



SMEs in the



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Key message FP7

Slogan

SMEs and Research: creating knowledge for growth

SMEs in FP7 - why?

SMEs are at the core of European industry and key players in the innovation system.

SMEs have to respond increasingly to a strong competition in the internal market and globally.

- Need to increase their knowledge base and their research efforts in transnational cooperations.
- Actions at EU level are necessary to complement and enhance the impact of actions taken at national and regional level.

Complementary pillars of SME support in FP7		
Optimized participation of SMEs	Dedicated scheme with special emphasis on SMEs	Budget increase for the SME specific measures
<p>"Cooperation"</p> <p>Research performing SMEs</p> <p>Thematic areas</p>	<p>"People"</p> <p>Research performing SMEs</p> <p>Industry-academia pathways</p>	<p>"Capacities"</p> <p>SMEs outsourcing research</p> <p>Bottom-up approach</p>

SMEs in FP7 “Cooperation”

- Identification of areas of particular interest to SMEs in the individual work programmes
- Dedicated SME strategy under each Theme
- Simplified financial and administrative procedures (e.g. 75% funding rate for SMEs, no bank guarantees)
- Greater flexibility in choosing the appropriate project type

Collaborative projects targeted to SMEs

3 different types of projects including

“projects targeted to special groups such as SMEs“

- Stimulate the participation of SMEs
- Research-intensive SMEs should play a leading role in such projects
- Requested EC contribution to participating SMEs must in all cases be substantial

Industry-academia partnerships and pathways support cooperation between academia and industry encourage SME participation through

- Staff secondments between academia and industry
- Temporary hosting of experienced researchers from outside

Research for the benefit of SMEs: Objectives

Strengthen the innovation capacities of SMEs to develop new products and markets by **outsourcing of research:**

- Increase their research effort
- Acquire technological know-how
- Extend their networks
- Improve the exploitation of research results

Research for SMEs:

- Low to medium technology SMEs with little or no research capability
- Research performing SMEs that need to outsource research to complement their core research capability

Research for SME associations:

- SME associations representing their members and their common technical problems

➔ Both schemes will follow a bottom-up approach, no thematic focussing

Clear principle: SMEs invest in R&D

- “Customer-seller” relationship between SMEs or SME-AGs and RTD-performers.
- SMEs or SME-AGs invest in the RTD project and outsource part of the research activities to "RTD performers”.
- RTD performers **invoice** their services to SMEs or SME-AGs.
- EC contribution: Grant to the project (and not to individual participants) which covers only part of the total investment.
- SMEs or SME-AGs and "Other participants and end users" contribute with their own resources to the project.
- Collective leadership of the SMEs or SME-AGs in the project.
- SMEs or SME-AGs will be directly involved in the take-up and exploitation of the research results to their own best advantage.

Funding Scheme - principles

- The financial support of the Community in accordance with the Rules for participation (Art. 33) will be capped at a value **not exceeding 110% of the estimated price to be invoiced by RTD providers** to SMEs or SME Associations.
- **The default IPR regime remains full ownership by the SMEs or SME Associations.**
 - ➔ The consortium may however reach a different agreement in their own best interests, as long as the SMEs and SME associations are provided with all the rights that are required for their intended use and dissemination of the project results.

Key Features of the two Schemes

	Research for SMEs	Research for SME associations
Duration	1-2 years	2-3 years
Number of partners	5-10	10-15
Total budget *	€ 0.5 – 1.5 Million	€ 1.5 – 4 Million
Activities	R&D, demonstration, management, other activities.	R&D, demonstration, management, other activities.

