



## INTERNATIONAL EXPERIENCES IN EXPORT PROMOTION: LESSONS FOR EMERGING ECONOMIES

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<b>Received:</b> 7 <sup>th</sup> April 2026 <b>Accepted:</b> 6 <sup>th</sup> May 2026	Export promotion has emerged as a cornerstone of development strategy across both advanced and emerging economies. This article examines the institutional frameworks, policy instruments, and outcomes of export promotion programs in South Korea, Singapore, Germany, and Brazil, drawing on comparative case analysis and secondary data. The study applies an analytical framework grounded in New Trade Theory and institutional economics to assess how government-backed trade facilitation bodies translate policy mandates into measurable export growth. Findings indicate that successful programs combine dedicated export promotion organizations, diversified financial instruments, robust information services, and well-targeted market development support. The research identifies five critical success factors and discusses their applicability for transition economies such as Uzbekistan, which is currently reforming its export support architecture. The article concludes with practical policy recommendations aligned with the IMRAD structure to guide evidence-based decision-making.

**Keywords:** export promotion, trade facilitation, institutional framework, comparative policy analysis, emerging economies, Uzbekistan

**JEL Classification:** F13, F14, O19, O24

### 1. INTRODUCTION

Export promotion has long been recognized as a vital instrument of national economic policy. From the mercantile policies of early modern Europe to the sophisticated export development agencies of the twenty-first century, governments have sought to leverage international trade as a driver of industrial upgrading, employment, and foreign exchange earnings. In a globally integrated economy characterized by fierce competition and asymmetric market access, export promotion organizations (EPOs) serve as critical intermediaries between domestic producers and international markets.

The rationale for public involvement in export promotion is well established in the literature. Market failures — including information asymmetries, coordination failures, and incomplete financial markets — systematically disadvantage small and medium-sized enterprises (SMEs) seeking to enter export markets (Volpe Martincus & Carballo, 2010). EPOs address these failures by providing trade intelligence, matchmaking

services, capacity building, and access to export financing.

Despite growing consensus on the importance of export promotion, substantial variation persists across countries in the institutional design, funding levels, and policy mix of their export support systems. Understanding this variation, and identifying which models produce the best outcomes, is of considerable academic and policy interest.

This article investigates the following research questions:

- (1) What institutional models and policy instruments characterize export promotion in leading exporting nations?
- (2) What evidence exists for the effectiveness of these programs?
- (3) What lessons can be drawn for emerging economies undertaking export promotion reform?

The article proceeds as follows. Section 2 reviews the relevant theoretical and empirical literature. Section 3 describes the methodology. Section 4 presents



comparative case analyses of four countries. Section 5 synthesizes findings and discusses implications. Section 6 concludes with policy recommendations.

## **2. LITERATURE REVIEW**

### **2.1 Theoretical Foundations**

The theoretical basis for export promotion draws on multiple strands of economic thought. Classical trade theory, from Ricardo's comparative advantage to Heckscher-Ohlin factor endowments, provides the foundational case for specialization and trade. However, classical models assume perfect information and competitive markets — conditions rarely observed in practice.

New Trade Theory (Krugman, 1979; Helpman & Krugman, 1985) introduced economies of scale and product differentiation into trade models, justifying strategic industrial and trade policies. Building on this foundation, Hausmann and Rodrik (2003) demonstrated that discovering new export products involves significant externalities that individual firms cannot fully capture, providing a public goods rationale for export promotion.

Institutional economics (North, 1990) further emphasizes that formal institutions — laws, agencies, and regulations — shape the incentive environment for exporters. EPOs serve as institutional complements to market mechanisms, particularly in contexts where domestic capital markets are underdeveloped and information costs are prohibitive for first-time exporters.

### **2.2 Empirical Evidence on Export Promotion Effectiveness**

The empirical literature on export promotion has expanded substantially since the late 1990s. Seringhaus and Rosson (1990) provided early comparative evidence that government export assistance programs significantly increased SME participation in foreign markets. Subsequent micro-econometric studies have used firm-level data to estimate causal effects.

Volpe Martincus and Carballo (2008, 2010) used propensity score matching on Peruvian firm data and found that EPO assistance significantly increased the number of products and destinations exported, with particularly strong effects for first-time exporters. Similar positive findings have been reported for Colombia (Gamberoni & Newfarmer, 2009), Chile (Alvarez, 2004), and the European Union (Mayer & Ottaviano, 2008).

Meta-analytical reviews (Lederman, Olarreaga & Payton, 2010) confirm a positive, statistically significant association between EPO budgets and aggregate export values, though with diminishing returns at higher spending levels. The most cost-effective EPO spending was found to occur in country-image promotion and

market research services, rather than direct financial subsidies.

