

# **Summary: U.S.-China Market Engagement and Export Promotion Act**

## **Legislation to Expand Export Opportunities for American Small and Medium Businesses to China.**

Even though China may one day hold the largest consumer market on the planet, most small and medium sized businesses are dissuaded from or lack the confidence necessary to enter the China market. Financial roadblocks, conflicting information, Intellectual Property Rights infringements and cultural differences are creating unnecessary barriers for American companies. This bill will build the infrastructure necessary to connect American Small and Medium Sized Businesses with export opportunities in China. *This legislation will:*

### **Help States Establish and Operate Export Promotion Offices in China:**

- The bill establishes a grant program that will help states open and operate export promotion offices in China. Many states already have successful offices in China. This bill will support those who have opened up offices and encourage others to do so.
- The bill will also encourage states to open offices in second tier cities in China (cities outside of Beijing and Shanghai), expanding business opportunities to the hundreds of cities with over a million people.

### **Establish China Market Advocate Positions in U.S. Export Assistance Centers:**

- The bill will authorize a new program that creates and trains 50 China Market advocates who will be placed in U.S. Export Assistance Centers around the country. These China Market Advocates will:

Have basic training and understanding of Chinese business culture, the Chinese market, and the evolving political, cultural and economic environment in China.

Help regional U.S. small and medium sized businesses navigate federal and private resources to enter the China Market and recruit additional regional businesses to enter the China Market.

Provide a continuous direct and personal connection with local U.S. small and medium sized businesses that have entered the China market.

Help local U.S. businesses navigate U.S. government and Chinese government institutions to resolve disputes deriving from Intellectual Property Rights violations, export restrictions and additional trade barriers.

### **Help Small and Medium Sized Businesses Join Trade Missions to China:**

- Travel expenses present a significant challenge to small and medium businesses' ability to promote their wares in China. This bill will authorize the Department of Commerce to select small and medium sized businesses (through a transparent and competitive scoring system) to receive assistance for trade missions to the PRC.

### **Encourage The Commerce Department to Consolidate Gold Key Fees in China:**

- Small businesses that try to find multiple distributors in China must pay market access fees to Foreign Commercial Service personnel in each city they visit. This provides both an administrative and economic barrier for businesses looking to access multiple markets in China.
- This provision would direct the Secretary of Commerce to submit to Congress a plan to consolidate fees charged to small and medium-sized U.S. businesses that export goods or services to China.

### **Create Grants for Chinese business education programs:**

- This provision authorizes a grant program under the Small Business Administration to help graduate, undergraduate and community colleges set up China market courses. These courses will provide both competitive advantages and increased confidence to local entrepreneurs as they enter the China market.