

**Reducing Barriers to Entrepreneurship and Encouraging Enterprise**

# **FACILITATING THE CROSS- BORDER EXPANSION OF SMEs**

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## What Evidence Do We Have?

### Market Research conducted in 2005:

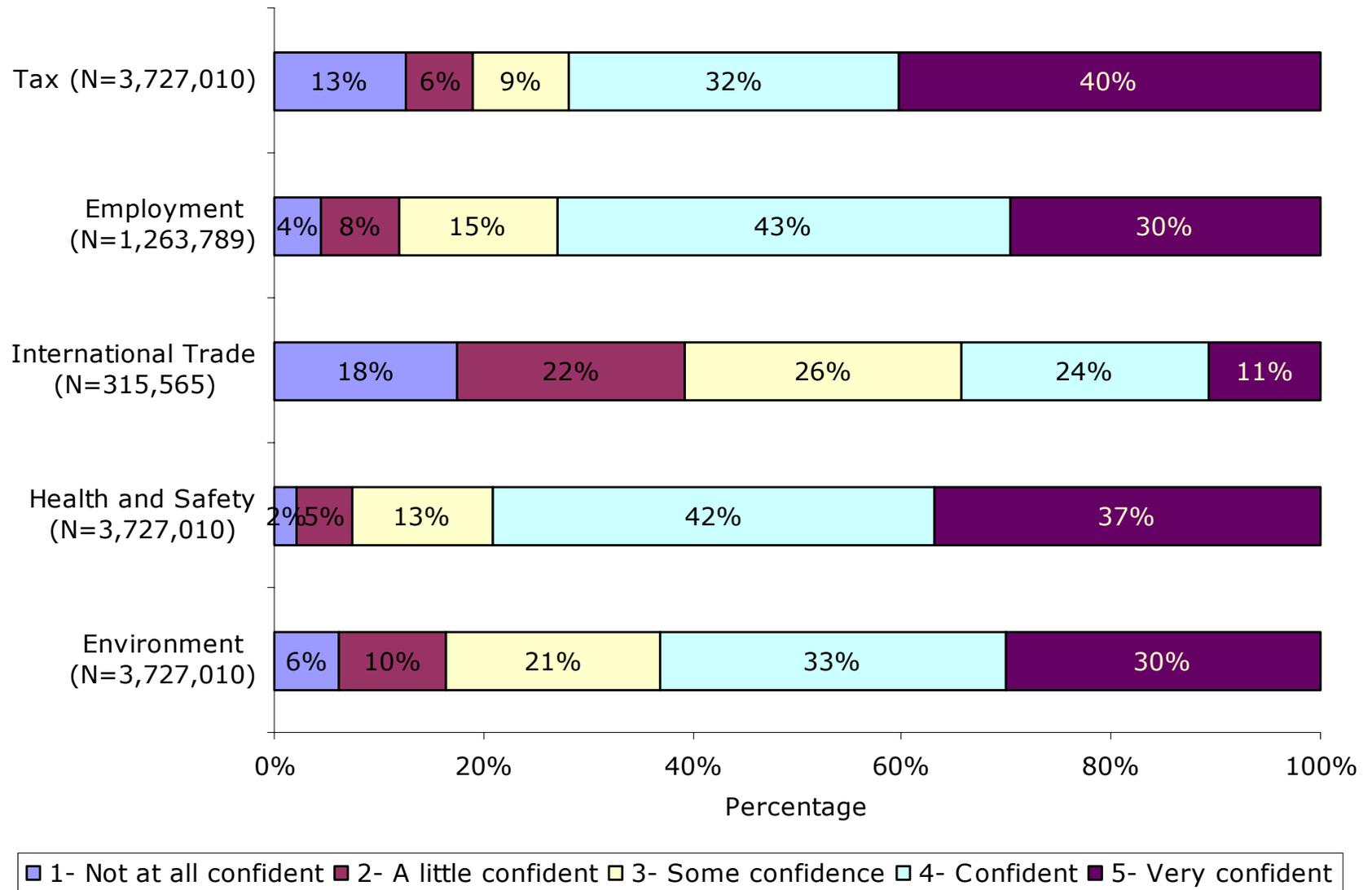
- UK SMEs spend an average of **220 hours** per annum providing information to government on importing and exporting
- UK SMEs spend **5 hours** per annum keeping up to date with regulatory changes
- Estimated time saved by providing comprehensive information and guidance in one place is 20% of total or **44 hours** per annum
- Based on interviews with UK traders, average fully loaded **cost per user** (salary, social costs etc.) is around **£25,500** per annum

