

# MANIFESTO

# Maximising the export opportunities of European exporters

Trade Promotion Europe (TPE) is the voice of the National and Regional Trade (TPOs) and Agrifood Promotion Organisations (APOs) of public and private nature of the European Union's Member States.

The EU is facing increasing common challenges to strengthen its competitiveness in the international scene. Cooperation between TPE members and the EU Institutions can contribute to supporting a resilient economy and help exporting companies, especially SMEs. Through TPE, the Trade and Agrifood Promotion Organisations aim to engage with the European Commission in a collaborative approach to:

- Establish a structured framework of cooperation to optimally support EU companies in their internationalisation efforts;
- Promote a European business environment that supports exporting companies, particularly SMEs, in their ambition.



# A structured framework for cooperation between TPE and the European Commission

A structured framework for cooperation between TPE and the European Commission is crucial to facilitate effective collaboration and support their shared objectives. This framework would provide a solid foundation for enhancing communication, coordination, and joint efforts in promoting the internationalization of EU companies, with a particular focus on SMEs. The structured framework for cooperation could encompass the following key components:

### **Regular Communication**

Establishing regular channels of communication between TPE and the European Commission would enable ongoing dialogue and exchange of information. This would help both entities stay informed about their respective priorities, initiatives, and challenges.

#### Strategy Alignment

Ensuring alignment of strategies between TPE and the European Commission would foster a cohesive approach towards supporting EU companies in their internationalisation endeavours. This alignment would involve mutual understanding, coordination, and joint efforts to address common challenges and promote shared goals.

#### **Resource Sharing**

Facilitating the sharing of resources, expertise, and best practices between TPE and the European Commission would optimise support for exporting SMEs. This could involve exchanging market intelligence, providing access to networks and contacts, and collaborating on capacity-building initiatives.

### **Joint Initiatives**

Undertaking joint initiatives and projects would allow TPE and the European Commission to leverage their respective strengths and resources. This could include organising trade missions, joint promotional campaigns, or collaborative events aimed at enhancing the international presence and competitiveness of EU companies.

### **Evaluation and Feedback**

Establishing mechanisms for regular evaluation and feedback would ensure the effectiveness of the cooperation framework. Monitoring the outcomes, impact, and relevance of collaborative efforts would enable continuous improvement and adaptation of the cooperation between TPE and the European Commission.

By implementing a structured framework for cooperation, TPE and the European Commission can enhance their collective impact in supporting EU companies, especially SMEs, in their internationalisation efforts. This collaborative approach would contribute to building a resilient economy and fostering a European business environment that empowers exporting companies to succeed.



# A structured framework for cooperation between TPE and the European Commission

# Priorities

# Awareness campaign on Free Trade Agreement opportunities and information on barriers to trade

TPE members are well placed to disseminate the benefits of Free Trade Agreements and potentiate those benefits via promotional activities. In fact, Trade Promotion Europe has embarked on a programme to raise awareness among TPE members' staff on Free Trade Agreements. The support from the Commission for an awareness campaign on a larger scale in collaboration with Trade Promotion Europe would further strengthen the impact of this initiative. TPE members can also assist DG TRADE by informing European companies about trade tools (e.g. Access2Market) developed by the European Union. TPE members commonly collect information on trade barriers directly from their constituent companies and can play a role in efficiently funnelling this information to the Commission, by, for example, TPE becoming a member of the Market Access Advisory Committee.

### Internationalisation of SMEs

TPE members share the goal of supporting their companies to their national expand beyond borders, both inside and outside of the EU Single Market. TPOs have acquired valuable insight into the needs of their exporting companies and the challenges they face. At EU level, programmes supporting the internationalisation of European companies should recognise the role of Trade Promotion Organisations, coordination and seek avoid duplication or overlapping of services.

Trade Promotion Organisations should have a central role in providing business internationalisation services in the framework of Enterprise Europe Network. When not part of the consortium, TPOs should be associated with EEN to guarantee the complementary and value add of services provided both by them, and the Network. TPOs and TPE should be invited to participate in the EEN Annual Conference so efforts from different actors can be combined.

TPE also calls for a structured dialogue with DG GROW in the form of 'Advisory Group meetings with TPOs', where DG GROW officials would brief TPOs on relevant policy developments. In turn, TPOs would inform EU officials of the challenges and experiences that exporting SMEs deal with, including data and information from TPE surveys. We would suggest two official meetings a year.

# Trade missions and trade shows

Trade Promotion Europe suggests the creation of a cross-Directorate Generals' team in the Commission to coordinate the organisation of overseas missions, run by different DGs or EU Delegations, and ensure this information is directed to and reached by TPOs.

TPE members have the network and the expertise to organise trade missions on a large scale, while the Commission adds its weight as a major trading partner. In the high-level missions organised by the Commission, TPOs and APOs could play a more active role in assisting the Commission. Similarly, the Commission shall have a strategic reflection with TPE on its presence at trade shows. The best practice from the EU on pavilions is the 'policy pavilions', in which EU policies and standards of production are explained and promoted. Commercial activities are and shall remain in the competence and expertise of Member States. When no national pavilions are established, an EU pavilion with national booths would be desirable.



# Promote a European business environment that supports European exporting SMEs

TPE and the European Commission can implement a range of initiatives to create a favorable ecosystem for SMEs engaged in international trade.

# Priorities

#### **Policy Advocacy**

TPE can inform the European Commission on issues faced by SMEs such as trade barriers, regulations etc in order to create a conducive environment for European exporting SMEs.

