

Below are the questions, followed by the answers in bold italics

A Manifesto for Exporters.

The recent report by the Parliamentary B.I.S. Select Committee, entitled “Exporting out of a Recession”, published on January 28th 2010 stated that UK Trade & Investment (UKTI) was “on the whole, highly adept, whose services are valued by business”. There were, however some very worrying comments which are detailed below. The Sponsors’ Alliance has always maintained that the current level of direct support for exporters is wholly inadequate. In the run up to the General Election, the members of the Sponsors’ Alliance, which comprise around 13,000 exporting UK companies, employing 2.7 million people, would like to know what a future Conservative administration would do to address these shortcomings.

1. The report states that UKTI has “not always been successful in listening to and communicating with its customers”. We believe that this is institutional within the hierarchy of UKTI – They may consult or inform but they do not listen, how would you address this issue?

With responsibility for supporting British exporters and attracting Foreign Direct Investment into the UK, UKTI will have a vital role in leading our country out of recession and encouraging growth in our economy. In performing its functions it is critical therefore that Businesses, who benefit directly from its support, and the tax payer in general who realise the gains indirectly, feel that it is functioning effectively and producing real results.

In the last four years in establishing the Conservative Party policy for UKTI we have been consulting extensively with British Businesses, Chambers of Commerce and Trade Associations and have met on a number of occasions with Sponsors’ Alliance. The intention was to learn about their needs and expectations and to look at how UKTI can function more effectively to help businesses export for the first time or continue to search for new markets.

What is clear, and as was stated by the BIS select committee, is that UKTI does in general provide a good service, but many of the faults listed are those that have been made to us over the last few years and it seems that the Government has not taken the necessary remedial action.

UTKI and British Businesses are on the same side and it is imperative that we work together in pursuit of our goals. A future Conservative Government will continue the listening process and seek partnerships with businesses, chambers of commerce and trade associations to tackle issues of shared concern and to develop programmes of support. In addition by injecting business DNA into UKTI we will produce real results in this area, which will be achieved through a focus on employing staff with real business experience and a strong secondment programme

and offering a worthwhile career structure within UKTI to attract and retain high calibre staff.

2. Will a future Conservative government restore and protect UKTI's budgets for its leading business schemes, and ensure that the organisation focuses more of its resources onto those core programmes which are valued and demanded by exporters?

UKTI has benefited from an extra £10m from the government's strategic investment fund, to be spread over two years, 2009-10 and 2010-11. The Select Committee reported that it felt that this money had been spent hurriedly in 2009-10, with little consultation, and this had led to inappropriate spending decisions. The committee also suggested that this money should be spent on improving the level of support within existing successful UKTI schemes, rather than inventing new ones.

In recent years many of UKTI's most successful and popular schemes, such as the Tradeshow Access Program (TAP) and Passport to Export have undergone drastic budget reductions. For example the TAP scheme has seen funding fall from around £20m to just over £8m within the past 6 years. The Sponsors' Alliance has frequently advocated that budgets for customer-facing schemes like these should be restored and protected. Evidence indicates that these schemes generate a return on investment for UK companies of between 17-28 to one.

The Conservative party recognises the vital role that UKTI provides in supporting the British Economy, it is therefore disappointing to note that despite the reduced value of sterling, according to the ONS, the UK's trade deficit in goods increased from £19.8 billion in 2009 Q3 to £21.0 billion in 2009 Q4.

The Conservatives reform of UKTI will reduce backroom administrative costs to be able to deliver the maximum amount of frontline funding to increase assistance to exporters and to attract FDI.

Every penny of taxpayer's money must be properly audited to ensure that it is producing the best value for money.

3. What will be a future Conservative government's strategy in relation to RDAs and UKTI's regional infrastructure?

The report also highlighted issues surrounding Regional Development Agencies (RDAs) and UKTI's regional network in the UK. Although the report indicates that there has been some improvement, RDAs and UKTI regional groups still create confusion by organising regional, rather than national groups in overseas markets and exhibitions. Another issue is the duplication in staff and resources within UKTI's regional infrastructure in England and the devolved regions. A reduction in this duplication would allow a greater investment into schemes that directly benefit UK exporters such as TAP and Passport to Export.

Under the current administration, the nine Regional Development Agencies (RDAs) and three devolved administrations dilute and fragment the UK brand and create staff duplication at home and abroad.

Under a Conservative Government UKTI will offer a coordinated national approach to supporting our exporters and attracting inward investment. An export led recovery from the recession will benefit from a unified strategy supported by regional UKTI staff, whose role in providing on the ground knowledge and support

Our activities and policy making will be managed centrally, with a concentration on sectors over geographical regions, with small UKTI regional teams working as part of our national effort providing local knowledge, acting as a first point of contact for exporters and to lead in aftercare of inward investors to avoid the duplication of services and confusion caused by the RDAs current domestic and overseas activities.

The members of the Sponsors' Alliance would like to hear your party's views on the above issues; if you would like to discuss these subjects further we would be only too pleased to arrange a meeting or telephone conversation.

You can view our website at www.sponsorsalliance.net

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