### UK International Trade Sector:

- UK **exports** in goods in 2005 was worth **£210 billion**. The corresponding figure for **imports** was **£276 billion**<sup>1</sup>
- Around **150,000 small-to-medium sized** traders, agents and freight forwarders, plus up to **5,000 large** businesses and multinationals
- If the [www.businesslink.gov.uk](http://www.businesslink.gov.uk) service meets its target of 50,000 expert users and 240,000 new traders by March 2010 the benefits over 4 years would be worth about **£90 million**

1): Source: UK Office of National Statistics

## UK Businesses confidence in the knowledge of regulation.



**The requirements and regulations surrounding international trade are complex and frequently change**

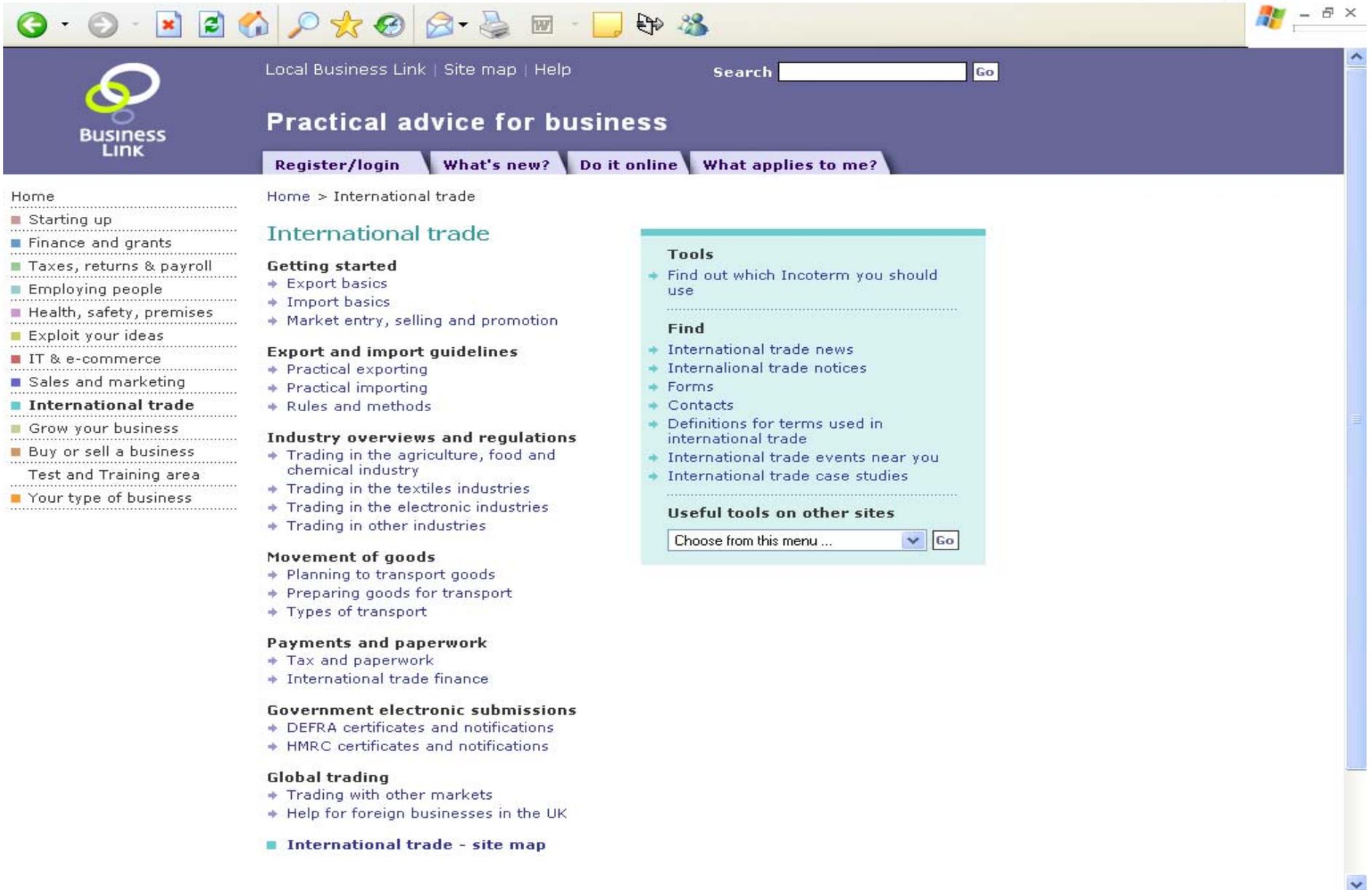
**Challenge for UK Government is how to help UK businesses that trade infrequently or want to start importing or exporting to better understand what they have to do to comply**

