



EU4Business



DATA COLLECTION METHODOLOGY



WWW.EU4BUSINESS.EU

[OVERALL APPROACH]

The objective of data collection by the EU4Business Facility is to help stakeholders understand the overall results and impact of EU support to Small and Medium Sized Enterprises (SMEs) in the Eastern Partnership (EAP). Our aim is to provide an open, transparent and defensible dataset for EU4Business that is based on the statistically robust methodology set out in this brochure.

To achieve this, we take an instrument approach whereby data is collected, not by project, but by the instruments that these projects use to support SME growth. This not only allows for a better understanding of the effects of different tools on SME development, but also makes it possible to include projects with cross-cutting objectives in the assessment by only including instruments that actually affect SME growth.

Data for **54**
key performance indicators
is collected across

20
SME support
instruments
under the groupings:



Access
to Finance
(A2F)

Improving
business
development
services (BDS)



Creating
a better business
enabling
environment (BEE)

WE
COLLECT
DATA BY
INSTRUMENT

DATA COVERAGE

Since the EU
has well over

100
active
projects in
the EaP



some of which operate in several
or even all six countries,

cumulative
budgets are
valued at around

€ **1**
billion

With six countries involved, this approach generates a database of 1,122 data points* that are then aggregated: across countries to get EaP totals and amongst KPIs to create further metrics. It is impractical to collect metrics across all these data points—not least because the projects themselves do not always report on all the Key Performance Indicators (KPIs) and not always by instrument. Note that not all KPIs are relevant to all instruments so some of these data points will be null.

* 187 KPIs collected across
instruments in each country

SAMPLING APPROACH TO COLLECT METRICS

Therefore, a sampling approach has been taken, based on an open, transparent methodology, to assess the results and the impact of EU support to SMEs by measuring results and impacts in the sample and calibrating these to other instruments in individual countries to get an overall estimate across the region.

STEPS TAKEN TO GENERATE THE DATASET

Based on 2019 data collection process

CATALOGUE ALL EU SUPPORT TO SMES

- List all DG NEAR projects that support SMEs in EaP by reviewing EU project database and confirming with each EU Delegation the inclusion of selected projects.
- Allocate budgets within these projects by defined instrument.

COVERAGE

100%

of EU4Business Projects

2 DEFINE THE SAMPLE

- Generate a representative sample of projects for data collection based on the approximate budget by instrument in each country.
- Agree the sample selection with EU4Business focal points in each Delegation.

COVERAGE

40%

of EU4Business Projects

3 REVIEW PROJECT REPORTS

- Collect all progress reports for the period on all projects in the sample.
- Review progress reports to extract reported KPIs.

COVERAGE

40%

of projects extracting approximately

20%

of KPIs from reports

4 CONCENTRATED SAMPLING

- Use data collection form to set up structured interviews with managers of projects in sample to collect missing KPIs.
- Calibrate missing data after the interviews using data from expert opinion and other external sources, and aligning with national statistics.

COVERAGE

40%

of projects calibrating approximately

80%

of KPIs through interviews and external data

5 GENERATE THE EU4BUSINESS RESULTS MATRIX

- Create the complete set of KPIs for the sample and link it to the budget disbursed by instrument for each project in the sample.
- Annualise non-sample project budgets by instrument to estimate the expected spend in the data collection period.
- Extrapolate the results from the sample by instrument to the entire portfolio by country and aggregate regionally.

COVERAGE

100%

of KPIs estimated for

100%

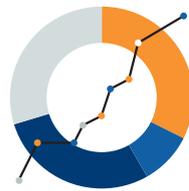
of projects

KEY FEATURES OF THE METHODOLOGY



CREATING THE EU4BUSINESS CATALOGUE

The EU4Business catalogue was designed as a simple, informative instrument for describing EU support to SMEs in the Eastern Partnership. The criteria for selecting projects are centred on three types of interventions or pillars of EU support: access to finance (A2F), business development services (BDS) and business enabling environment (BEE). The catalogue lists all projects supporting SMEs and allocates budgets according to a series of instruments used by EU-funded projects in order to deliver specific SME support.



PRODUCING EU4BUSINESS PORTFOLIO STATISTICS

EU4Business portfolio statistics offer a visual representation of the EU4Business Catalogue, presented by type of intervention and instrument, rather than by project. This offers a better understanding of the volume and structure of EU support at the regional level, as well as at the level of each EaP country. The EU4Business portfolio statistics offer quick, reliable information regarding the intensity of support related to each of the three main categories (A2F, BDS, BEE), as well as a quantification of allocations under each support instrument in each of the six EaP countries.



COLLECTING DATA SAMPLES

The data collection process is implemented in three phases: collecting and reviewing progress reports; interviewing project managers directly and; calibrating the remaining missing data with the results of other projects and national data sources. This three-pronged approach is necessary because of the lack of consistency in project reporting, which is done in line with obligations stipulated in individual contracts. Indeed, even when there is a compulsory requirement, some indicators are not included.