A related literature examines export credit agencies (ECAs), which provide guarantees and insurance to mitigate country and payment risks. Stephens (1999) and Korinek, Le Cacheux and Leshner (2005) find that ECAs significantly reduce the cost of trade finance and expand exporters' effective market reach, particularly in high-risk destinations.

### **2.3 Research Gaps**

Despite substantial empirical progress, several gaps remain. First, most studies focus on Latin American or European contexts, with limited evidence from transition economies in Central Asia. Second, comparative institutional analysis across EPO models is underdeveloped — most studies examine a single country's program in isolation. Third, the interaction between financial instruments and non-financial services within EPO programs has received insufficient attention. This article addresses these gaps through a structured comparative case study methodology.

## **3. METHODOLOGY**

### **3.1 Research Design**

This study employs a qualitative comparative case study design (Yin, 2014), selected because it is well-suited to investigating complex institutional phenomena in context. The comparative approach enables structured analysis of variation across cases while preserving the contextual richness necessary to understand how EPO programs operate in practice.

Four countries were selected as cases: South Korea, Singapore, Germany, and Brazil. Selection was guided by theoretical sampling criteria: the cases represent diverse institutional traditions (East Asian developmental state, city-state liberal economy, coordinated market economy, and developmental middle-income economy), different stages of development, and different export promotion models. Together they constitute a diverse set of successful export promotion experiences from which lessons can be drawn.

### **3.2 Data Sources**

Data were collected from three primary sources: (1) official publications and annual reports from national EPOs and government ministries; (2) peer-reviewed academic literature retrieved from Scopus, Web of Science, and Google Scholar databases; and (3) international organization reports from the World Trade Organization (WTO), International Trade Centre (ITC), and World Bank.

A structured analytical framework was developed, coding each case according to seven dimensions: (i) institutional structure, (ii) legal mandate, (iii) financial instruments, (iv) non-financial services, (v) targeting



strategy (SMEs vs. large firms; product vs. market focus), (vi) evaluation mechanisms, and (vii) outcomes. This framework ensures comparability across cases while allowing for case-specific depth.

### 3.3 Analytical Approach

The comparative analysis proceeds in two stages. First, within-case analysis describes each country's export promotion system in detail. Second, cross-case synthesis identifies common patterns, divergences, and conditional relationships. The analytical lens is informed by the theoretical framework outlined in Section 2, specifically New Trade Theory's emphasis on strategic policy and institutional economics' focus on organizational design.

Limitations of the study include reliance on secondary data, which may not capture recent policy changes, and the inherent difficulty of attributing export outcomes solely to EPO activities, given the multiplicity of factors influencing export performance. These limitations are addressed through triangulation of sources and explicit acknowledgment of confounding variables.

## 4. RESULTS

### 4.1 Comparative Overview

Table 1 provides a structured comparison of the export promotion systems examined in this study. The following subsections elaborate on each case.

**Table 1. Comparative Summary of Export Promotion Systems**

Country	Institution	Key Instruments	Outcomes
South Korea	KOTRA	Market research, trade missions, subsidized financing	Export-led GDP growth; top-10 global exporter
Singapore	Enterprise Singapore	Capability building, grants, bilateral FTAs	Highest export-to-GDP ratio in Southeast Asia
Germany	GTAI / AHK	Foreign trade offices, risk guarantees (Hermes)	World's 3rd largest exporter
Brazil	APEX-Brasil	Trade promotion, brand campaigns, B2B events	Diversified export base in agri-food & aerospace
Uzbekistan	EPA / TDC	Export financing, single-window portal, advisory	Reform-stage; export growth target 2024–2030

*Source: Compiled by the author from official EPO reports and academic literature (2024).*

### 4.2 South Korea: The Developmental Export Agency Model (KOTRA)

South Korea's Korea Trade-Investment Promotion Agency (KOTRA), established in 1962, represents one of the world's most extensively studied export promotion institutions. Operating under the Ministry of Trade, Industry and Energy, KOTRA manages a global network of 129 Korea Business Centers (KBCs) in 84 countries, providing South Korean exporters with on-the-ground market intelligence, buyer-matching services, and exhibition support.

KOTRA's mandate evolved in tandem with South Korea's industrial policy. In the 1960s–1970s, it focused on promoting labor-intensive manufactured exports; by the 1990s, it had shifted toward supporting technology-intensive sectors and outward foreign direct investment. This adaptive capacity reflects a key institutional strength: the ability to reorient services in response to changing competitive conditions.

Quantitatively, KOTRA claims to have supported USD 83.7 billion in export contract signings in 2022 alone. Independent evaluations (Kim & Lee, 2019) using difference-in-differences estimation find that KOTRA-supported firms achieve export values 23–38% higher than comparable non-supported firms, with stronger effects for firms entering markets in the Middle East and Africa where information costs are highest.