**Response is to deliver a high quality, online international trade service for UK businesses, using the important cross-Government business portal**

**[www.businesslink.gov.uk](http://www.businesslink.gov.uk)**

**The first phase of this service launched Nov 2006**

Screen shot of online service page



Local Business Link | Site map | Help

Search  Go

## Practical advice for business

[Register/login](#) | [What's new?](#) | [Do it online](#) | [What applies to me?](#)

- Home
- Starting up
- Finance and grants
- Taxes, returns & payroll
- Employing people
- Health, safety, premises
- Exploit your ideas
- IT & e-commerce
- Sales and marketing
- International trade**
- Grow your business
- Buy or sell a business
- Test and Training area
- Your type of business

Home > International trade

### International trade

**Getting started**

- Export basics
- Import basics
- Market entry, selling and promotion

**Export and import guidelines**

- Practical exporting
- Practical importing
- Rules and methods

**Industry overviews and regulations**

- Trading in the agriculture, food and chemical industry
- Trading in the textiles industries
- Trading in the electronic industries
- Trading in other industries

**Movement of goods**

- Planning to transport goods
- Preparing goods for transport
- Types of transport

**Payments and paperwork**

- Tax and paperwork
- International trade finance

**Government electronic submissions**

- DEFRA certificates and notifications
- HMRC certificates and notifications

**Global trading**

- Trading with other markets
- Help for foreign businesses in the UK

**International trade - site map**

**Tools**

- Find out which Incoterm you should use

**Find**

- International trade news
- International trade notices
- Forms
- Contacts
- Definitions for terms used in international trade
- International trade events near you
- International trade case studies

