

WINNING OVER EXPORT MARKETS WITH SMES

In 10 years, the number of small and medium French exporters has declined worryingly. In its "SME and foreign trade" opinion of 11 July 2007, the Economic and Social Council already expressed its concerns about this inadequate presence in foreign markets, and made a certain number of recommendations to allow our SME to focus more on the international market.

Independent SMEs represent

83

of all export companies,
but their contribution to total export
turnover is under

18%

The level of export companies
parmi l'ensemble des PME,

**varies from the ratio of
one to two**

depending on whether they have more or less than

50 employees

Since then, voluntary measures have been taken by the public authorities in accordance with the spirit of these recommendations, but they have not been sufficient to reverse the situation. The poor performance of our foreign trade has worsened, with a trade deficit which reached, in 2011, the record level of €69.6B.

Of course, French entrepreneurial culture is not necessarily ideal for the international development of SMEs, unlike in Germany and Italy. Our assembly therefore considers that there should be more vigorous action to give company managers the confidence and will to develop export activities. To this end, it has identified four areas for priority action.

Just half of companies

survive in the international arena
after one year of business, and

only a quarter of them

are still present after six years



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DEVELOPING A VOLUNTARY ACTION TO DETECT PROMISING MARKETS AND ENTERPRISES WITH EXPORT POTENTIAL

➤ Improving the identification of potential markets

- Providing** SMEs with strategic information on promising sectors and markets
- Facilitating** access to and use of information thanks to a single access point

➤ Better identifying companies and acting to adapt their offer

- Organising**, in each region, a process for identifying SMEs
- Presenting** an offer structured by sector and adapted to the requirements of global markets
- Linking** aid to the relevance and sustainability of export projects

*Presenting a comprehensive and flexible offer which meets the requirements of global markets relying on integrated and organised sectors,
this is the challenge to be met*

IMPROVING SUPPORT FOR SMES

➤ Establishing a coordinated approach at a regional level

- Working** on the definition of a clear allocation of competences
- Finalising** the creation of a one-stop export shop, indeed a Chamber of commerce for export (*Maison de l'export*)

➤ Adjusting tools to meet the requirements of SMEs

- Clarifying** the public service mission entrusted to *Ubifrance*
- Designating** *Oséo* as the special contact point of exporting SMEs to improve understanding of financial tools
- Focusing** the role of Foreign trade advisors on SMEs, by strengthening their support, advice and training roles

VIGOROUSLY ENCOURAGING PARTNERSHIPS BETWEEN ENTERPRISES

➤ Fully associating SMEs with competitive clusters

- Appointing** a «competitive cluster» mediator
- Securing** the intellectual property of partner SMEs

➤ Encouraging business groupings

- Creating** an *ad hoc* structure to secure the association of SMEs with exports

➤ Changing the relationship between SMEs and large companies

- Developing** an economic patriotism model to achieve greater participation of SMEs in international contracts, and adjust the granting of aid in accordance with the share of business granted to SMEs
- Introducing** a hierarchy to backing, to encourage synergies between VSE/SMEs and SME/Mid cap companies

*SMEs must be aware of the fact that by working in concert,
they will get easier access to new markets*

FACING THE CHALLENGE OF GLOBAL COMPETITION

➤ Accentuating policies in favour of the growth of SMEs to create a regulatory framework fit for their expansion

- Defining** a new framework for the financing of SMEs
- Adjusting** corporation tax rates to strengthen the equity of SMEs
- Harmonising** inheritance law

➤ Boosting SMEs to help them acquire export potential

- Expanding** access to the International Volunteers in Business (IVB) program
- Optimising** export tax credits

➤ Realising all the benefits from European mechanisms and policies

- Helping** SMEs, via targeted measures, to benefit more from the internal European market
- Establishing** the reciprocity principle to balance access to markets in third party countries