



House Small Business Committee Republicans Export Principles for the 113th Congress

- 1) ***Develop an aggressive strategy to open new foreign markets for U.S. exporters.*** Small businesses rely heavily upon negotiated free trade agreements to sell their goods or services to new foreign markets. Such agreements help reduce tariff and non-tariff barriers, streamline the process, and protect their intellectual property. In 2010, 41 percent of U.S. goods exported went to countries with free trade agreements. More significantly, exports to countries with which the U.S. has an agreement are growing at a faster rate than to the rest of the world. The Administration needs to develop an aggressive strategy to open new foreign markets for U.S. exporters; more exports equals more jobs.
- 2) ***Strengthen the coordination and efficiency of the trade promotion agencies.*** Currently, there are over 20 different federal agencies that can assist small businesses with some or all of the steps in the export process. Many of these assistance programs overlap and offer duplicative services. There must be stronger coordination to ensure taxpayer money is being used most efficiently.
- 3) ***Strengthen the coordination between state and federal trade offices.*** Nearly every state has a trade agency within the Governor's office to assist firms with international business, including both importing and exporting. Many of these offices provide similar consultative services as the federal trade agencies. State and Federal agencies should not be competing and/or duplicating work and wasting resources. Instead, they need to work in unison to efficiently assist the needs of small businesses in the states.
- 4) ***Improve private sector financing for export opportunities.*** Access to capital continues to be a top issue for small businesses; and it is even more difficult for those firms looking to finance their exports. The federal government does provide export finance options for small businesses; however, it should not be the first choice to obtain financing. The federal agencies should be working to educate and encourage more private lenders, especially in rural areas, to provide export capital to small businesses.
- 5) ***Streamline the export license process.*** Navigating the export control license process continues to be a major barrier for small businesses. Many small firms simply do not know where to start or do not have the resources and time to navigate the complex process. Moreover, the process requires extensive paperwork and working with multiple federal agencies to process a license, which can take months. Simplifying and streamlining the process will help more small businesses export without jeopardizing U.S. national security.
- 6) ***Help small firms stay current on foreign regulations.*** Understanding and complying with foreign laws and regulations continues to be one of the largest export barriers for small businesses. Foreign rules and regulations can change daily, making it difficult for small firms to stay up-to-date on the current

compliance regulations. Establishing clear and easy to understand text about changes in foreign regulations will help more small exporters enter new markets and increase their total exports.

- 7) ***Improve the customs process and strengthen enforcement against illegal trade.*** Complying with U.S. Customs regulations and paperwork remains a significant burden for small firms. In addition, small businesses need stronger and more efficient enforcement of unfair trade practices by foreign countries. Unlike large firms, small businesses do not have the deep pockets to withstand long periods of unfair trade practices; Customs must take swifter action to enforce illegal trade. The dual approach of streamlining the customs process and strengthening trade enforcement will better assist small firms in global trade.