* Share of R&D carried out by RTD performers : $\geq 60\%$

Research for the benefit of SMEs

Work programme

1. Supporting SMEs outsourcing research activities

- Research for SMEs
- Research for SME associations

2. Developing and coordinating support to SMEs at national level

- Eurostars Article 169 Initiative
- ERA-NET
- Support to national and/or regional “exploratory awards”
- NCP-network

3. Support measures

- Coordination and Support Actions
- Studies



Research for the benefit of SMEs

Call planning

Research for SMEs Call 1

- Closure date: 4 September 2007
- Indicative budget: € 100 Million

Research for SMEs Associations Call 1

- Closure date: 1 June 2007 (first stage)
- Indicative closure date second stage: November 2007
- Indicative budget: € 10 Million [€ 58 Million]

Coordination and Support Activities Call 1

- Closure date: 10 May 2007
- Indicative budget: € 2 Million

Research for SMEs Call 1

- Closure date: 4 September 2007
- Evaluation: September - November 2007
- Signature of first grant agreements: May 2008
- Indicative budget: € 100 Million

Research for SMEs Associations Call 1

- Closure date: 1 June 2007 (first stage)
- Evaluation: June –July 2007 (first stage)
- Indicative closure date second stage: November 2007
- Indicative Evaluation second stage: January 2008
- Indicative budget: € 68 Million
- Signature of first grant agreements: July 2008

Coordination and Support Activities Call 1

- Closure date: 10 May 2007
- Evaluation: June 2007
- Signature of first grant agreements: December 2007
- Indicative budget: € 2 Million

Evaluation Procedures

- Described in the document «Guide for Applicants »
- Remote Evaluation
- Research for SME Associations in 2 stages
- Experts selected also in function of their industrial/economic background (to better evaluate economic impact)



Guide for Applicants

Approach

- One single guide for evaluators and applicants
- One-guide-per-call per funding scheme



Guide for Applicants

Structure and Content

1. Getting started
2. About the funding schemes
3. How to apply
4. Check list
5. What happens next

Glossary

Annex 1: Timetable and specific Information for the Call

Annex 2: Evaluation Criteria & Procedures to be applied for the call

Annex 3: Instructions for completing « part A » of the proposal

Annex 4: Instructions for drafting « part B » of the proposal



Guide for Applicants

Evaluation Criteria

- Reduced to three:
 - S&T Quality
 - Implementation
 - Impact
- Relevance addressed in « S&T Quality » and first subcriterion of « Impact »
- Limited evaluation criteria for stage 1 (Research for the benefit of SME Associations)
- Scores: 0-5 (half marks are allowed)
- Thresholds
 - Research for SMEs: all criteria=3, overall=10
 - Research for SME Associations (Stage 1): S&T Quality and Impact =3, overall=7
 - Research for SME Associations (Stage 2): same as Research for SMEs

Proposal Preparation Part A (Forms)

Submission: only electronically!

- Information on proposal, partners, budgets and requested EC contribution.
- Our proposal on « SME related questions », « SME Associations », NACE codes.
- SMEs have to take into account the remuneration ("invoices") for the subcontracting to the RTD performers
- Consequences of the invoice-approach:
Who acquires which results? Which remuneration?

Part B: Description of work

- New structure: detailed in Annex 4 of the GfA, along the evaluation criteria.
- Economic benefit for the individual SMEs and collective leadership must be clearly described.
- Consequences of the invoice-approach:
Who acquires which results?
Which remuneration?

