

Rail industry urges export support for SMEs to continue

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The Railway Industry Association (RIA), the voice of the UK rail supply community, has called for the Department for International Trade (DIT) to continue supporting small businesses in exporting abroad following the cancellation of the Tradeshow Access Programme (TAP), which is essential to help the industry achieve its Rail Sector Deal target of doubling exports to £1.6 billion by 2025.

The Tradeshow Access Programme provides a number of small grants to SMEs which go directly to the cost of exhibiting at overseas trade fairs. In rail, around 194 grants have been given to businesses since 2016, with each grant valued between £1,500 and £2,500. These grants allow SMEs to exhibit at overseas tradeshows and have been used at major events like InnoTrans in Germany, AusRail in Australia and Trako in Poland.

According to Export Partners UK – a group of some 50 trade bodies who work to support exports – for every £1 invested by HM Treasury, at least £40 comes back from TAP to UK plc. A cost-benefit analysis of TAP by London Economics estimated that the total benefit of the programme in 2007/2008 amounted to £57.1 million. Given the programme costs of £11.2 million, the estimated benefit-cost ratio is 5:1.

Neil Walker, Exports Director at the Railway Industry Association (RIA), said: “With the Government looking to drive exports in the coming years, now is not the time to be withdrawing support for small businesses to exhibit at overseas trade fairs. The Tradeshow Access Programme, which provides small grants to SMEs exhibiting abroad, has been a major help in introducing businesses to exporting and has shown its value by providing a good return on investment. Stopping the scheme now will only make it harder to achieve the Government’s vision of a ‘Global Britain’.

“For UK rail, the scheme has been vital. One rail supplier reported a 1,200% growth in their business following an exhibition they visited after receiving a TAP grant in March 2020. Another said they had seen £50 million in revenue generated in the Middle East, with the TAP grants contributing directly. Several companies have told RIA they would not have attended certain exhibitions without the support TAP provided.

“So we urge the Government to continue supporting SMEs across the UK, both in rail and in other industries, in reinstating the TAP scheme or introducing an equivalent programme to support exporters. We hope Government will take this opportunity to help us ‘build back better’ and make the most of the Free Trade Agreements they are negotiating with countries across the world.”

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