

**Manifesto for Export Support – 2015***'Driving UK Exports'***About Sponsors Alliance**

The Sponsors' Alliance is an independent, national, multi-sectorial alliance of member-based, not-for-profit industry trade associations and chambers of commerce, who engage in export promotion activity. These associations provide export-related services, support and benefits to their members and non-members, and engage in export promotion activities, such as organising overseas exhibition groups and overseas market visits (trade missions) in conjunction with UK Trade & Investment (UKTI). Many members also work with UKTI and regional organisations on sector- or regionally-based export promotion activities.

Sponsors' Alliance members work closely with UKTI on its Tradeshow Access Programme (TAP) which supports UK companies exhibiting at overseas exhibitions. Sponsors Alliance members make up nearly half of the active "Trade Challenge Partners" working with UKTI, organising around 70% of the events in the 2011-12 TAP programme (2013-14) and accounting for around two thirds of the TAP programme budget. This programme provides huge benefit to industry and delivers vital trade promotion support, as the scheme leverages existing activities by trade organisations in order to deliver a popular and cost effective scheme at very low expense to the taxpayer.

**Introduction**

The imperative for the UK to boost exports and rebalance our significant trade deficit is well known. Government schemes that support export growth are more important than at any time in recent history, particularly for Small and Medium sized Enterprises (SME's) who need financial support and guidance to make the first meaningful steps towards establishing themselves in overseas markets.

For many years successive UK Governments have provided financial support to industry to help in this effort. The Trade Access Programme (TAP) has been the foundation of many UK companies export drive, providing much needed financial support for those companies attending Trade Fairs overseas.

The UK is in a global race to drive growth, break free of economic stagnation and put the UK back on the road to prosperity. To achieve this goal we must recognise the importance of exports and provide an environment that supports industry to take advantage of the huge opportunity presented in foreign markets for the benefit of the UK economy.

To make this happen, we need Government to champion industry and look for action in three distinct areas.

- 1) A commitment to keep the Trade Access Programme**
- 2) An increase in funding for the Trade Access Programme**
- 3) Effective management of TAP and increased flexibility for its uses**

## **Actions by Government and UK Trade & Investment**

### **A commitment to keep the Trade Access Programme**

Trade Fairs remain the primary vehicle for UK exporters to gain access to foreign markets. Recent industry surveys indicate that SME's first meaningful steps to internationalisation happen via overseas exhibitions and that they see significant growth in their exports through their participation.

TAP funding is vital in enabling UK companies to attend these Trade Shows' many of whom are reliant on this financial support to allow them to exhibit, especially in emerging markets that are geographically distant, more complex to engage with and therefore more costly. Recognising the importance and value to industry that grant funding provides is essential in delivering an export friendly environment for UK Industry. The SA recommends:

- A firm commitment to keep the Trade Access Programme for the duration of the next Parliament
- Prioritisation of TAP budgets above new and existing Government services that support trade promotion
- Continued use of accredited Trade Challenge Partners as the mechanism of delivery for TAP
- Increased flexibility for Trade Challenge Partners to decide on how to deliver TAP funding and associated services for industry

### **2) An increase in funding for the Trade Access Programme**

Grant funding aimed at supporting SME's to attend Trade Fairs has been a central part of many UK Governments' strategy for export support for many years. However, this funding has been in steep decline in recent times falling to its lowest level in 2009/10 of just £6million per annum. In stark contrast many successful exporting nations have invested significantly in their equivalent schemes as part of their national growth strategy with much success.

This erosion of TAP has had significant detrimental impact on UK SME's ability to access and grow in overseas markets and is not servicing industry's needs adequately. Current Government funding levels are putting UK participation at Trade Shows' at risk and limiting their effectiveness. The SA recommends:

- Establishing the TAP budget at £30million per annum
- A commitment to the TAP budget rising in-line with inflation each year
- A commitment that the TAP budget will not reduce within the next parliament

### **3) Effective management of TAP and increased flexibility for its uses**

To ensure that funding is deployed effectively, efficiently and with maximum benefit to industry it is critical that there is earlier commitment from Government to funding from year to year and greater flexibility of its uses. The SA recommends:

- Earlier planning for trade fairs and longer term commitment to funding levels from HMG
- Greater flexibility for the uses for TAP funding by recipients
- More flexibility for TCP's to decide on activity to be supported by TAP