→ Consortium agreement only required as deliverable

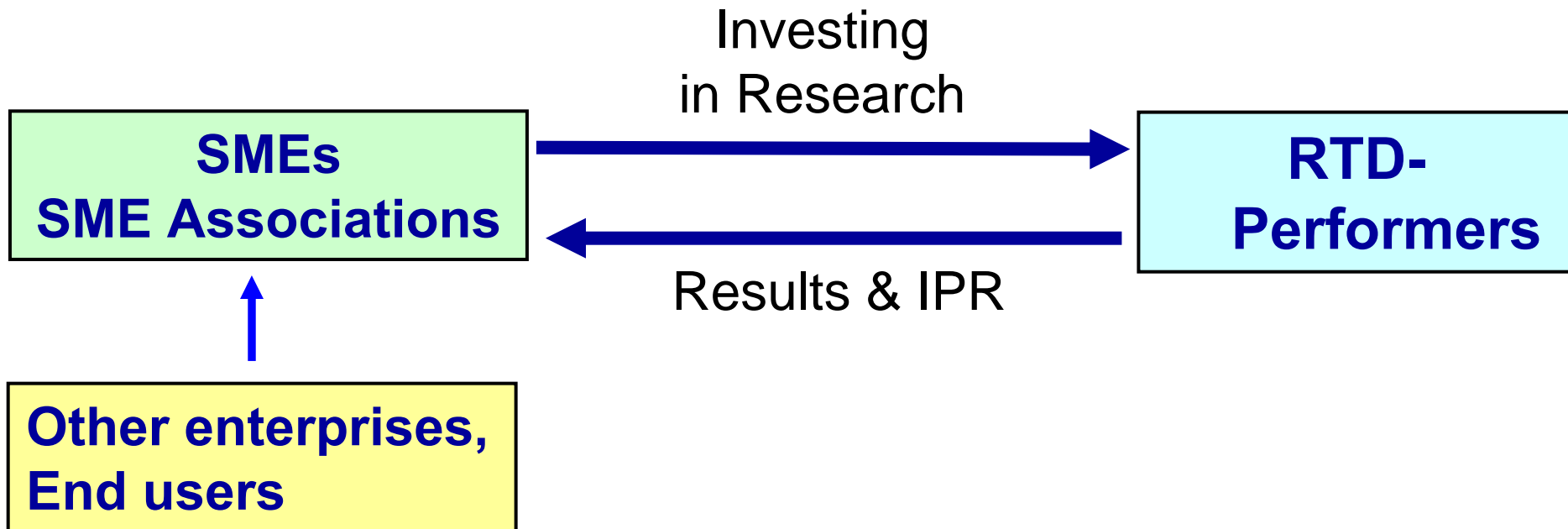
- Cover Page
- Table of contents
- Scientific and/or technological excellence, relevant to the topics/activities addressed by the call
- Implementation
- Impact - The potential impact through the development, dissemination and use of project
- Ethical issues
- Consideration of gender aspects

→ Explanation based on Research for SMEs



- Calculation of the EC contribution

Principle: Outsourcing scheme “customer-seller” relationship



- “Value” of the project is based on the subcontracted R&D activities.
- Financial contribution is 110% of the **price to be invoiced by RTD providers** to SMEs or SMEs Associations.
- The support of the Community has to be in accordance with the Rules for participation.

Rules for participation

Funding rates

- R&D: **maximum of 50 %** of the total eligible costs
- **Exception:** non-profit public bodies, secondary and higher education establishments, research organisations and SMEs: **maximum of 75 %**
→ **Associations may meet the criteria for SMEs**
- Demonstration activities: **maximum of 50 %**
- Management activities, including certificates on the financial statements: **maximum of 100 %**
- Other activities: **maximum of 100 %**
(e.g. training, coordination, networking, dissemination)



SMEs specific actions

Advisory and Support Structures

- **FP7 Advisory Group on SMEs**
Provides advice to the Commission and informs constituencies on implementation of SME specific actions, horizontal SME aspects and synergies with other SME related Community actions
- **SME Inter-service Taskforce**
Identifies and disseminates best practice on strategies for SME participation to enhance coherence and monitor SME participation with respect to targets.
- **Programme Committee**
Member states representatives review and approve work programmes and major policy issues and receive information on each individual grant funded.
- **SME National Contact Points (NCP)**
Dedicated SME NCP network assists SMEs participating in the various Themes and the SME specific actions.



More information

Research for the benefit of SMEs:

http://cordis.europa.eu/fp7/capacities/research-sme_en.html

CORDIS/SME TechWeb:

sme.cordis.lu/research/fp6_support.cfm

National Contact Points

<http://cordis.europa.eu/fp6/ncp.htm>

www.mct.ro

