



COSMEC

CO-OPERATION PROGRAMME FOR A SUSTAINABLE PARTNERSHIP BETWEEN SMES OF THE MECHANICAL INDUSTRY FROM EU AND CHINA

The Asia-Invest II Programme funded by the European Union

GUIDE FOR BUSINESS Introduction



Industrie- und Handelskammer zu Leipzig



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INTERVIEW TO GISELLA BIANCHI, GENERAL MANAGER OF A.SP.IN.2000

China is a strategic reference point for the activities of Aspin 2000...

In 1999 we created a permanent and well-organized structure in Shanghai, whose acronym is ICCPU, a Representative Office of the Chamber of Commerce of Pesaro and Urbino recognized by the competent Chinese authorities, with the aim of providing a subsidiary presence to the enterprises of our territory in their internationalization activities in China.

Which is the activity carried out by your Office in Shanghai?

It provides services and activities of support and promotion to Italian SMEs, measured on the specific requirements of each single company or group of enterprises. From 1999 up to now, the Office in Shanghai has provided services and professional advices to more than 150 enterprises located in Pesaro, in the Marche Region and all over Italy, of both small-medium size and medium-large size, belonging to different manufacturing sectors, such as: furnishing, mechanics, special processing machinery for the automobile industry, textile-clothing and food farming.

Which are the strengths of this Office operating in China?

The capability of offering a multi-objective scouting service and, at the same time, the possibility of having a multi-purpose Office, supplied with Chinese resources which are opportunely trained and capable of managing the development of individual services, facing also the follow-up requirements of the participating enterprises. Another strength of the ICCPU Office in Shanghai consists in having carried out a capillary action of scouting on a large part of the Chinese territory (Shanghai, Nanjing, Beijing, Guangzhou, Shajiang, Dalian and Hong Hong), thanks to which it can count – to this day – on a data bank of about 20.000 names of Chinese companies and/or operators belonging to different industrial sectors and duly selected.



How was the COSMEC Project born?

For Aspin 2000 it represents a direct consequence of long term experiences developed in China and of the relevant network of relationships, which have been established with Chinese governmental bodies and trade associations.

Why a partnership between Europe and China?

The machinery industry in China is greatly expanding, but it shows some gaps in the field of technological research and development, instead in Europe – especially in the countries involved as partners of the COSMEC Project – even if enterprises have the characteristics of competitiveness and technological innovation, they need assistance in order to penetrate the Chinese market, taking into consideration their small and medium size.

Furthermore, China is a market of huge potentialities with an extraordinary expansion. Its recent entrance in the WTO, the Olympic Games, which will take place in Beijing in 2008 and the Universal Exposition in Shanghai in 2010, represent an important occasion for the development of industrial and commercial relations between EU and Chinese enterprises. Moreover, the presence in the Chinese market means – for the European enterprises – to have an easy access into other Asiatic countries.

Which is the reason why the mechanical sector was chosen?

The decision was made in the light of a preliminary research conducted just by our Office in Shanghai, where possibilities of a profitable exchange and of a long-term co-operation between EU and Chinese enterprises turned out. The mechanical sector is one of the driving and strongest sectors of the European economy (only to make an example, the province of Pesaro and Urbino, is the leader at international level in the glass and wood-working machinery sector). On the other hand, even if China has been importing machinery from Italy for the past 40 years, the Chinese enterprises still lack of technical innovation and need to acquire competences on new technologies, quality standards and specialized know-how.



Which is the aim of COSMEC?

COSMEC is a co-operation programme for a sustainable partnership between EU and Chinese SMEs of the mechanical sector (in the sub-sectors of wood/glass-working machinery; agriculture machinery; construction machinery), co-financed by the European Commission under the *Asia-Invest II Interprise* Programme. The aim of the project is that of fostering a profitable mutual exchange between EU and Chinese enterprises. The highly specialized EU enterprises can further boost the Chinese market through a know-how transfer related to the more advanced technologies towards China.

You have spoken about the *Asia-Invest II Interprise* Programme: what is it?

