none"> ○ Basic ICT infrastructure (telephone, printer, e-mail, computer, internet connection)
	<p>Knowledge:</p> <ul style="list-style-type: none"> • Competencies of members of implementing team: <ul style="list-style-type: none"> ○ Human resources specialized in organizing grant competitions ○ Digitization and e-commerce specialists for consulting SMEs in the grant application and support implementation process ○ Broad communication skills with SMEs from various sectors, across the country • Procedures: <ul style="list-style-type: none"> ○ Operational manual ○ Procedures for organizing the grant call ○ Evaluation and selection procedures ○ Grant award procedures ○ Monitoring and evaluation procedures
	<p>Types (categories) of costs to be covered:</p> <ul style="list-style-type: none"> • Human and institutional resource costs • Grant own contribution costs <p>Amounts of costs to be financed:</p> <ul style="list-style-type: none"> • The value of the support granted is 10,5 million lei (approx. 5 million EUR).
Key success factors:	<ul style="list-style-type: none"> • Orientation of support policies towards the real needs of SMEs in times of crisis according to the market requirements. • Intensive promotion of the support tool and direct communication with SMEs.
Key challenges:	<ul style="list-style-type: none"> • Organizing the call meanwhile ongoing pandemic. • Changing the paradigm of companies from traditional sales to e-commerce that require not only equipment but also specific skills, special strategies.
Impact on regional economy (general description)	<ul style="list-style-type: none"> • The impact on the regional and national economy is substantial, as 180 SMEs across the country have received direct support. • As a result, 180 SMEs have improved their e-commerce processes by adapting to new market requirements in the circumstances of the pandemic. • Companies have become more visible in the online space with e-commerce tools to sell products / services both on the local and foreign market. • However the support scheme has been implemented on the country level and therefore the implementation on the local level can be limited in regard of financial resources, the initiative can serve as inspiration for set-up of procedures of support schemes organized by local authorities (see: "Steps:").