



Press release, 13th May 2020

IUCAB calls for the resumption of international trade in order to stimulate the growth of the European and global market

Fundamental role of commercial agencies in the world of economy

Commercial agents and agencies operate in the market and **arrange the sale of goods between companies** at all levels of distribution. They work in the B2B area and connect principals (mainly manufacturing companies) with customers (mainly retailers) **all over the world**. The agencies are organised as SMEs, mainly as very small companies. They generate a turnover of EUR 999 billion per year (about **15 % of total commercial turnover in the European Union**) and provide employment to over 1,6 million people. They work together with more than one million principals, 88 % of which are SMEs. In July 2015, the European Commission confirmed the important role of the profession in the world of economy in the EU Commercial Agents Directive.

The Covid-19 crisis and challenges for the profession

Commercial agencies are fundamental for the **growth of the European economy and its unity**. Due to the **Covid-19 crisis**, the commercial agents' profession is in an **uncertain situation**. The job as a commercial agent has some particular characteristics. They know in advance when the crisis will come, as many orders are cancelled, reduced by the customers or not delivered at all. Nevertheless, during the lockdown period commercial agents continued to ensure the relationship between principals and customers and are considered as important business partners even if their principles have problems in paying the commissions during this period. In addition, commercial agents will be the last ones to leave the crisis. In the coming months they will have a lack of commissions due to the lockdown and will wait for months before recovering, as commissions will be paid in time lag after the sale is already arranged.

Support for commercial agencies

In this difficult economic situation, **IUCAB**, together with the national member associations, **wants to support all commercial agents around the world** as much as possible. The IUCAB Board is in **contact with the political and financial institutions** in Europe and worldwide to gain attention and understanding for the profession. In this situation, the **financial support** for the agents by the national governments is not only important, it is **fundamental**. In addition, the Commercial agents' profession depends on the free markets on a global level. Closed borders and protected markets hinder their activities. An **open market and cross-border trade worldwide** are therefore important to return to normality and **essential for the survival of thousands of commercial agents and their principles**.

In any case, commercial agents are ready and motivated to immediately participate in the recovery of the economy, especially for the benefit of future generations.

IUCAB. We Speak the International Language of Sales

IUCAB is the Worldwide Alliance of National Associations of commercial agents, brokers as well as independent sales companies. The organisation consists of 21 National Associations throughout Europe, North and South America, Asia and Africa representing approximately 600,000 commercial agencies and independent sales companies. International and Governmental Institutions as well as the international business world **officially recognise IUCAB as an organisation for the protection and promotion of international trade**.

For further information:

IUCAB Internationally United Commercial Agents and Brokers

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