**Useful tools on other sites**

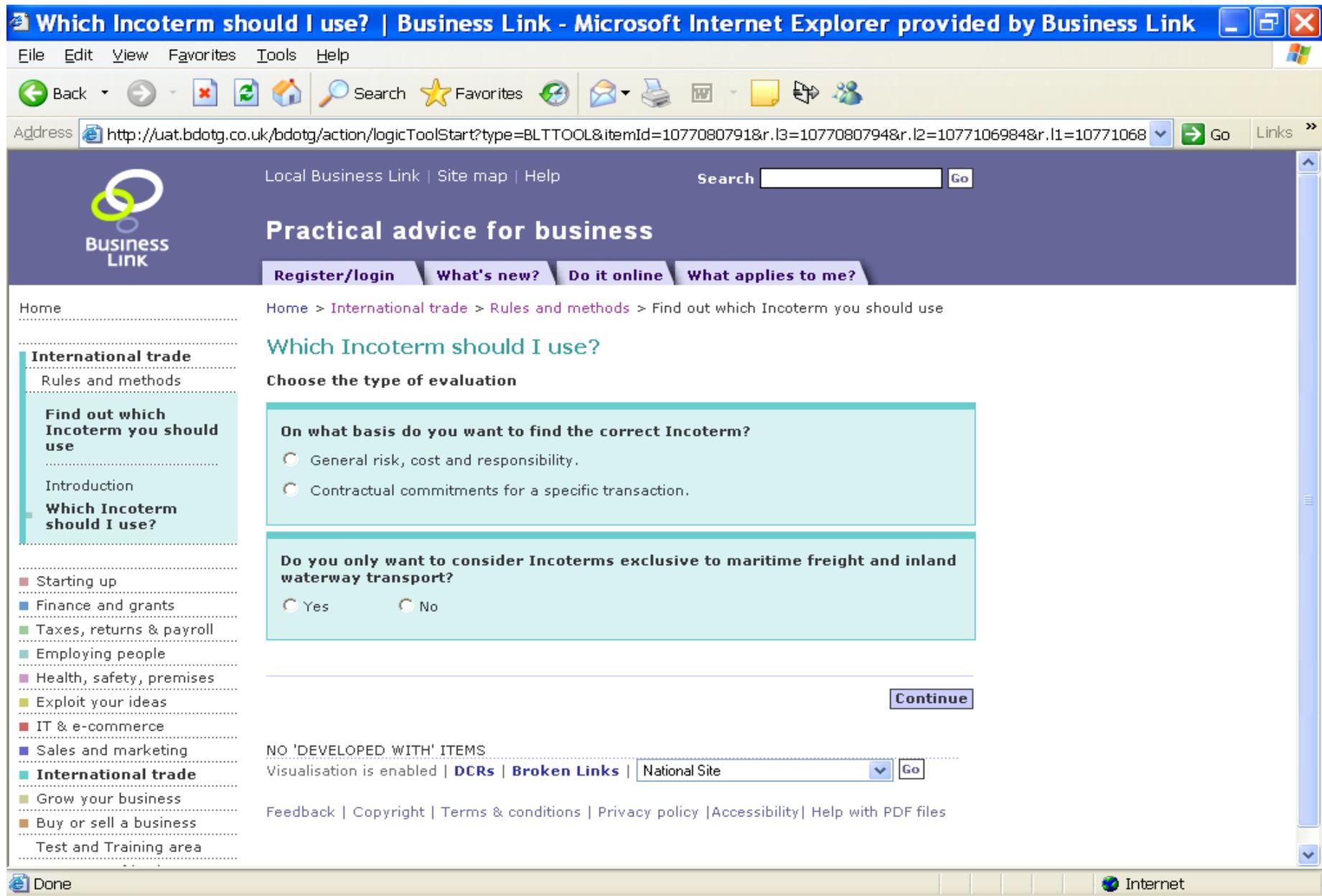
Choose from this menu ...

## Online Service will Provide Businesses with Practical Tools on International Trade

[www.businesslink.gov.uk/internationaltrade](http://www.businesslink.gov.uk/internationaltrade)

- **“Getting Started in Exporting”** which uses both HMRC content and country and sector information from UK Trade & Investment to help newcomers.
- **“Which Incoterm Should I Use?”**. This tool helps the user identify the correct Incoterm based on the commercial factors of the transaction, such as the level of risk, cost and responsibility they are prepared to bear.
- **“Find out which Customs Procedures and Reliefs could help your international trade”**. This tool helps users find out which customs procedures could streamline their international trade and which reliefs they may be eligible for, thus improving the understanding of inexperienced international traders.
- **“Understanding Tax and Duty Responsibilities” (the “ebay tool”)**. By answering 12 simple questions a user can find out the potential tax and/or duty implications of an international transaction. Particularly helpful to those using the internet as a trading channel, such as eBay.

# Screen shot of the Incoterm tool in the online service



The screenshot shows a Microsoft Internet Explorer browser window displaying the Business Link website. The browser's address bar shows the URL: <http://uat.bdodg.co.uk/bdodg/action/logicToolStart?type=BLTTOOL&itemId=1077080791&r.l3=1077080794&r.l2=1077106984&r.l1=10771068>. The browser's title bar reads "Which Incoterm should I use? | Business Link - Microsoft Internet Explorer provided by Business Link".

The website header includes the Business Link logo, navigation links for "Local Business Link", "Site map", and "Help", and a search bar. The main navigation menu features "Register/login", "What's new?", "Do it online", and "What applies to me?".

The breadcrumb trail is: Home > International trade > Rules and methods > Find out which Incoterm you should use. The main heading is "Which Incoterm should I use?".

The page content is titled "Choose the type of evaluation" and contains two sections:

- On what basis do you want to find the correct Incoterm?**
  - General risk, cost and responsibility.
  - Contractual commitments for a specific transaction.
- Do you only want to consider Incoterms exclusive to maritime freight and inland waterway transport?**
  - Yes
  - No

A "Continue" button is located below the second section.

