



27 November 2012

EU-JAPAN CENTRE FOR INDUSTRIAL COOPERATION

WORKSHOP ON CHALLENGES AND BUSINESS OPPORTUNITIES FOR EU SMES IN JAPAN

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27 NOVEMBER 2012

1. Overview

The purpose of this contribution is to make comments of a practical nature on selected EU level initiatives to support SMEs which wish to work with Japan, and then move to a few broader expectations regarding EU SME internationalisation policy.

2. Views on some EU instruments for supporting SMEs in their approach of the Japanese market

2.1. Brokerage events and company missions organised in the framework of the Enterprise Europe Network (EEN)

Organising these brokerage events and these company missions involves public and private network partners in Europe and in Japan. The main aim is match-making. Brokerage events and missions are generally felt to be very positive but there is still potential to upgrade their effectiveness.

Discussions with the European players in fact reveal that the participation of Japanese companies in brokerage events and missions could be widened through a greater effort on the part of Japanese public players aimed at informing Japanese companies and motivating them to participate. It appears that cultural factors make some Japanese companies hesitant to participate in these events. It seems that a good number of Japanese companies find it difficult to conceive the development of business relations with a new partner if a strong basis of trust has not been established first.

By way of comparison, there is the perception within European business that the public authorities in other non-European countries (Russia, South Korea) find their way more easily when it comes to encouraging a wide spectrum of local businesses to participate in brokerage events and missions. So this is an issue to work upon in Japan.

The Enterprise Europe Network constantly updates a databank with offers of and requests for partnerships. On the business side, we also have the feeling that more



could be done at the Japanese level to promote this databank vis-à-vis Japanese companies. More active promotion of the databank would certainly be a move in the mutual interest.

2.2. Initiatives promoting cooperation between European and Japanese clusters

The first EU-Japan Cluster Match-making event for the clean technologies and green materials sector was held in Tokyo from 12 to 15 November last. This event was very successful. On the European side, it mobilised:

- nine clusters (based in France, Germany, Denmark, Spain, Italy Poland and Sweden)
- and nine SMEs characteristic of these clusters.

It opened the way for development of partnerships and cooperation agreements between European and Japanese entities active in the field of clean technologies. BUSINESSEUROPE considers this result to be very encouraging, in particular given the importance that we attach to clusters as a vehicle to facilitate SMEs' innovation and internationalisation efforts. We are satisfied to see that the cluster match-making event in Tokyo was not conceived as a one-shot event, but that it is based on a philosophy of long-term cooperation, which has been given concrete form in an appropriate agreement. For BUSINESSEUROPE, it is very important to pay close attention to the follow-up to the Tokyo event, so that it can truly act as a catalyst for additional positive fallout over the longer term. Japanese cluster managers will have a particularly important role to play in this process. We also believe that the EU-Japan Centre for Industrial Cooperation, with its many capabilities, could make a significant contribution to ensure the success of the follow-up to the Tokyo event.

3. Broader views and expectations regarding the EU SME internationalisation policy.

It is worthwhile recalling some important principles for the efficient development of the overall EU SME internationalisation policy. These principles should be fully kept in mind when designing EU initiatives for helping SMEs to work with Japan.

A first key principle is to ensure good visibility of the services provided at EU level. There is room for improvement here, in particular regarding the services offered through the EEN, which are not very well know in some parts of Europe.

A second important principle is the one of EU action bringing a specific added value. This is particularly relevant in the area of developing information and intelligence on the regulatory environment in third countries. In this regard, we welcome the Commission "win-win" collaboration concept of designing a new division of labour between the numerous service providers of European origin which operate in third countries. We support in particular the mapping exercise undertaken by the Commission for identifying duplication and fragmentation as well as gaps and potential synergies in existing support activities for SMEs interested in Japan.