

# POSITION PAPER

## UEAPME comments on the proposal for a SBIR type programme to support research and innovation in SMEs

This position paper summarises the discussion with and concerns of UEAPME experts on R&D and Innovation on the idea of DG Research and Innovation to provided within the up-coming Horizon 2020 Programme a specific “SBIR-Type” programme to support research and innovation SMEs, as informally presented at the UEAPME Working Group on R&D and Innovation on 16 September 2011 by representatives from DG R&I.

### About the proposal for a SBIR-type Research and Innovation programme for SMEs

The key-features of such a programme – as understood by the SME representatives – could be:

- The target group are innovative SMEs with the ambition to develop, grow and internationalise.
- The programme should be open for both R&D performing SMEs and non-R&D performing SMEs, but with the possibility to outsource R&D and other services to a large extent.
- Only SMEs should be able to apply, but for the project they could take on board customers, business partner, research institutes and universities etc.
- There will be no need to present projects with partners from different Member States, but the project has to have a clear European dimension. Furthermore, the project has to demonstrate a clear business case.
- The programme should be available for all areas of societal challenges and enabling technologies and should provide a bottom-up approach within these areas, whereby the innovations, scientific disciplines and technologies used to meet the societal challenges should not be limited a priori (bottom-up approach as far as possible).
- The programme includes 3 phases – feasibility assessment / R&D and demonstration / commercialisation (access to finance). SME should be able to apply according to their needs at each of the three phases and successful projects on one phase should have “seamless” access to the next phase.
- IPR should go exclusively to the SME (unless other arrangements are agreed with the project partners).
- A high level of subcontracting (up to 85%) should be allowed, with the SMEs’ needs clearly driving the project.
- As regards financial instruments, the current risk sharing facility (at the moment only open for large projects) should be made available also for SMEs. Currently a programme is being designed with the EIF – implemented via national intermediaries – and should be tested already within the FP 7 programme.

### Concerns and open questions

- Although the SBIR-type programme is meant to be available for all societal challenges and enabling technologies, there is no specific budget for SME calls is foreseen or ring-fenced.

- The programme is not intended to be used for open bottom-up calls and as a consequence cannot support research and innovation in areas outside the societal challenges and the enabling technologies.
- The programme should be also open for organisations for SMEs (clusters, associations, etc.).
- In order to ensure effective access for SMEs to the different areas, SMEs need a certain influence on the elaboration and definition of the work programmes in all areas.
- How will the application / access to the first phase be organised, in order to avoid unmanageable numbers of application while giving good projects a fair chance to get supported?
- How will the selection criteria be defined? Will there be a difference between R&D performing SMEs and SMEs which outsource their R&D needs?
- How the simplification measures for SMEs will look like and what will be the promised single entry point.
- How will a single set of rules and procedures be ensured, if the programme will be managed by different entities (for the different societal challenges and the enabling technologies)?

## Final remarks

The principle idea to provide SMEs with a SBIR-type research and innovation programme within the up-coming Horizon 2020 framework, which follows the innovation cycle of SME businesses, integrates innovation and research and provides “seamless” support throughout the innovation chain, is very much welcomed by UEAPME as new approach to provide SMEs with the needed support to allow them to fulfil the targets of Europe 2020 and the Innovation Union.

However, many SME experts have concerns that a SME programme, which only covers societal challenges and enabling technologies, will not be sufficient to support the potential for break-through innovation in the whole SME sector. Especially, if the other parts of Horizon 2020, which are accessible for SMEs (Eurostars, JTI) are only open for highly specified high-tech SMEs.

Furthermore, the fact that the Commission does not foresee any dedicated money for the SBIR-type programme means SMEs have to fight every year and for each work programme for a fair share of the available budget without being directly involved in these decisions. That’s the reason why UEAPME and its member organisations insist on ring-fencing a dedicated budget for the SME specific programme.

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