



# S-ACCESS

Smes ACCESS to international public procurements



Co-funded  
by the COSME programme  
of the European Union

SIFER, 27th October 2021

# **COSME**

## **Call for proposals**

### **COS-PPOUT-2020-2-03**

**Supporting European SMEs to participate in public procurement outside EU**

<b>Project acronym:</b>	<b>S-ACCESS</b> (Smes ACCESS to international public procurements)
<b>Project duration (months):</b>	<b>36 months</b>
<b>Start date:</b>	<b>1<sup>st</sup> July 2021</b>
<b>Coordinating organisation:</b>	<b>DITECFER S.c.ar.l.</b>
<b>Number of partners:</b>	<b>7</b>

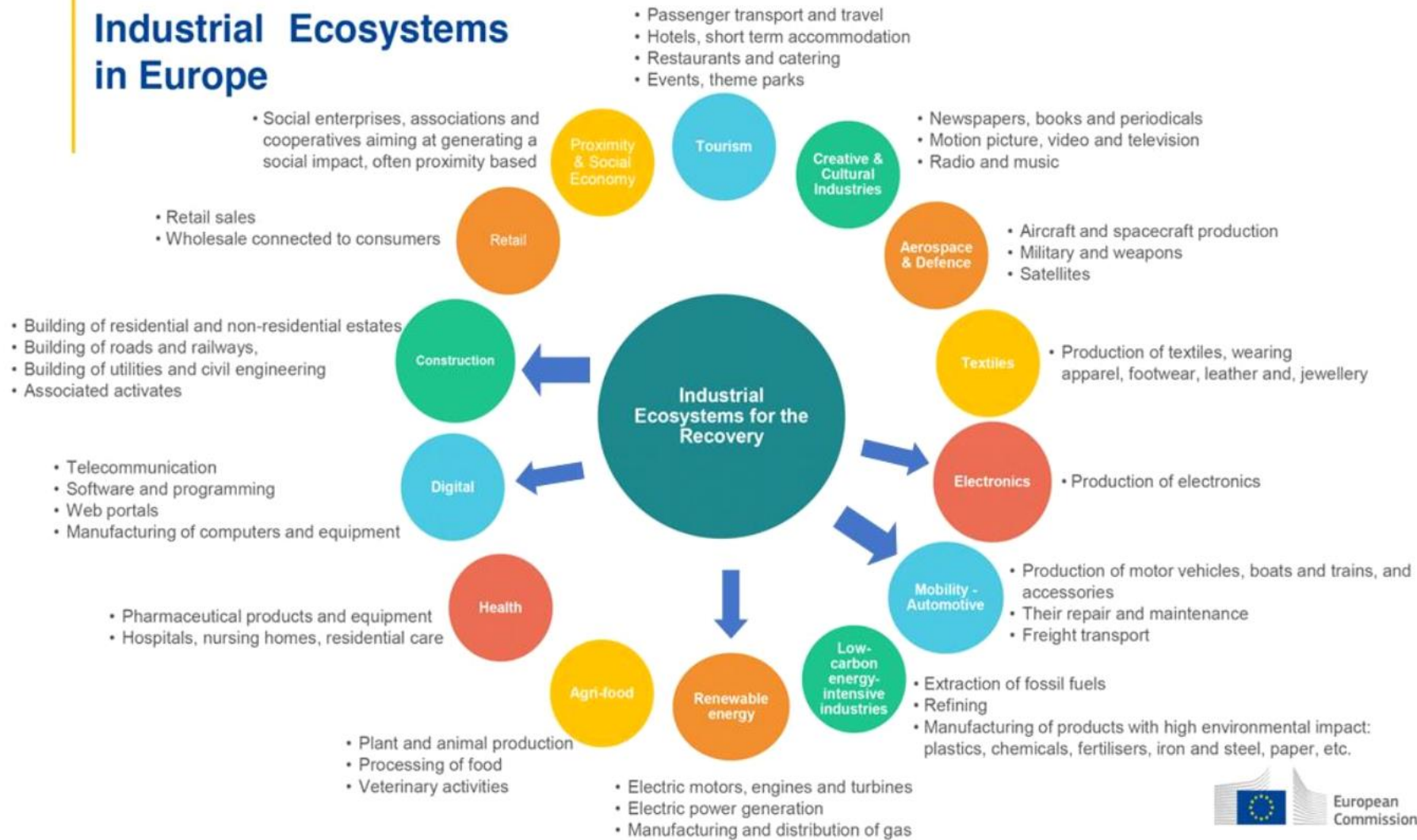
# PARTNERS AND SMEs REPRESENTED



1000

# WHAT SMEs

## Industrial Ecosystems in Europe



# THE PARTNERS AND ERCI



EURAILCLUSTERS



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## CONNECTING IDEAS

As the rail sector's largest dedicated b2b networking organisation, the European Railway Clusters Initiative is all about bringing customers, suppliers and supply chain opportunities together.





# A SPIN-OFF PROJECT OF THE «PERES ESCP-4i»...

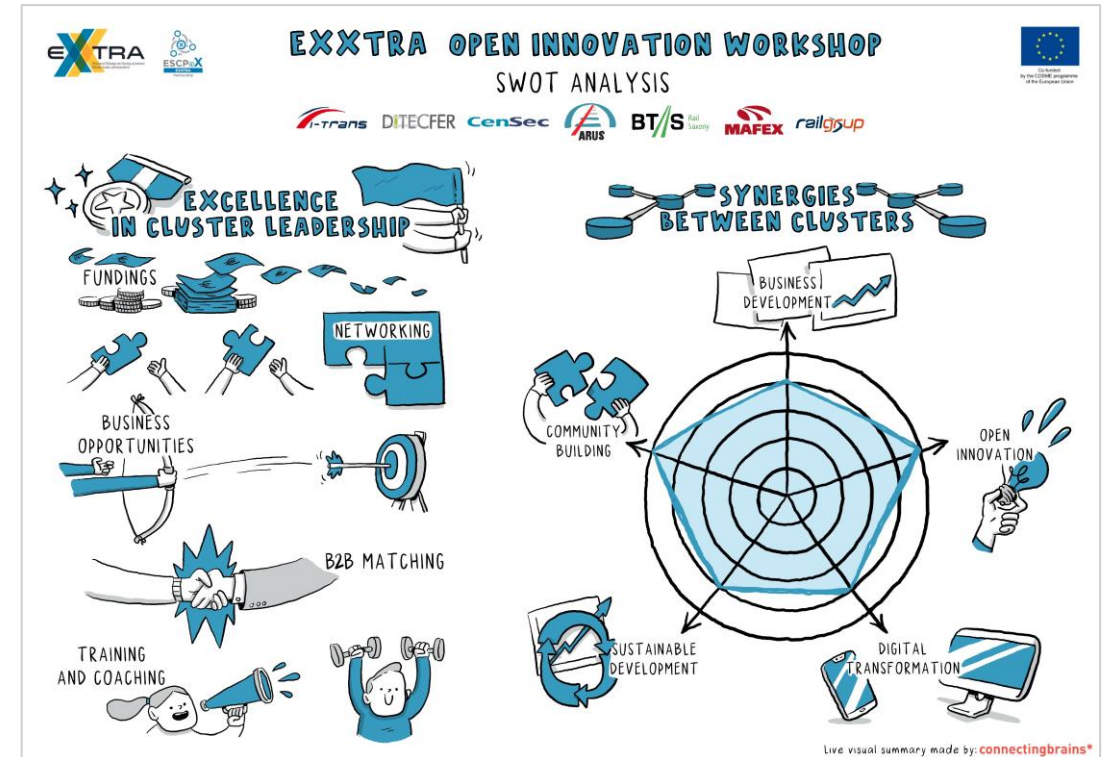
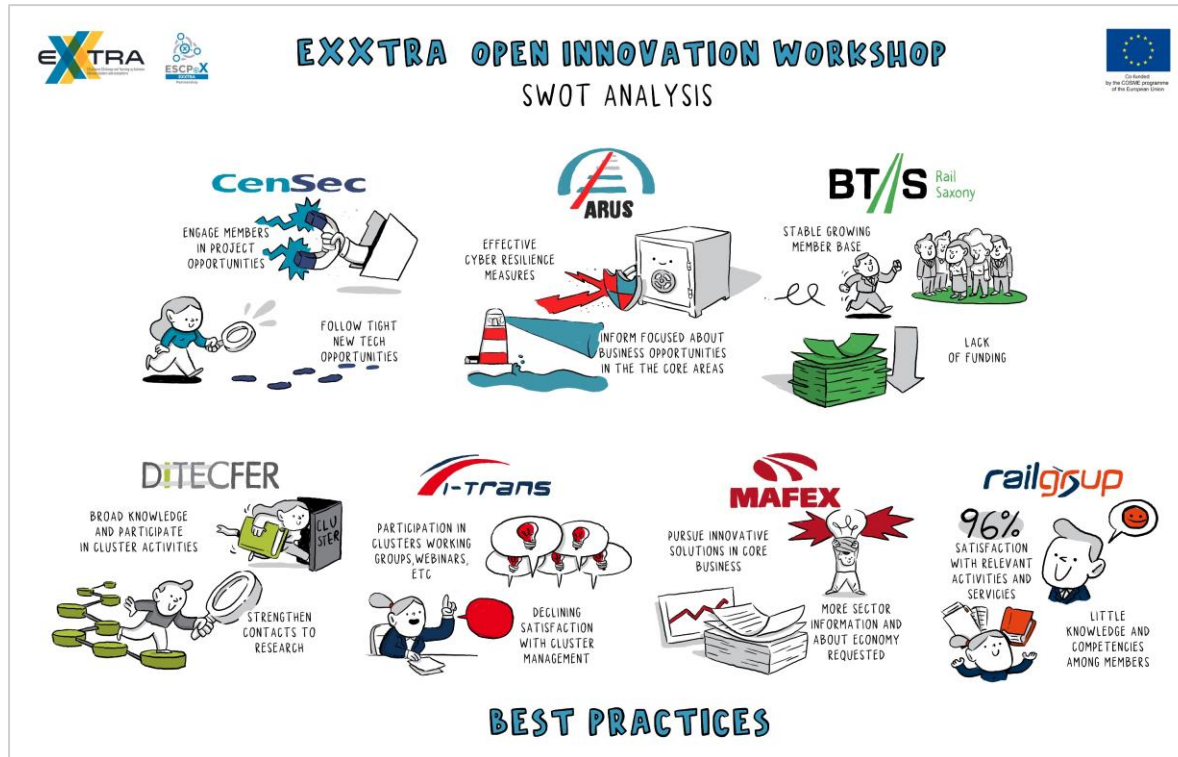


