

These companies develop their own strategies to integrate the cross-border potential, as illustrated by the example of Basel. They do not require the public authorities to implement special policies to encourage them to do so, or are capable of contacting governments should they need to do so (e.g. collaboration between the Territory of Belfort employment service and the Swatch group when the latter established a factory in Boncourt, Switzerland, close to the border with France).

Given the potential that cross-border development represents for SMEs, support systems have been set up to guide them in the steps they take.

## CROSSING THE BORDER MEANS MANAGING A SERIES OF FACTORS THAT ARE CRUCIAL TO A FIRM'S ESTABLISHMENT:

accurate knowledge of the competitive environment, available infrastructure, equipment and land, familiarity with regulations (social, tax legislation, etc.), accounting expertise, tax optimisation strategies, etc.

These administrative and forward-looking procedures, which are extremely time-consuming and costly, are prerequisite steps for SMEs as they draw up and implement their business plans. However, very often SMEs do not have the necessary internal resources to carry them out. It is therefore crucial for them to benefit from appropriate support that reduces the cost and time devoted to these procedures as much as possible.

**Numerous players provide support and are part of an ecosystem where each one brings its specific expertise.**

- **Regulatory, tax and accounting developments are usually monitored by private consultants**, who increasingly specialise in these cutting-edge engineering fields in cross-border areas where the differentials are most significant.
- **On the French-Swiss border:** EUREX Suisse, a fiduciary company based in Geneva, offers personalised services to Greater Geneva companies in the areas of accounting management, tax, auditing, domiciliation and bi-location, etc.

Bi-location allows a business to locate its headquarters in one country and part of its activities in the neighbouring territory in order to enjoy the tax, geographical and cost advantages on both sides. This solution is beneficial for Swiss businesses that wish to gain easier access to the EU market.

➤ **Matters relating to land, competitive data and human resources are the preserve of chambers of commerce and industry (CCIs) and economic development agencies.**

➤ These organisations combine support to businesses in the strict sense (help with financing, support for land and property searches, facilitating access to international markets and European programmes, support for innovation, management of clusters, etc.) with general initiatives promoting territories' attractiveness and competitiveness (advisory services for the implementation of economic policies, construction of territorial projects, territorial marketing, etc.).<sup>105</sup>

➤ The involvement of territorial authorities in these organisations' governance explains why they "wear two hats" and play a coordinating role, which enables them to act as an interface between government and businesses, ensuring better feedback of information to policy-makers.

➤ These players interact differently in France than they do in some neighbouring countries, where CCIs and territorial authorities are very separate (the CCIs represent only the interests of businesses and have no public service remit).

The role of intermediary played by economic development agencies and chambers of commerce and industry is crucial both for the public sector and for SMEs.

SMEs gain a better understanding of public policy measures for businesses, while territorial authorities gain access to a world that is unfamiliar to them.

**The lack of permeability between these two spheres is one of the main challenges in economic development, especially when it comes to targeting the real needs of businesses. For example, financial aid is not necessarily what SMEs primarily look for from the public authorities. Knowledge of framework conditions and above all the identification of support resources, players and their territorial coverage are what businesses that wish to develop their cross-border activities most often say they need. It is therefore essential that the complementarity of functions of players providing support to businesses be assessed and coordinated over time, given that the allocation of competences is subject to the cycle of institutional reforms in France and the neighbouring countries.**