

## ETPOA Position paper

### Towards a joint EU-Member States agenda for the internationalisation of SME's

As the EU external trade accounts for almost 35% of our Gross Domestic Product (GDP), with 35 million European jobs depending on exports (one out of seven jobs in the EU, two thirds more than in 2000), the EU Trade policy remains crucial, but it is operating in an increasingly challenging environment. At the same time, the need for a [stronger Europe in the world](#), is calling for a urgent renewal and evolution of the whole of EU external actions that ETPOA welcomes and supports. ETPOA's first [COVID-19 survey](#) among its members highlighted the desire to develop together with the Commission a coherent and long-term strategy for internationalisation of SMEs for the recovery period and for the new MFF.

ETPOA seeks to **create more synergy** between EU initiatives on the one hand and national and regional initiatives of the MSs on the other hand, both during the recovery phase, as well as in the new MFF. ETPOA and its members stress the importance of **adequate and timely consultation** between the Commission and the TPOs of MSs on the creation of internationalisation initiatives for SMEs, as **additionality and subsidiarity** remain the principles for EU external action. The aim is to avoid duplication and to ensure the taxpayers' contributions are used efficiently at both national and EU levels. In fact, with the [proliferation of EU entities or EU financed initiatives](#) in the current MFF, a **rationalisation effort is called for**. ETPOA is in favour of the Commission **developing a clear process and a strong interservice coordination and decision-making mechanism** for all internationalisation programmes across different DGs, with **transparent criteria** for designing and implementing activities in third countries.

ETPOA is ready to work with the EU Institutions on **planning and developing projects for the next MFF dedicated to the internationalisation of SMEs**, taking into account the specific competencies of the different actors involved. Complementarity is all about good articulation with Member States. To achieve greater coordination and collaboration, ETPOA proposes the following ideas for developing a synergic approach:

#### **Enterprise Europe Network (EEN): TPOs bringing in their strong network in third countries**

EEN is the main EU instrument to support internationalisation of SMEs. ETPOA welcomes EEN efforts to help save European SMEs and jobs and advises to focus on the single market, as this is the priority for most of EU SMEs.

ETPOA is stimulating its members to become a partner in EEN, as internationalisation of SMEs is the core mission of both the TPOs and EEN. Some ETPOA members are already partner in the consortia in different regions across Europe. The vast network of foreign offices of the TPOs both in the single market as well as in third countries is a unique asset that brings added value to EEN and its clients. This could be significantly strengthened with more TPOs as partner in the network.

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ETPOA believes that specific engagement rules between the EEN network and the European national and regional TPOs is recommended to make both networks truly complementary and additional in meeting EU SMEs' needs.

## **FTA implementation: EU and TPOs joining forces**

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The main challenge for the Commission and ETPOA members is ensuring that EU exports and imports benefit from the FTAs and EPAs. This means ensuring that tariff preferences and quotas for industrial and agricultural products are used to their full potential. Equally important is ensuring that companies benefit from other parts of the agreements, such as the opportunities provided by commitments in trade in services and public procurement, among others.

ETPOA welcomes the appointment of a Chief Enforcement Officer, the new Access2Markets platform, and the planned Rules of Origin database and calculation tool for preference utilization rates, that will allow SMEs to quickly access relevant information on the rules applicable for their specific products. Furthermore, ETPOA would welcome the creation of an FTA Implementation Helpdesk in Brussels for institutional stakeholders.

ETPOA requests to set up a task force between the Commission and the European TPOs on FTA Implementation. Underpinning the need for best use of public resources, the task force can discuss how to align actions taken by the MS and their TPOs on the one hand and the Commission and EU Delegations on the other hand, to jointly assist a greater number of EU companies.

## **Africa: An ideal region for developing new forms of collaboration**

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Africa is a priority for the Commission as well as for several MSs. It is also the one continent where the MSs' TPOs are less represented. This is a continent where ETPOA sees the most opportunities to work together with the European Commission, as a lot of EU financing will go to this continent.

ETPOA welcomes greater protection of the EU businesses' interest in the EU external dimension and wants more European companies to benefit from those policies, often co-financed by the EU and its MSs.

A concrete idea is for ETPOA and its members to co-create with the Commission an EU Business Development Centre for Africa to support European SMEs companies in gaining market access in Africa and participate in public tenders.

## **Fairs and business missions: Innovative events under the EU flag in third countries**

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The present crisis offers an opportunity to strengthen our efforts by working together. Our common goal is to bring back to export the biggest number of EU companies as soon as possible. As most SMEs will concentrate their efforts on the single market, additional stimulus is needed for third countries, as TPOs expect lower

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participation in trade fairs and business missions. Joining forces between the EU and the European TPOs can be a win-win situation for everyone involved, most importantly for the European SMEs. Building EU critical mass is useful to defend our market share and will provide additional interest and opportunities abroad.

ETPOA calls for the Commission to join efforts with the EU MS to define new forms of cooperation with the TPOs under the EU flag, from business missions to trade fairs participation in third countries. Together, we can work out the basic principles and rules for this collaboration, leading to increased efficiency and lowering costs for the SMEs. Furthermore, jointly developing new tools for the organisation of virtual and hybrid events in third countries will benefit all SMEs.

To conclude, ETPOA is ready and willing to support all the EU Institutions involved in meeting EU businesses internationalisation needs to align actions, thus assuring additionality of the EU intervention, while at the same time jointly ensuring access to more markets for EU businesses.

## **European Trade Promotion Organisations' Association**

**ETPOA is the association of national and regional trade promotion organisations as well as agrifood promotion organisations, who are dedicated to the internationalization of SMEs.** ETPOA currently has **25 Members from across Europe, of which 23 organisations from 16 EU MSs.** In 2019, 14 TPOs from 12 EU Member States were surveyed and the combined foreign network of our then members in third countries consisted of 340 offices, with more than 5000 staff. In the same year, the members serviced over 55.000 businesses. The members had a combined total of over 700.000 clients in their databases.

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