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**Table 1 | Channels of international sales used by SMEs members of the S-ACCESS Partners**  
(data from "PERES ESCP-4i", Deliverable D2.4)

Channels	%
Direct Sale	41,67%
Local Agent	22,62%
Local Branch	11,90%
Distributor	8,33%
<u>Tender</u>	<u>4,76%</u>
Tech Transfer	4,76%
Other	3,57%
JV with local partners	2,38%
<b>Total</b>	<b>100%</b>

# ...AND OF THE «EXXTRA ESCP-4x»



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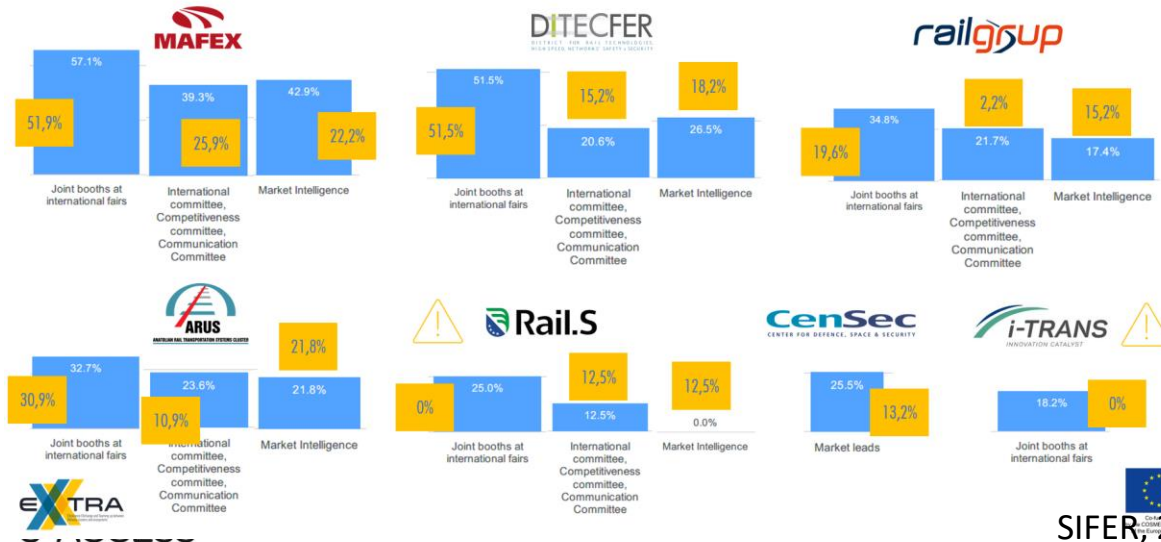
EXcellence EXchange and Teaming-up between  
Railway clusters and ecosystems



