



European  
Commission



## For Luxembourgish SME the world is its market

*EU trade deals support heavy lifting*



- The 2011 EU-South Korea trade agreement cut customs duties and other barriers to trade.
- In 2015, Codipro recorded a turnover of €7.8 million, an increase of 15-20% per year for a decade.

Codipro is a small Luxembourgish business which designs and manufactures patented safety swivel rings for use with heavy equipment.

The company makes full use of EU trade agreements, exporting to sixty countries around the world via a network of distributors. In fact, just 1% of the company's turnover is generated from the Luxembourgish market. 70% of the company's turnover relies on trade with other EU countries while 29% relies on trade outside Europe.

Codipro's business in South Korea, for example, has seen an increase in turnover of 800% since 2008. The 2011 EU-South Korea trade agreement abolished customs duties between the two partners enabling Codipro to offer its products at more competitive prices there.

More than 3% of the company's turnover is generated exclusively in the South Korean market and the ambition is to triple that value over the next 10 years.

Codipro's international success has allowed it to boost turnover by 15-20% annually over the last 10 years and increase its workforce from three employees to thirty.

While the company's turnover is increasing in the majority of countries where it operates, there is one country where the revenue is not growing as fast: Canada. The Canadian market is huge but the administrative procedures to trade are highly complicated at present. Codipro thus awaits the entering into force of the EU-Canada Comprehensive Economic and Trade Agreement, CETA. The agreement is set to simplify bureaucratic procedures and remove customs duties to make business much easier between the EU and Canada.

### Did you know?

- Exports from the EU support 31 million jobs for Europeans.
- Luxembourg's exports to South Korea doubled from €45 million in 2011 to €90 million in 2015.



Codipro saw sales increase by over 500% in South Korea following the signing of the FTA between the EU and Korea.



Codipro intends to triple its turnover from the South Korean market over the next 10 years.



"In South Korea, the free trade agreement has resulted in a 11% reduction in trade tariffs. The benefits are significant because making such a clear margin by focusing on reducing our manufacturing costs is almost impossible. This allowed us to become more competitive, particularly in comparison with our competitors who do not enjoy such arrangements."

Christophe Losange, Manager, Codipro

#### Did you know?

- Codipro exports its products to over 60 countries worldwide.

#### Trade agreement between the EU and South Korea – boosting EU exports since 2011

The Trade Agreement between the EU and South Korea entered into force in July 2011, the EU's first trade deal with an Asian country. The agreement lifted numerous barriers to trade – most particularly for cars, pharmaceuticals, medical devices and electronics.

Find out more about the EU's trade relations with South Korea:

<http://ec.europa.eu/trade/policy/countries-and-regions/countries/south-korea/>

Check out more examples of small businesses that export from the EU:

<http://ec.europa.eu/trade/exporter-stories>