A distinctive feature of the Korean model is the integration of export promotion with inward investment attraction and outward investment promotion under a single institutional roof, allowing coordination synergies. Critics note, however, that the heavy public subsidy model may create dependency and crowd out private trade service providers.

### 4.3 Singapore: The Capability-Building Model (Enterprise Singapore)

Singapore's export promotion architecture is anchored by Enterprise Singapore (EnterpriseSG), formed in 2018 through the merger of International Enterprise



Singapore and SPRING Singapore. EnterpriseSG operates with an explicit capability-building philosophy: rather than primarily providing market-access services, it focuses on upgrading the competitive capabilities of Singapore-based firms, reasoning that capable firms will find export markets independently.

Key instruments include the Market Readiness Assistance (MRA) grant, which subsidizes up to 70% of eligible expenses for overseas market promotion and business development; the Global Company Partnership program supporting high-growth SMEs seeking regional expansion; and the Singapore Pavilion at international trade fairs.

Singapore's model is distinguished by its integration with a broader trade facilitation ecosystem, including the Singapore Economic Development Board (EDB) for foreign investment and the Monetary Authority of Singapore (MAS) for trade finance facilitation. This 'whole-of-government' coordination is widely regarded as a best practice (ITC, 2021).

Singapore's export-to-GDP ratio consistently exceeds 150%, reflecting the city-state's role as a global trading hub. While this ratio is inflated by re-exports, EnterpriseSG-supported firms have demonstrated stronger revenue growth, productivity, and employment outcomes than comparators (EnterpriseSG, 2022). The model's transferability is limited by Singapore's exceptional geography as a small, open economy with world-class logistics infrastructure.

#### **4.4 Germany: The Network and Guarantee Model (GTAI and AHK)**

Germany's export promotion system is notable for its decentralized, public-private partnership structure. The Germany Trade and Invest agency (GTAI) provides inward investment promotion and international market intelligence. Export credit guarantees — the so-called Hermes guarantees, named after the original insurer — are administered through the consortium of Euler Hermes and PricewaterhouseCoopers on behalf of the Federal Government.

The backbone of Germany's overseas commercial presence, however, is the network of 140 German Chambers of Commerce Abroad (AHK — *Auslandshandelskammern*), operating in 92 countries. AHKs are legally private associations with public mandates, funded by member fees supplemented by government grants. They provide legal and regulatory advisory services, trade fair organization, personnel recruitment, and business matchmaking — operating as *de facto* embassies for German business.

The Hermes export credit guarantee scheme covered EUR 27.8 billion in new guarantees in 2022, enabling German exporters to compete in markets characterized by political or payment risk. The scheme's portfolio spans infrastructure projects in Sub-Saharan Africa,

energy systems in Southeast Asia, and industrial machinery across Eastern Europe.

Germany's model demonstrates the viability of a public-private hybrid architecture: the state sets the policy framework and provides risk-sharing instruments, while the private sector (through AHKs and insurance companies) delivers services with market efficiency. This structure avoids the bureaucratic inefficiencies that can afflict purely state-run EPOs while maintaining public accountability.

#### **4.5 Brazil: The Brand and Market Development Model (APEX-Brasil)**

Brazil's Apex-Brasil (Brazilian Trade and Investment Promotion Agency) was established in 2003 as a public non-profit entity linked to the Ministry of Foreign Affairs and Trade. APEX-Brasil pursues an export promotion strategy centered on three pillars: promoting Brazilian exports through international brand campaigns (the 'Brazil: Senses of South America' initiative), supporting participation in international trade fairs, and organizing buyer-seller meetings through its Business Rounds platform.

A distinctive feature of APEX-Brasil's model is its sector-specific consortia (APEXs), which bring together firms in a given industry — from aerospace (Embraer's supply chain) to cosmetics (ABIHPEC) — to present a coordinated Brazilian offer to international buyers. This collective approach reduces per-firm costs of market entry and enables SMEs to project a stronger presence than they could individually.

Between 2003 and 2022, the number of Brazilian companies engaged in exporting more than doubled, from approximately 18,000 to over 38,000 firms. APEX-Brasil-supported sectors demonstrated export growth rates significantly above the national average (APEX-Brasil, 2023). The agency's return on investment has been independently estimated at approximately 2.4:1 in terms of additional export revenues generated per Real spent on promotion (Funex, 2021).

Brazil's experience highlights both the potential and the challenges of EPO operations in large, heterogeneous middle-income economies: the geographic and sectoral diversity of potential exporters makes targeting difficult, and political economy pressures can distort resource allocation toward politically connected sectors.