# Revisit the de minimis aid for SMEs

TPE members' services to exporting companies typically fall under the Regulation 1407/2013<sup>1</sup>. scope of According to TPE experience, SMEs are most successful when they systematically use different export services. The combination of these services and aids can quickly reach the de minimis ceiling over the period of three years, meaning that some SMEs would have to abandon some programs however crucial for their internationalisation. Given that SMEs are the backbone of the EU economy supporting jobs and growth in the EU, the current inflation spiral and the fact that the level of 200.000 € was set in 2006, Trade Promotion Europe considers that the ceiling of de minimis aid should be revisited to meet the needs of exporting SMEs.

### **Knowledge Sharing**

The exchange of information and expertise between TPE and the European Commission can help identify best practices and successful strategies for supporting SME exporters. This knowledge sharing can encompass market intelligence, export promotion techniques, and insights on emerging trends, enabling SMEs to make informed decisions and navigate international markets more effectively.

# Untapping the opportunities of the EU Single Market

Considering the new geopolitical context, the invasion of Ukraine, and the disruption of the global supply chains, many exporting SMEs are now focusing on the commercial opportunities offered by the EU Single Market.

The EU Single Market shall be protected and any attempt to fragment it shall be avoided at any cost. For exporting companies in the EU, challenges lie with diverging legislation at the national level. Nowadays, we see an increase in national legislation on sustainability, leading to divergent national labelling schemes or reporting processes for companies, thus impacting compliance costs. Trade Promotion Europe supports the harmonisation of legislation in all areas of competence of the EU, to support intra-trade and the integrity of the EU single market.

Market Access Support -Strengthening the European economic and business ties in developing and emerging markets

Through Global Gateway, the Commission can help create commercial opportunities in foreign markets to the benefit of exporting SMEs. Trade Promotion Europe welcomes the information on the business fora shared by DG INTPA and trusts that TPE has a legitimate role to play in the Global Gateway Business Advisory Group. TPE would like to engage with the EU delegations on a strategic reflection on business fora and economic missions. to ensure that members can be associated in the first steps of the process and guarantee the success of the initiatives, considering the experience of TPOs and APOs in organising such events. TPE members could also monitor and report on the impact of these initiatives.

The European Regulation on promotion of EU agri-food products is another illustration of strengthening the presence of the EU in third countries' markets. The supporting role of the EU Promotion Programmes to open up new market opportunities and maximise the growing ones is now more relevant than ever. APOs and TPOs can also act as liaising agents, linking organisations to apply for these funds, and therefore are ideally placed to play a key role in agri-food trade promotion.



# Promote a European business environment that supports European exporting SMEs



# Reduction of costs of exporting SMEs

Testimonials from exporting SMEs demonstrate that one of the main challenges that they face is the cost of complying with regulatory and administrative requirements. On regulatory and compliance costs, Trade Promotion Europe advocates for a fast-track process to support SMEs placing products or services in the EU market, which will then help them export to international markets. This could be achieved in different ways, including the recognition of the 'equivalence' concept to support the development of the regulatory file for market authorisation, and faster processes at the EU level for mutual recognition of standards from third countries having equivalent levels of requirements. European standards developed by **CEN-CENELEC** should also be used to support the presumption of conformity with European legislation, especially in the new upcoming legislation on environmental sustainability or circular economy. All these elements would bring more predictability to SMEs, reduce their costs of market authorisation and increase their competitiveness.

## **Digital Transformation**

TPE and the European Commission can collaborate to promote digitalisation among SME exporters. They can jointly support initiatives that facilitate the adoption of e-commerce platforms, digital marketing tools, and online trade facilitation services. This can empower SMEs to leverage digital technologies and reach customers in a more efficient and cost-effective manner.

# Strengthen the autonomy through trade & de-risking exports

As Trade Promotion Organisations, TPE members support an ambitious trade policy that can materialise into commercial opportunities for their clients. De-risking trade for exporting SMEs is now a priority for TPE members. This can take different forms, including an awareness campaign on FTAs to support the diversification of exports. TPE supports the ambition of the Commission to engage in new FTAs, especially in growing markets like India, Thailand and ASEAN countries.

TPE is also monitoring the strategy of the EU to develop critical raw materials agreements with third countries, as access to critical materials is crucial for the EU industry and its exports. Open trade is crucial to increase the autonomy of the EU in terms of supply and exports, TPE members believe. Similarly, Trade Promotion Europe welcomes the ongoing reflection within DG TRADE to de-risk exports, including an EU Export Credit Strategy.





# Conclusion: Maximising resources for better results

By working in a coordinated way, TPE members and the European Commission could avoid duplication of efforts and could combine efforts to support exporting companies. At the same time, by collaborating closely, TPE and the European Commission can amplify their efforts and create a synergy that effectively promotes a European business environment supportive of European exporting companies, particularly SMEs. Their joint initiatives can lead to increased competitiveness, enhanced market access, and sustainable growth for businesses, ultimately contributing to the overall economic prosperity of Europe.

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# About Trade Promotion Europe

Trade Promotion Europe (TPE) is the voice of the Trade Promotion Organisations (TPOs) and of the Agri-Food Promotion Organisations of the European Union' Member States. Our members represent a network of 86 national contact points, 157 European offices and more than 450 offices in third countries. More than 7,000 expert staff work for TPOs members of the network.

# **Our Vision**

The vision of Trade Promotion Europe is to have a business ecosystem that allows every internationally ambitious company in the European Union to reach its full export potential, irrespective of its size, within and outside the Single Market.

# Our mission

The mission of Trade Promotion Europe is to empower Trade Promotion Organisations across the European Union to optimise support and the business ecosystem for their trading companies by engaging as one voice with EU policy-makers to effect change where required and by facilitating effective collaboration between members.