1. **GRO/SME/20/B/04- SUPPORTING EUROPEAN SMES TO PARTICIPATE IN PUBLIC PROCUREMENT OUTSIDE EU**

***Type Of Applicants Targeted***

Consortia of business intermediaries, clusters or other business network organizations, business support organizations, trade promotion bodies, etc.

**Description of the activities**

**Total amount of the action:** EUR 2,000,000

**Rate of co-financing:** Maximum rate of co-financing : 75 %.

The maximum co-financing amount - EUR 400,000 per project.

**Description of activities:**

Improving SMEs’ access to public procurement is an important objective for the European Commission. Inside the Union, the SMEs’ weight in above threshold procurement is still low when compared with their contribution to Gross Domestic Product (only 45% compared to 58%). The participation of SMEs in procurement across borders is even lower.

Public procurement offers major business opportunities to SMEs. In the Union, public procurement represents around EUR 2000 billion per year. When adding the opportunities outside the Union, the potential for growth is even higher. The World Trade Organisation Secretariat estimates the Government Procurement Agreement opportunities amount to US$ 1.7 trillion annually.

The participation of SMEs in public procurement is a win-win situation. It helps SMEs to grow and scale-up, it improves their reputation, and helps them to obtain more business in the private sector. For public authorities, it increases the number of offers the public buyers get, ultimately increasing the chances to obtain the best value for money.

This action will be implemented through a call for proposals. The projects shall take into consideration several aspects: the identification of the SMEs capacities to operate in an international environment, the sector specificities, and the knowledge and expertise related to certain non-Union partner countries, the knowledge about procurement markets. Therefore, this action will give flexibility to the organisations submitting the proposal to tailor their services to the needs of SMEs while achieving the objectives set in this action. The action could cover several measures such as awareness raising about opportunities existing outside the Union (tenders alerts and guides on what is specific to the respective country on public procurement), training and advisory services to SMEs, business- to-procurers events, partner-finding support, consortia building, etc. In the implementation of this action, the selected consortia should look for synergies with other projects/initiatives developed under COSME or other Union Programmes.

***The projects will have two stages:***

**1.** A preparatory phase, where each project will be requested to develop an internationalisation strategy and its implementation roadmap, based on the targeted Member States and third countries, and

**2.** The implementation phase, to apply the internationalisation strategy.

In order to achieve the objectives of the action and to have, potentially, economies of scale, the grantees should cover at least three Member States and COSME participating countries. They should target at least two non-Union partner countries with which the Union has signed a trade agreement including a public procurement or are member of the Government.

***Procurement Agreement of the World Trade Organisation.***

***Expected results of the action:***

The current action is designed to ultimately help SMEs to participate in public procurement outside the Union through co-financing actions of intermediate organisations supporting SMEs’ internationalisation and participation in public procurement. As a result, these organisations should develop their capacities to help SMEs in this respect, offer more targeted and better support. This measure should complement the efforts done by the EEN in this field and serve as a basis for a better understanding of the SMEs’ concrete needs and developing more precise tools.

***Implementation***

***Implemented by EASME through a Call for proposals.***

***Additional information***

***Specific objectives*:**

The objective pursued is to improve SMEs’ access to public procurement in the non-Union countries with which the Union signed an agreement covering public procurement (for example, the Government Procurement Agreement of the World Trade Organisation, Stabilisation and Association Agreements, Free Trade Agreements, etc.).

Public procurement contributes to the growth and the global competitiveness of SMEs. The European Union has invested significant resources in negotiating these agreements in order for Union companies to be able to take advantage of the opportunities outside the Union. This action will focus particularly on the public procurement area and falls under the second specific objective of the COSME programme: access to markets.

***Indicative implementation timetable:***

- Call for proposal: Q1 2020.

- Signature of grant agreement: Q3 2020.

- Total duration of the grant agreement: Up to 36 months.

***Qualitative and quantitative indicators for the action:***

**1.** Number of business intermediary organisations, clusters and other types of organisations from different COSME participating countries having benefited from the support actions (at least 3 per project).

**2.** Number of SMEs reached by these actions (per project, at least 300 SMEs from 3 Member States).

**3.** Number of information materials (webinars, interviews with successful companies, etc.) about non-Union countries (at least 3 per project).

**4.** Number of “meeting the procurers” events (at least 2 meetings organised per project).

**5.** Number of partner-matching actions (at least 2 per project).

**6.** Number of submissions of offers under international procurement procedures during the project.

**7.** Increase in the percentage of the turnover from international bids won and employment of the SMEs that directly or indirectly benefited from the project.