At the bottom of the page, there is a section for "NO 'DEVELOPED WITH' ITEMS" with a dropdown menu set to "National Site" and a "Go" button. Below this are links for "Feedback", "Copyright", "Terms & conditions", "Privacy policy", "Accessibility", and "Help with PDF files".

The browser's status bar at the bottom shows "Done" and "Internet".

## What more could be done to reduce barriers for UK Businesses?

Phase 1 has proven very popular – 35,000 users per month (17,000 users per month were expected)

Developing a service that more closely matches the UN definition of a “trade single window” requires more than just content, tools and guides.

The ITSW Project vision is to develop an “Expert Service” for regular traders, incorporating:

- the first phase of Business to Government submissions
- an online UK Integrated Tariff reference tool
- email alerts

## The next phase an Expert Service for Experienced Traders

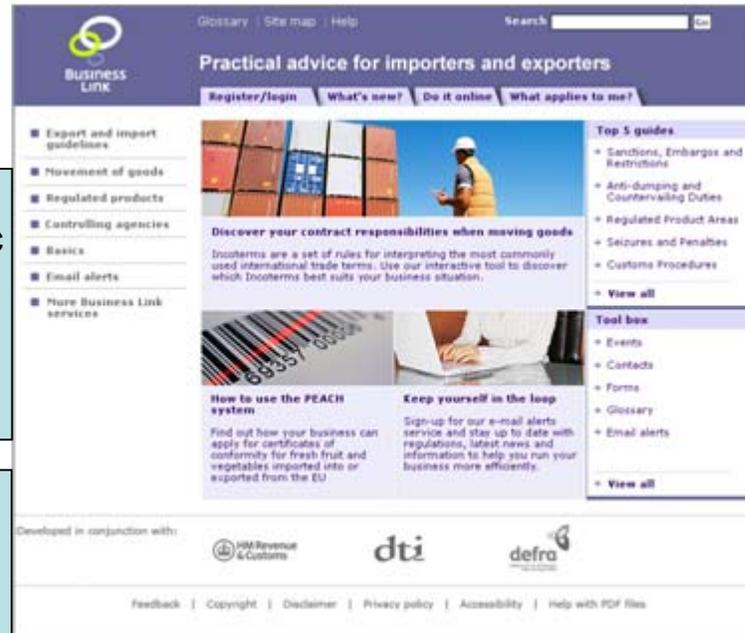
### Service Features of the “Expert Service”:

#### New content and tools:

- Themes, landing pages etc
- 30-40 guides
- 8 logic tools
- email alerts
- emergency alerts

#### Content sharing:

Developing content sharing functionality for ITSW and the Business Link Partner Service Offer



### Re-use of existing content and tools:

#### Content and tools shared with www.businesslink.gov.uk

- 80 guides
- 4 logic tools
- Glossary
- International trade public notices
- Contacts
- Forms
- Events

### Other products that will be integrated into the “Expert Service”:

#### The Integrated UK Tariff:

- Data feed from HMRC
- Search & browse tariff
- Product identification module
- 96 product ‘guides’
- System interface for transaction validation

#### Transactions:

- RPA
- PHSI
- HMI

## Benefits from the “Expert Service”

- Benefits for businesses, up to March 2010, for the Information & guidance service are expected to be **£90m** (where **£11m** are provided by the Integrated Tariff tool). This is due to savings from having updates to regulations sent automatically and from the reduction in time from being able to access regulations and requirements in one place.
- The first wave of transactions (submissions) are expected to add **£14m** to this up to March 2010.

Thank you and any questions?

[www.businesslink.gov.uk/internationaltrade](http://www.businesslink.gov.uk/internationaltrade)

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- Home > International trade**
- International trade**
  - Getting started**
    - Export basics
    - Import basics
    - Market entry, selling and promotion
  - Export and import guidelines**
    - Practical exporting
    - Practical importing
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- Tools**
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  - International trade case studies
- Useful tools on other sites**
  - Choose from this menu ...

A left-hand sidebar provides a comprehensive menu of services, including 'Starting up', 'Finance and grants', 'Taxes, returns & payroll', 'Employing people', 'Health, safety, premises', 'Exploit your ideas', 'IT & e-commerce', 'Sales and marketing', 'International trade', 'Grow your business', 'Buy or sell a business', 'Test and Training area', and 'Your type of business'. The 'International trade' option is highlighted in blue.