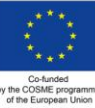
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## What we can learn from our Members' Satisfaction Surveys and tips for individual improvement

### Level of use vs. familiarity with Internationalisation services (from Q.11)



EXcellence EXchange and Teaming-up between  
Railway clusters and ecosystems



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## Key lessons learnt from 2 ESCP-4i involving the Partners: «PERES» and «KETs4Dual-Use»

### Summary

We have discussed:

- The importance to **monitor the actual 'buy-in'** of our services and activities from our members – and the need to try to **optimise the ratio between 'inputs' (our effort) and 'outputs' (actual use of our services by our members)**
- The opportunity to shift the approach from **'output-driven'** (our members using our services) to **'outcome-driven'** (our members sign business agreements) so to create new services and more satisfaction in our members
- The importance to **use project management tools** in dealing with internationalisation services: use of SWOT analysis and KPIs can help us better identify 'the right markets for our members' and better focus on the actual impact of our activities beyond the 'press-release about that activity taking place'
- The opportunity to **use the internationalisation tools provided by the EU** to support European SMEs
- Never forget intercultural approach** when you prepare yourself and your members to go international.



# POLICY OBJECTIVES OF THE PROJECT

The overall objective of this call for proposals is to improve SMEs' access to public procurement in the non-EU countries with which the EU has signed a plurilateral or bilateral agreement covering public procurement (for example, the Agreement on Government Procurement of the World Trade Organisation<sup>7</sup>, Stabilisation and Association Agreements with the Western Balkan countries, Free Trade Agreements, such as those with Canada and Japan, etc. <sup>8</sup>). The political importance of this objective was also recognised in the EU SME Strategy for a sustainable and digital Europe<sup>9</sup>.