To bridge the data gaps after reviewing progress reports, structured interviews with project managers are used to confirm information already collected

and to collect the missing data. Finally, a calibration process is essential for aligning the collected data and completing the dataset for the sample. In many cases, different projects used different performance indicators, making project-wide analysis challenging. In order to address the inconsistency of data, comparisons were made with similar actions in the same country using similar support instruments to obtain comparable calibrated values. In some situations, the calibration is done based on country results of regional projects, using similar support instruments or aligning KPIs with averages from national SME statistics.



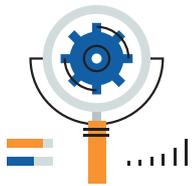
ANNUALISING NON-SAMPLE PROJECT BUDGETS FOR 2019

To extrapolate the sample KPIs to the remaining portfolio of instruments, the budgets of these instruments are annualised following three steps:

1. Calculate the project duration in months.
2. Estimate the annual budget disbursed for each instrument by dividing the total budget by total duration in months planned for implementation and multiplying by 12—or the remaining months in cases where projects are due to end.

3. Calculate budgets per instrument for each country by consolidating budgets per instruments in order to obtain the annual budget disbursed.

Whilst it is recognised that not all interventions are linear and certainly the trend is for spending to be less at the beginning and end of projects, this bias is expected to be evened out across the entire catalogue of more than 100 projects whose start/end cycles are extremely diverse.



GENERATING THE EU4BUSINESS KPI DATASET

The extrapolation process is based on the assumption that the same amount of allocated funds via a specific support instrument in each country would lead to the same results in non-sampled projects supported by the EU. That is, results were calculated using the proportion method: if **€X** result in **Y** results in the sample, then based on the same proportion, **€A** results in **B** results for the portfolio.

The Matrix of Key Performance Indicators is a consolidated reflection of all EU support across the entire portfolio. This matrix is the final tabular product, consisting of KPI results by country, by instrument and by pillar, as well as a grand total for the entire EaP Region.



ANALYSING THE RESULTS

Based on an analysis of Key Performance Indicators, the EU4Business Facility prepares statistics on both a regional and country level, centred on each type of intervention (A2F, BDS and BEE) and their associated instruments. This data is then presented in the EU4Business Annual Report, Country Annual Reports and Citizen Summaries, regionally and by country. Further analysis of the dataset is undertaken at the request of EU4Business stakeholders, including DG NEAR, EU Delegations and project partners.

The resulting set of data represents both a complete and comprehensive estimate of EU support to SMEs in the EaP. Starting with 2019, the EU4Business Facility will gradually build a valuable time series to increase understanding of the extent of EU support and the effectiveness, efficiency and impact of its support by country, instrument and pillar. This valuable data series will continue to add to knowledge and contribute to shaping future policy of support to SMEs by the EU, other donors and national Governments.

INSTRUMENT LEGEND

Ordinal Number	Instrument Code	Title of Instrument	Type of Intervention
1	A1	Capped Loss Recovery	 A2F
2	A2	Interest Subsidy	
3	A3	Technical Assistance (TA) to Partner Financial Institutions (PFIs)	
4	A4	Capped Guarantees (Financial instrument)	
5	A5	Currency Hedging Subsidy (Financial instrument)	
6	A6	SME Incentive grants (linked to loans)	
7	A7	Grants to SMEs	
8	A8	Structured Funds	
9	A9	Equity	
10	B1	Consultancy services for SMEs	 BDS
11	B2	Capacity Building of Business Support Organisations (BSOs)	
12	B3	Incubators	
13	B4	Clusters	
14	B5	Trade Information	
15	B6	Business to Business (B2B) activities	
16	B7	Export Strategies	
17	C1	Capacity building of policy makers / regulators	 BEE
18	C2	PPD (Private Public Dialogue)	
19	C3	Regulatory Reform	
20	C4	Information and Communication to SMEs	

	A2F									BDS							BEE			
	A1	A2	A3	A4	A5	A6	A7	A8	A9	B1	B2	B3	B4	B5	B6	B7	C1	C2	C3	C4
21. Average value of grant disbursed							●													
22. Total value of equity invested									●											
23. Average equity per supported SME									●											
24. Number of consultancy services offered										●										
25. Sustainability of services (% contribution from SMEs)										●		●								
26. Number of SMEs trained										●										
27. Number of BSO staff trained											●									
28. Number of PPD Events											●								●	
29. Number of supported BSOs											●									
30. Number of consultancy services offered to incubated SMEs												●								
31. Number of incubated SMEs trained												●								
32. Average incubation time (years)												●								
33. Number of consultancy services offered to the SMEs clusters													●							
34. Number of clustered SMEs whose staff are trained													●							
35. Number of information tools developed														●						
36. Number of users of Trade Information (TI)														●						
37. Number of Events organised															●					
38. Number of SMEs whose staff are trained in B2B skills															●					
39. Number of export strategies drafted																●				
40. Number of Export strategies adopted																	●			

DO YOU HAVE QUESTIONS?

GET IN TOUCH WITH US

The data available for analysis goes beyond the metrics published on the [EU4Business.eu website](https://eu4business.eu) and official publications. The EU4Business team can provide available data on request, depending upon time and resources to undertake the work.

For more information,
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[WWW.EU4BUSINESS.EU](https://www.eu4business.eu)