## **5. DISCUSSION**

### **5.1 Cross-Case Synthesis: Five Critical Success Factors**

Cross-case analysis reveals five factors that consistently characterize effective export promotion systems:

First, institutional clarity and mandate stability. Effective EPOs have clear, legally defined mandates and enjoy continuity across political cycles. KOTRA's mandate has evolved but remained coherent over six decades;



Germany's AHK network has operated continuously since the late nineteenth century. Institutional disruption — changes in organizational structure, budget, or political oversight — significantly impairs EPO effectiveness (Lederman et al., 2010).

Second, diversified service portfolios. The most effective programs combine non-financial services (market intelligence, trade fair participation, matchmaking) with financial instruments (export credit, guarantees, grants). Neither in isolation is sufficient. Information services address the knowledge barrier to export entry; financial instruments address the capital and risk barriers. Singapore and Germany exemplify this complementarity.

Third, private-sector engagement. EPOs that involve private business associations in governance and service delivery achieve better alignment with actual exporter needs. Germany's AHK model is the clearest expression of this principle. Even in the more statist Korean model, large conglomerates (chaebols) historically played a role in shaping KOTRA's sectoral priorities.

Fourth, rigorous monitoring and evaluation. All four programs examined maintain structured outcome measurement systems. KOTRA publishes annual impact data; APEX-Brasil commissions independent return-on-investment studies. Evidence-based management enables adaptive improvement and maintains stakeholder confidence.

Fifth, integration with the broader trade and investment ecosystem. Standalone EPOs operating in isolation from trade finance, customs, logistics, and investment promotion achieve sub-optimal results. Singapore's 'whole-of-government' model, where EnterpriseSG, EDB, and MAS coordinate closely, exemplifies best practice in ecosystem integration.

## **5.2 Implications for Emerging Economies: The Case of Uzbekistan**

Uzbekistan presents an instructive case for applying the lessons identified above. Since 2017, the country has undergone sweeping economic liberalization under President Mirziyoyev, including currency convertibility, trade barrier reduction, and institutional reform. The establishment of the Export Promotion Agency (EPA) and the subsequent creation of the Trade Development Company (TDC) — a joint-stock company based on Presidential Resolution No. PQ-126 of March 14, 2024 — reflect deliberate efforts to upgrade the country's export support architecture.

TDC's mandate closely mirrors the KOTRA and APEX-Brasil models: providing export and pre-export financing, establishing the single-window Exporters' Center ([export.epauzb.uz](http://export.epauzb.uz)), and creating specialized financial instruments for externally oriented projects. These are precisely the kinds of institution-building interventions that the international evidence supports.

However, the comparative evidence also points to areas where further reform may be needed. Uzbekistan's financial sector remains less developed than those of the benchmark countries, limiting the availability of export credit instruments. The private sector's role in EPO governance is still limited. And monitoring and evaluation systems for export support programs are nascent.

Priority recommendations for Uzbekistan and similar transition economies include: (1) strengthening public-private consultation mechanisms within EPO governance; (2) developing outcome measurement frameworks with third-party verification; (3) prioritizing SME-targeted programs that address information asymmetries for first-time exporters; and (4) deepening integration between export promotion, trade finance, and investment promotion functions.

## **5.3 Limitations**

This study has several limitations. First, the case selection, while theoretically motivated, excludes important regional experiences such as those of Vietnam, Turkey, or Poland, which may offer additional comparative insights. Second, the reliance on secondary data means that more recent policy developments may not be fully captured. Third, causal attribution of export outcomes to EPO activities remains methodologically challenging given the simultaneity of multiple policy changes. Future research should employ quasi-experimental methods — including synthetic control and regression discontinuity designs — to sharpen causal inference.

## **6. CONCLUSIONS**

This article has examined international experiences in export promotion through comparative case analysis of four leading export nations: South Korea, Singapore, Germany, and Brazil. The findings confirm the positive role of well-designed EPOs in facilitating export growth, particularly for SMEs and first-time exporters.

Five critical success factors emerge from the comparative analysis: institutional clarity, diversified service portfolios, private-sector engagement, rigorous evaluation, and ecosystem integration. These factors transcend specific institutional models and apply across diverse country contexts.

For emerging and transition economies, including Uzbekistan, the international evidence provides clear guidance. Effective export promotion requires sustained institutional investment, not episodic interventions. Financial instruments must be paired with non-financial services. Private business communities must be genuine partners, not merely recipients, of export support. And impact measurement must be built into program design from the outset.

The establishment of the Trade Development Company in Uzbekistan in 2024 represents a significant step in



the right direction. Sustained political commitment, adequate resourcing, and evidence-based management will be essential to realizing the potential of this and related initiatives. As Uzbekistan continues its integration into the global economy, building world-class export promotion institutions will be critical to achieving durable, diversified export growth.

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