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EP SME INTERGROUP BREAKFAST ON THE EUROPEAN COMMISSION COMMUNICATION: “SMALL BUSINESS, BIG WORLD – A NEW PARTNERSHIP TO HELP SMEs SEIZE GLOBAL OPPORTUNITIES”

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General comments

BUSINESSEUROPE approves the objectives of the new EU SME internationalization strategy, which are:

- to provide SMEs with easily accessible and adequate information on how to expand their business outside the EU;
- to improve the coherence and cost-effectiveness of support activities. In this regard, we fully support the intention of the Commission to assess and optimise the EU portfolio of business support instruments for SMEs in non-EU countries.

This assessment should include the EU SME Centres, the Enterprise Europe Network, other EU business support programmes for brokerage events (such as Invest in Med, East Invest, AL-INVEST), cluster collaboration initiatives (such as the European Cluster Collaboration Platform and the European Club of Cluster Managers), the National Contact Points (NCPs) of the EU Framework Programme for Research, and networking and individual training programmes in the EU (such as Gateway to Japan/South Korea or the Executive Training Programme).

- to fill existing gaps in support services.

A. Mapping the support services environment at home and abroad

BUSINESSEUROPE supports the proposal of launching an in-depth mapping and analysis of existing support services, both public and private. This is a vital prerequisite for developing effective policy measures. We would urge to do this as soon as possible before the end of 2012.



B. Delivering information to the SME's doorstep

The Commission has stated its intention to take measures aiming at making EEN services “increasingly effectively available to SMEs”.

BUSINESSEUROPE shares the view that a new EEN governance structure is needed to reach that goal, and to ensure that the activities of services providers are truly in line with the priorities of business. The business sector should be well represented in that new governance structure.

The design of the next stage of the EEN deployment should take full account of the results of the planned assessment of the current EU portfolio of business support instruments.

Beyond this, there is also a need for improving, in certain countries:

- 1. the visibility of EEN;
- 2. the quality of services offered;
- 3. the integration and coordination of EEN services with existing national or regional initiatives.

Where these problems arise, solutions must be sought through discussions between the Commission and the Member States concerned, on the basis of detailed assessments, and consideration of options for clarifying the role of existing national service providers, and EEN service providers.

BUSINESSEUROPE supports the intention of launching in 2012 a multilingual online portal that will provide information about priority markets and a detailed overview of the different support services available.

C. Bringing a European dimension to the supply of services for SMEs in priority markets

BUSINESSEUROPE reiterates its support for the concept of an efficient division of labour between existing providers of SME support services at local level. This concept should be inspired by a win-win philosophy, and implemented according to a bottom-up approach.

We welcome the planned establishment in third countries of local platforms for cooperation between suppliers of services to European SMEs, under the coordination of the market access teams. These platforms will be helpful for encouraging a new division of work. Business networks in Europe (including BUSINESSEUROPE) should be part of the platforms, so that SMEs know where to turn to for services in third countries.

We support the introduction of financial incentives under the COSME programme for facilitating cross-border cooperation and access to complementary expertise among service providers.



The cooperation between actors should not develop only in the specific context of given markets. It is also necessary to organise a more strategic overall cooperation, taking account of all markets on which a cooperative division of work is to be developed and examining the scope for improving cooperation models in order to respond optimally to SMEs' expectations. In this context, BUSINESSEUROPE welcomes the idea of the Commission to organize an annual forum where stakeholders could share their experience, exchange views, identify possible divisions of labour and the need for new activities.

D. The promotion of SMEs internationalisation through cluster, export consortia and enterprise networks

Export consortia represent one of the best solutions among the instruments SMEs use to export. We therefore welcome very much the Commission planned initiatives concerning the setting up of transnational consortia and programs to train cluster, consortia and network managers.

E. The creation of new programmes according to geographical priorities

The EU programmes should avoid as much as possible duplication with existing national and European initiatives. The EU should intervene according to subsidiarity only where it can bring an added value.

The new programmes should be realised according to the specific needs of SMEs especially in the priority countries identified according to the criteria highlighted by the communication itself. In defining these countries, the private sector should also be involved.

F. Mainstreaming SMEs internationalisation into other EU policies

SMEs internationalisation should be mainstreamed also in other EU policies. In particular the obstacles and barriers to SMEs internationalisation should be addressed into EU trade policy.

The creation of contact points for SMEs in each EU Delegation in a third country is a good starting point.

Specific challenges occur when the interests of large and small firms might diverge. For example, the EU must firmly resist the "localisation" strategies of emerging countries. Otherwise, the SME suppliers of large corporations in the EU will lose market share.

Trade restrictions to access to raw materials must be challenged even in cases where large firms can invest in the resource holding countries to get around the trade restrictions. Investment protection and investment market access should become a high priority for EU trade policy because small firms require more legal protection in high risk markets.



Finally, the Commission should conduct more market analyses of large emerging countries to better assess where EU industries and services could have a competitive edge.

This information could be shared with national trade promotion agencies to assist them in their work to support SMEs.