It is an initiative by the European Commission to promote and support business co-operation between the EU and Asia. The Programme provides assistance to intermediary business organisations to facilitate mutually beneficial partnerships between companies, in particular small and medium-sized enterprises (SMEs) in the EU, South and South-East Asia and China; as well as it strengthens the business environment to increase trade and investment flows between the two regions. The Asia-Invest II Programme commenced in 1997 and has since then entered a second phase of implementation (from 2003 to 2007), with a European Commission contribution of €35 million.

What kind of activity does the COSMEC imply?

The Project is structured on two main activities: a match-making business-to-business activity and an activity connected with the creation of a long-term partnership.

Which is the expected duration for the implementation and fulfilment of the Project?

It will take 18 months in order to accomplish the Project.



Which are the partners involved in the Project?

The main organizer of the Project is A.SP.IN.2000 (Special Agency of the Chamber of Commerce of Pesaro and Urbino for the internationalization of the enterprises). The Chinese partner is the Shanghai Federation of Industrial Economics (SFIE), while the European partners are: Mondimpresa Rome, IHK – Gesellschaft zur Förderung der Aussenwirtschaft und der Unternehmensführung of Bonn, IHK – Chamber of Industry and Commerce of Leipzig, AJE Zaragoza, Pimec Catalonia, ChamberLink of Manchester and Hungarian Chamber of Commerce and Industry of Budapest. To these names we have to include also Meccano Spa, which acts as associate partner.

Which are the quantitative objectives the COSMEC Project aims to reach?

Creating, developing and supporting a permanent industrial and commercial co-operation between 70 Chinese (Shanghai region and bordering regions) and 60 European (Italian, Spanish, German, English and Hungarian) SMEs belonging to the mechanical sector of wood/glass-working machinery, agriculture machinery and construction machinery, through the use of info-technologies.

And as far as the qualitative purposes are concerned?

First of all we plan to promote the technical, commercial and financial co-operation between Chinese and European SMEs of the mechanical sector, as well as to increase know-how and technological transfer from Europe to China. Another purpose is that of providing entrepreneurs with a specific training, which will enable them to acquire useful tools and competences on how to make business in China and in Europe. Ultimately, we aim at strengthening and consolidating the relations created during the match-making in Shanghai through personalized consulting and assistance services to SMEs.



How do you plan to organize and develop the Project?

The Project is divided into 7 phases. After the creation of a *Guide for Business* (1st phase), it is scheduled an activity of promotion and development of the Project through a *Networking* activity (2nd phase); this activity is followed by the individuation and recruitment of SMEs and preparation of a catalogue (3rd phase), and a phase of *E-Training* for entrepreneurs, as well as a second Meeting between the partners (4th phase). At this point it's scheduled a *match-making* in Shanghai between 130 Chinese and European enterprises (5th phase), which will lead to a subsequent *follow-up* phase (6th phase). The last stage of the Project will involve a final evaluation able to continuously supervise the development of the Project in its several phases (7th phase).

You have spoken about a match-making in Shanghai: When is it going to take place and what does it consist in?

The representatives of the selected enterprises will meet in Shanghai from 12th to 15th December 2006. About 1300 business meetings are expected to be arranged.

Why do you think it's useful and necessary that a company of the mechanical sector participates in the COSMEC?

The enterprises that will participate in the COSMEC Project will benefit of several services, among them the E-Training, the possibility to carry out direct negotiations with pre-selected business partners from EU and China, the interpreting service during the match-making event and a follow-up activity.

And which are the advantages for the enterprises?

To participate means to have the possibility of dealing with selected and reliable enterprises; to have the opportunity of setting up business-to-business meetings previously scheduled according to the specific requirements of the SMEs. Furthermore, an *ad hoc* E-Training for the Chinese and European enterprises registered in the Project will be arranged with the aim of preparing the SMEs at the match-making and subsequently a follow-up phase will support the enterprises, in the post-match-making phase, with the aim of reinforcing and consolidating the established relations.