



“The voice of crafts and SMEs in Europe”

Parliament and Council must bring “Horizon 2020” in line with SMEs’ needs

UEAPME issues position paper; calls for 15% dedicated budget, single entry point; rejects attempts to dilute SME definition

Brussels, 22 March 2012 – A dedicated budget of 15% of the overall programme and a single management structure are needed to fully exploit the innovation potential of SMEs in the upcoming “Horizon 2020” research and innovation programme, according to UEAPME, the European craft and SME employers’ organisation. In a position paper presented to the European Parliament today (Thursday), the association called on MEPs and on the Council to ensure that these changes are made to the programme before its final adoption (1). On the dedicated budget, UEAPME stressed that this is a necessary precondition for the implementation and marketing towards SMEs of the European Commission’s new “integrated approach” to research and innovation. On the single entry point, the organisation warned that only one management structure will ensure coherence and transparency across all the societal challenges and enabling technologies. UEAPME also condemned the attempts to change the SME definition used in Horizon 2020 to make larger companies access SME-dedicated funds and instruments.

“The Horizon 2020 programme as proposed by the European Commission is an excellent body of work on paper. It clearly has the potential to improve the competitiveness of Europe’s economic and to strengthen sustainable growth and job creation, by starting from the needs of our society and from market ideas and covering all steps in the innovation cycle, from ideas to market application. However, the Commission’s text needs to be sharpened to reach SMEs on the ground. A dedicated budget and a single management structure for the ‘SME instrument’ in the programme are a must to fully exploit the innovation capacity of European SMEs”, said Economic and Fiscal Policy Director **Gerhard Huemer**.

The current proposal states that with the “integrated” approach towards SMEs, the Commission expects “around” 15% of the overall budget for societal challenges and industrial leadership pillar to go to SMEs. The management structure of each of the numerous programme areas in each annual work programme will decide how much will be used for the SME instrument. This does not guarantee that all EC services will actually do so, explained Mr Huemer: *“What SMEs need is an instrument that can count on a defined share of the budget, allowing a sufficient number of calls each year and a level of competition which avoids discouragement due to over-subscription. Only a dedicated budget can ensure this. That is why we strongly encourage Parliament and Council to ring-fence 15% of the overall budget for the SME instrument.”*

A single management body for the implementation of the SME instrument in all the different areas identified by Horizon 2020 is also needed. In fact, the instrument will be used across all societal challenges and enabling technologies, each of which will be managed by different structures, continued Mr Huemer: *“We must avoid a situation in which every structure works with its own set of rules on this brand new instrument. A single body, which could take the form of an EU agency, is necessary to ensure coherence and transparency and to govern in concrete terms the implementation of the SME instrument. This single entry point is also the precondition for a market and idea driven bottom-up approach, as its management would be able to guide projects funded under Horizon 2020 in the right direction”,* he stressed.

Last but not least, UEAPME warned against the attempts recently made to change or widen the SME definition for Horizon 2020. *“The Commission was put under enormous pressure to relax the criteria defining SMEs, to allow small branches of large multinationals or enterprises up to 2000 employees to access SME-dedicated funds and instruments in the programme. These companies have nothing to do with real SMEs and cannot be treated as such. Lobbyists looking to have a bigger piece of the cake are now turning their eyes towards Parliament and Council. We would like to remind them that the current SME definition already covers 99.8% of all companies in Europe. An increase of the thresholds would make both the SME definition and the SME instrument in Horizon 2020 meaningless”,* concluded Mr Huemer.

**** END ****

(1) Available at http://www.ueapme.com/IMG/pdf/120322_H2020_UEAPME_final.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 82 member organisations covering over 12 million enterprises with 55 million employees. UEAPME is a European Social Partner. For further information: <http://www.ueapme.com/>

FOR FURTHER INFORMATION PLEASE CONTACT:

Gerhard Huemer, Director for Economic and Fiscal Policy, Tel. +32 (0)2 230 7599, Email: g.huemer@ueapme.com
 Francesco Longu, Press and Communications Officer, UEAPME, Tel. +32 (0)496 520 329, Email: pressoffice@ueapme.com