



“The voice of SMEs in Europe”

Press Release

FOR IMMEDIATE ISSUE:

FP7 budget must not scrap minimum allocation for SMEs

- **Minimum provision of 15% for SME participation must be preserved in FP7 budget**
- **Increased funding for Craft and Collective Research Programmes welcomed**

Brussels, 7 April 2005 UEAPME, the European association for small and medium business and crafts, has called on the European Parliament and the Council not to scrap the guaranteed allocation for SMEs in the budget for FP7, following the Commission proposal on Wednesday.

“Setting aside a minimum part of the budget for SMEs has been vital for involving small business in previous framework programmes. Abandoning this provision seems to contradict the Commission’s aim of increasing the involvement of SMEs in FP7,” said **Hans-Werner Müller**, UEAPME Secretary General.

Under FP6, 15% of the collaborative research budget was set-aside for SME participation, however the Commission has not included any guaranteed allocation in its proposals for FP7. UEAPME is calling on the European Parliament and the Council to redress this when considering the proposals for FP7. This means providing at least 6 billion euro in the budget for the participation of SMEs in collaborative research projects.

“The Commission has tried to make the framework programme simpler and more accessible for SMEs but, without a minimum SME budget, there is no guarantee that involvement of small business will not decrease. This would be a blow for R&D in the EU,” continued Mr Müller.

The proposal to retain the CRAFT and Collective Research Programmes in FP7 is welcome. These SME-specific schemes were the most relevant and accessible for small business under the previous framework programme. Increasing the budget for the schemes to 1 billion euro, from 400 million in FP6, is an important step in making FP7 SME-friendly.

US small firms have an R&D budget on average 7 or 8 times greater than that of European small firms. R&D activity by SMEs in the EU must be increased if we are to catch up to the US and the decision on the budget for 7th Framework Programme for Research must reflect this.

“The Commission has recognised the need to increase the involvement of SMEs in its proposals for FP7. It is important that the actual allocations to SMEs under the budget support this aim,” concluded Mr Müller.

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