**IMPROVE ACCESS TO PUBLIC PROCUREMENTS IN COUNTRIES WITH WHOM THE EU HAS AGREEMENTS IN PLACE**

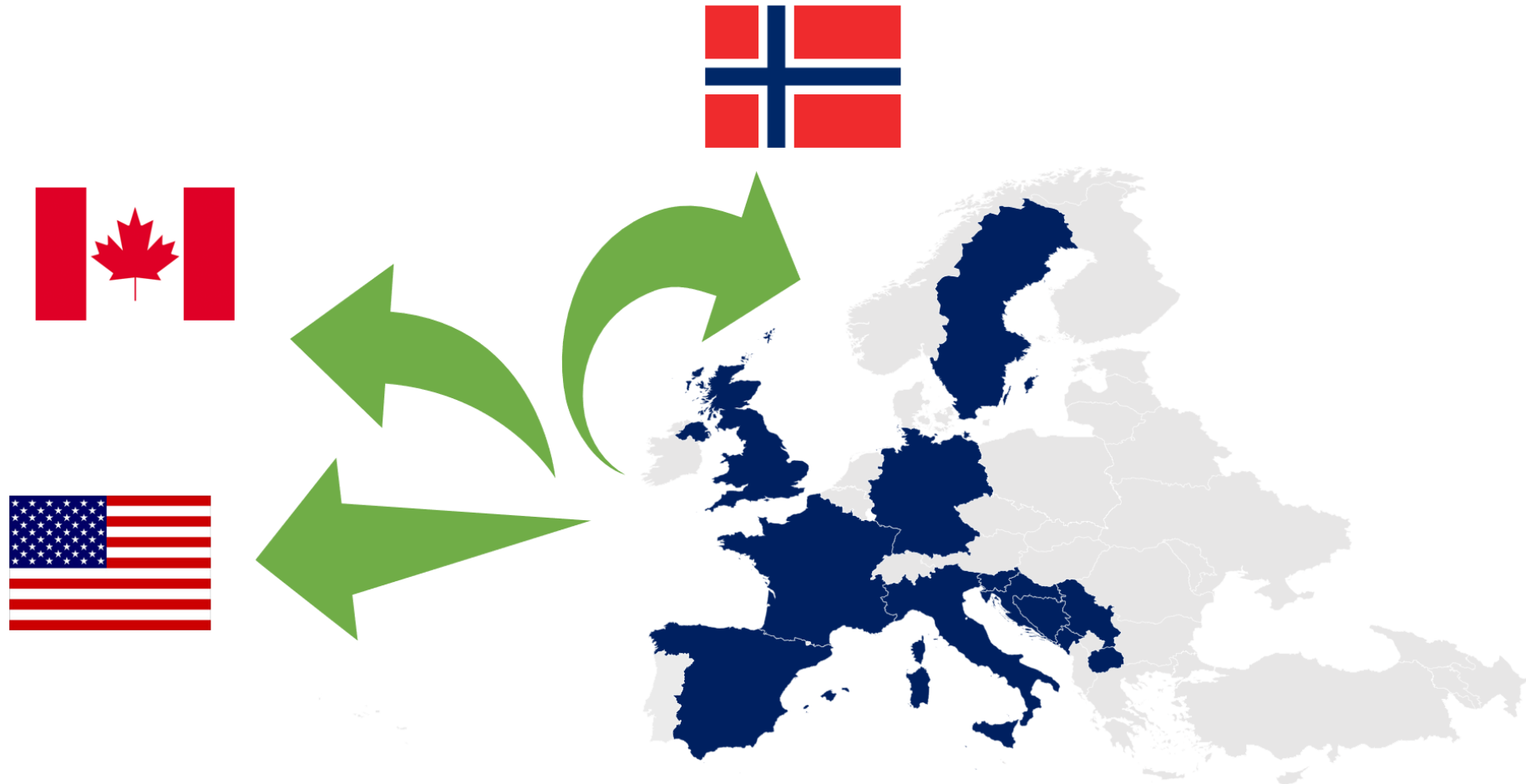
# POLICY OBJECTIVES OF THE PROJECT

Public procurement contributes to the growth and the global competitiveness of SMEs. The European Union has invested significant resources in negotiating these agreements to enable EU companies to take advantage of the opportunities outside the EU.

Making the most of these opportunities requires new and strategic approaches to support this type of internationalisation, as this is too difficult to explore and navigate by individual SMEs on their own. It also calls for closer cooperation with partner organisations from the respective third countries to build up long-term cooperation, understand better the de facto situation of procurement and help EU SMEs find partners with whom they could build partnerships to participate together in public procurement in the respective countries.

**TAKE ADVANTAGE OF THESE AGREEMENTS THROUGH NEW STRATEGIC APPROACHES**

# S-ACCESS TARGET MARKETS





# TARGET MARKETS – AND REASONS BEHIND (1/3)



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- ✓ The country our SMEs are mostly interested in (*source: PERES ESCP-4i*)
- ✓ We have already developed a Joint Internationalisation Strategy for the USA – though not focused on public procurements rather on the private supplies
- ✓ We have already made a «pilot study trip» of one week totally organised by ourselves to Illinois, Ohio and Pennsylvania in March 2019
- ✓ We have an MoU with «Ohio Small Business Development Center and Export Assistance Network (EAN) at Youngstown State University, running until December 2021.



