

FACT SHEET
SMEs in WP2013

Facts and figures

- SMEs are important for growth and jobs because 99% of all European businesses are SMEs.
- 85% of net new jobs in the EU between 2002-2010 were created by SMEs¹.
- Yet less than a third of EU SMEs have innovative activities, and R&D expenditure by SMEs is lower in the EU than in the US.

How much money do we plan to invest

Particular emphasis is given to the involvement of small and medium-sized enterprises (SMEs) in projects with a €1.2 billion package dedicated to them.

Cooperation programme: 107 topics are dedicated to SMEs resulting in around €970 million (i.e. 20%) budget share of €4.8 B. This includes €140 M for the continuation of a pilot action dedicated to SMEs under the Health theme.

SME-friendly actions include:

- SME-oriented topics, or topics generally encouraging industrial participants (including SMEs)
- Dedicated calls with strict rules ("ring-fencing")
- High-threshold ring-fencing (up to 75% of budget), and/or additional criteria (e.g. SME in leading role)

Capacities programme: €252 M is allocated to the SME programme *Research for the benefit of SMEs*, which is open to all scientific areas. This programme is expanding the activity supporting exploitation of EU funded results with a budget increase of €7M leading to a total of €27M. These demonstration projects are specifically for FP7 funded projects under this programme.

Access to finance for innovative SMEs

€150 million has been allocated under the "Cooperation" specific programme to boost support for the Risk Sharing Instrument (RSI), the Risk Sharing Finance Facility's loan

¹ http://ec.europa.eu/enterprise/policies/sme/facts-figures-analysis/performance-review/files/supporting-documents/2012/do-smes-create-more-and-better-jobs_en.pdf

guarantee facility designed to help innovative SMEs and smaller mid-sized firms access risk finance from banks. RSI was launched at the end of 2011 with an initial €120 million of EU funding from FP7 (see [IP/2011/1505](#)) and an original target total loan volume of up to €1.2 billion. Around a further €1 billion of loans is expected to follow from this extra funding.

Why is there a special focus on SMEs

The European Commission is keeping its promise that the target of at least 15% of the FP7 Cooperation budget to go to SMEs. As of 1 May 2012, 15.6% of the Cooperation budget has been for SMEs.

Under the calls across the themes of the 2013 Cooperation work programme, around 20% of the budget is expected to go to SMEs. A number of the themes (Health; Food, Agriculture, Forestry and Biotechnology; Transport; Space; and Security) foresee SME targeted calls and topics with ring fenced budgets (50 % and 75% of the total requested EU contribution going to SMEs), and in some cases also requiring, as additional eligibility criteria, the leading role of SMEs, small sized projects, and small consortia.

Examples include:

- Under the Health theme around ~€ 30M will be allocated to a large trial on testing of therapies for traumatic brain injury and ~€48 M allocated to a clinical trial topic (~8 projects) involving at least 50% SMEs.
- The Food, Agriculture, Forestry and Biotechnology theme allocates 50M€ to 3 topics (one in each of its three activities: agriculture and forestry, food, health and well-being) funding the exploitation of research results (not necessarily coming from EU-funded research projects) by SMEs or demonstration actions to bridge the gap between research results and innovative products and processes. Support is also provided for a network for the transfer of knowledge on traditional food to SMEs (€6M).