



*"The voice of crafts and SMEs in Europe"*

## **UEAPME calls for dedicated SME programme integrating R&D and innovation**

*SMEs reply to EC consultation, stress need to start from ideas and to target market application, call for funding to be doubled*

Brussels, 11 May 2011 – The upcoming "Common Strategic Framework for EU Research and Innovation Funding" must begin from market needs and ideas, according to UEAPME, the European craft and SME employers' organisation. Presenting today its reply to a consultation launched by the European Commission on the topic, the organisation called for an integrated, SME-dedicated research and innovation programme that would replace the different "SME windows" in various current initiatives (1). This programme should be based on a "bottom up" approach covering the whole innovation cycle from ideas to market application, stressed UEAPME. Moreover, the current financial resources scattered across different programmes must be unified and at least doubled to reach 20 billion euro, wrote UEAPME. The organisation also warned against red tape and called for a "single funder" for cross border European projects, while rejecting plans by some EC officials to "re-nationalise" research funding.

*"As rightly stressed by the European Commission, Europe needs a more integrated and more coherent funding structure to support research and innovation, if it wants to achieve the targets set by the 'EU 2020 strategy' and by the 'Innovation Union'. However, such a programme is necessary but not sufficient to change the status quo. Europe also needs a change of mindset when it comes to research and innovation. All activities that receive public funding should start from ideas rather than research and have market application as the goal. Research must be seen rather as an element in the innovation chain than as an end in itself", said Gerhard Huemer, Director for Economic and Fiscal Policy at UEAPME.*

To simplify SME support measures and make them more transparent, UEAPME supports an integrated SME Innovation and Research Programme rather than SME "windows" in different programmes, continued Mr Huemer. This would put into one programme all the current SME support measures for innovation and research (research programmes on behalf of SMEs and SME associations, 15% threshold for collaborative research in the FP7 and elements from the Competitiveness and Innovation Programme). *"Funding for these initiatives currently amounts to about 10 billion euro. Doubling the efforts as often promised would mean one single programme capable of providing about 20 billion euro, dramatically increasing Europe's efforts on research and innovation for SMEs both in quality and in quantity", explained Mr Huemer.*

According to UEAPME, the programme should cover all steps in the innovation cycle that are linked to research and technology: feasibility studies on small entrepreneurs' ideas, access to technology, research on behalf of SMEs, demonstration and finally market application. Further steps, especially investments, could be funded separately by financial instruments as long as coherence is ensured and successful projects from the earlier phase have simplified access to the next steps. Moreover, simple administrative procedures are extremely important for SME projects. That is why a "single funder" is needed and should be foreseen for all cross-border projects. *"Forcing project partners to deal with various intermediaries at different levels, with different nationalities and in different languages is a recipe for failure", continued Mr Huemer.*

Finally, UEAPME insisted on the added value of cross-border projects and warned against the temptation to rely exclusively on the regional and national level. *"At the moment, some high-ranking officials at the European Commission are reluctant to directly run a European programme for cross-border SME projects. They are apparently aiming to hand over managing responsibilities to national intermediaries, supporting them with EU funds. This would make cross-border projects extremely complicated and burdensome for beneficiaries, if not downright impossible", concluded Mr Huemer.*

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(1) The full text of the reply is available online at [http://www.ueapme.com/IMG/pdf/110511\\_pp\\_CommonStrategicFramework.pdf](http://www.ueapme.com/IMG/pdf/110511_pp_CommonStrategicFramework.pdf)

**EDITORS' NOTES:** UEAPME is the employers' organisation representing exclusively crafts, trades and SMEs from the EU and accession countries at European level. UEAPME has 80 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

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