Ohio

Small Business  
Development Centers



# TARGET MARKETS – AND REASONS BEHIND (2/3)



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- ✓ The railway markets in USA and Canada, although separated, can well be addressed together, also in terms of potential local partnerships to be sought;
- ✓ The Partners want to fully exploit the opportunities offered by the CETA FTA between EU and Canada, and specifically the ones concerning unparalleled access to governmental public procurements also in the rolling stock sector (previously totally inaccessible) and opportunities for SMEs;
- ✓ The Partners want to exploit the opportunities offered by the CUSMA agreement between USA and Canada (plus Mexico), ensuring tariff-free or preferential treatments to Canada- and US-bound exports;
- ✓ In September 2018 at the «InnoTrans» railway fair the Partners have started talks with the «Québec Ground Transportation Cluster», that can be a perfect local partner – e.g. – for identifying local companies with whom to establish consortia for public procurements;
- ✓ Some Partners already have in place exchanges with/received visits from Canadian public authorities.



EU-Canada agreement  
(CETA)



# TARGET MARKETS – AND REASONS BEHIND (3/3)



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- ✓ Norway is one of EU nearest countries having a major investment plan for railways in the coming years;
- ✓ Norway does not own an important rail supply industry, hence has to mostly rely on foreign suppliers;
- ✓ Norway, being member of EEA-European Economic Area, implements the EU Directives on public procurements – having transposed them into Norwegian law;
- ✓ Norway publishes on TED the public procurements over threshold;
- ✓ Norway, being member of EEA, implements European standards defined within CEN-CENELEC, hence the ones our SMEs are used to, this avoiding extra-costs for compliance of their solutions to be charged in the bids;
- ✓ Some Partners have already organised study visits to Norway and assessed the interest represented by the market.



# COMPLEMENTARITIES BETWEEN THE TARGET MARKETS – AND OPPORTUNITIES FOR SMEs

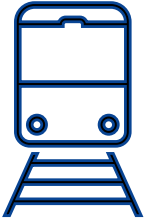


The **high degree latitudes** of Canada and Norway (and of some USA States) represent a challenge for railway solutions, but also an indication and an opportunity for SMEs having developed solutions resilient to those latitudes (e.g. from materials strength to electronics resilience) or addressing typical problems linked to very low temperatures and snow (e.g. ice formation in rail switches, etc.). The identification of similar specific solutions can, therefore, be useful for more than one target country.

# FINAL CUSTOMERS AND TARGET PROCUREMENTS

Railways are a **public-driven sector**, having **public authorities as final customers**. Typical final customers are:

- **public companies owned by Governments** and managing national/regional railway networks and the transport services for passengers and freight;
- **municipalities and/or their public companies** managing metro and tramway networks and transport services;
- **port authorities owned by Governments** and managing ports/logistics areas where railway operations take place and – in some countries – also managing the city/regional public transportation service (integrated transport).



The sector is **more and more decentralised** as target procurements include:

- both *Works* procurements for the construction and maintenance of railway networks
- and *Services* and *Supplies* procurements related to specific engineering consultancies, digital solutions, systems, machineries, maintenance of vehicles, etc..

This makes SMEs' **effort to participate even harder**.

# SUMMARISING:

- ✓ S-ACCESS strategic and operational challenges **fully** fall within the Call's scope and **fully** address the European Railway Industry challenges when it comes to SMEs' access to third markets;
- ✓ S-ACCESS expectations are to develop **new strategic and operational approaches** to facilitate participation in railway public procurements in USA, Canada and Norway by SMEs of the European Rail Supply Industry;
- ✓ S-ACCESS aims to **impact** on the SME members of the 7 Partners. The project covers **1.000 potential SMEs** but we will discover along the project implementation (Preparatory Phase) how many of them can *actually* participate in international public procurements or can become ready through our coordinated support in a medium time-frame, this ensuring a very pragmatic and strategic approach, while creating the grounds for increasing the total number of potential SMEs under the implementation of the *S-ACCESS model* to other European Railway Clusters within "ERCI";
- ✓ After the PERES ESCP-4i, S-ACCESS represents **the second strategically-coordinated initiative** funded by the EU helping cope with the wide set of obstacles affecting SMEs' internationalisation. Both of these initiatives involve our clusters, this giving us a 'competitive positioning' within our joint efforts towards cluster excellence.



# QUESTIONS





# THANK YOU!