

Recommendations: Promoting small business access to digital technologies

We applaud the leadership of Presidents Biden and von der Leyen to launch the EU-U.S. Trade and Technology Council (TTC). The TTC presents a unique opportunity for the United States and EU to work together at the highest levels to shape the transatlantic and global technological landscapes and support inclusive, open, secure and resilient digital supply chains.

It is critical for the TTC to create tangible benefits for small and medium-sized enterprises (SMEs) and workers, who are relying on digital tools and digitally-enabled global markets to an unprecedented extent.

We encourage the United States and EU to use the TTC working group on “how to promote small business access to, and use of, digital technologies” to create non-discriminatory, transparent, predictable and secure digital supply chains, eliminate barriers to growth and trade, and improve access to digitally-enabled tools, finance, partnerships, training and workforce development to support small businesses.

We recommend that the TTC working group on promoting small business access to digital technologies focus on the following key priorities:

1. **Enhance transatlantic digital training and trade promotion for SMEs:** The EU and United States have an opportunity to develop best practices and shared approaches to training SMEs to utilize digital tools, including digitally-enabled government programs, to access global markets. The EU and United States should enhance the transatlantic training of startups through existing efforts including the EU’s Digitalization Hubs, DG Trade’s Access2Markets platform, and the U.S. Commerce Department’s Export.gov portal, SelectUSA Summit and Startup Global initiative, as well as explore new opportunities, including through public-private sector partnerships.
2. **Increase government support to help SMEs adopt digital tools:** The EU and United States should explore avenues to assist small business adoption and use of digital tools. Officials should explore best practices and new opportunities to create funding pools to offset the cost of SME adoption of digital tools, building on programs like the U.S. Small Business Administration’s State Trade Expansion Program (STEP) grants to help small businesses globalize their digital presence and NextGenerationEU.
3. **Maximize transatlantic small business access to the global e-commerce ecosystem:** The United States and EU should collaborate on common approaches to digital trade rules, services and goods market access commitments and trade facilitation measures that impact the ability of small businesses to access the digital tools that they rely on to succeed in the global marketplace.

The two partners should commit to high-level principles based on non-discrimination and shared values, and lead global efforts, including at the World Trade Organization, to improve the rules that support small businesses’ access to the global e-commerce ecosystem. The two sides should also seek to pursue a standstill clause that preserves

the digital and customs facilitation measures that countries have adopted, in some cases on a temporary basis, in response to the COVID-19 pandemic.

- 4. Prioritize the inclusion of women and minority-owned businesses in digitally-enabled trade:** In the United States, evidence suggests that expanding access to global digital tools directly and disproportionately benefits businesses owned by women and Black, Indigenous and People of Color. The EU and United States have an opportunity to prioritize the engagement of women and minority businesses throughout the working group activities and address the specific needs and challenges that women and minority-owned businesses face.

The EU and United States should seek to develop a digitally-enabled initiative to expand access to capital, networking and public-private partnerships for women and minority-owned businesses across the Atlantic, explore new bilateral inclusive trade policy initiatives and lead efforts at the World Trade Organization to improve the ability of digitally-enabled trade to contribute to the success of women, minority and Indigenous-owned businesses.

Enabling growth for all players in the post-COVID economic recovery will only work if SMEs and startups are able to be successful in global digital markets.

The initiatives that begin under the umbrella of this working group on “how to promote small business access to, and use of, digital technologies” have the potential to create a global impact that encourages shared values and principles around non-discrimination and transparency.

We encourage policymakers to actively engage with SMEs and startups directly in the SME working group of the TTC.