

# EIPC Entrepreneurship & Innovation Programme Management Committee

### 2008 EIP IMPLEMENTATION REPORT

(Drawn up under Article 8(5) of Decision No 1639/2006/EC)

[EIPC-03-2009]

EIPC of 11 & 12 March 2009



### **EIP Implementation report**

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#### I. Introduction

The Entrepreneurship and Innovation Programme (EIP) is one of the three specific programmes of the Competitiveness and Innovation Framework Programme (CIP)<sup>1</sup> which began in 2007. Its aim is to boost competitiveness, innovation and the promotion of entrepreneurial culture as defining conditions for growth – they are essential to the economy as a whole – and especially important for small and medium sized enterprises (SMEs). The main EIP objectives as set out in Article 10 of the CIP Decision are the following:

- A) access to finance for the start-up and growth of SMEs and investment in innovation activities;
- B) the creation of an environment favourable to SME cooperation, particularly in the field of cross-border cooperation;
- C) all forms of innovation in enterprises;
- D) eco-innovation;
- E) entrepreneurship and innovation culture;
- F) enterprise and innovation-related economic and administrative reform.

The EIP brings together activities in the field of entrepreneurship, SMEs, industrial competitiveness and innovation. In order to achieve the objectives of the programme four main instruments are used.

The table below shows how the main instruments contribute to one or several EIP objectives.

| Entrepreneurship and Innovation Programme  |  |  |  |  |
|--|--|--|--|--|
| Instrument   | Objectives   |  |  |  |
| 1. Community financial instruments for SMEs                                      | a) access to finance for the start-up and growth of SMEs and investment in innovation activities, including eco-innovation;  |  |  |  |
| 2. Services in support of business and innovation: The Enterprise Europe Network | b) the creation of an environment favourable to <b>SME cooperation</b> , particularly in the field of cross-border cooperation;  |  |  |  |
| 3. Innovation and eco-innovation pilot and market replication projects           | c) all forms of <b>innovation</b> in enterprises;<br>d) <b>eco-innovation</b> ;<br>e) <b>entrepreneurship</b> and <b>innovation culture</b> ;  |  |  |  |
| 4. Policy analyses, development, coordination and twinning                       | b) the creation of an environment favourable to SME cooperation, particularly in the field of cross-border cooperation; e) entrepreneurship and innovation culture f) enterprise and innovation-related economic and administrative reform |  |  |  |

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Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (OJ L 310/15, 9.11.2006). For more information see the CIP portal under http://ec.europa.eu/cip/index\_en.htm.

#### 1.2. The 2008 Work Programme and Implementation Report

The EIP annual work programme for 2008 was established by Commission Decision C(2007) 5989 of 10 December 2007 following the positive opinion of the EIP Management Committee (EIPC) on 18 October 2007. It was last amended by Commission Decision C(2008) 8114 of 12 December 2008 following the positive opinion of the EIPC at its meeting of 16 October 2008.

This Implementation Report has been set out in seven chapters following the structure of the 2008 Work Programme:

The first six chapters reflect the six EIP objectives as set out above. The seventh chapter of this implementation report concerns support measures undertaken by the Commission pursuant to Article 24 of the CIP Decision (1639/2006).

Emphasis has been given to reporting on how far the objectives established in the annual work programme have been met. The report also includes an account of the execution of the budget in 2008 which shows the budget allocations in the 2008 work programme as approved by the EIPC and the respective commitments made by the Commission during the year.

Where possible, the report already refers to impacts and evaluations scheduled. In most cases, however, the impact will only be measureable after some time as some activities are carried out during several years and is therefore not yet addressed in this report.

Where available, website addresses have been included where detail information on the different measures is provided.

#### 1.3. Overview of EIP activities in 2008

The 2008 EIP work programme was primarily based on the following actions:

- (1) The **financial instruments** have as an overall objective the improvement of access to finance for the start-up and growth of SMEs and investment in innovation activities, including eco-innovation, by:
  - increasing investment volumes of risk capital funds and other investment vehicles;
  - providing leverage to SME debt financing instruments and thus increasing the supply of debt finance to SMEs.

The CIP legal base provides the basis for three financial instruments for SMEs, operated by the European Investment Fund (EIF) together with international financial institutions on behalf of the Commission:

• The High Growth and Innovative SME Facility (GIF) aims to increase the supply of equity for innovative SMEs in their early stages (GIF1) and in the expansion phase (GIF2).

This facility has been operational since November 2007 and is implemented by the European Investment Fund (EIF) on behalf of the Commission. By the end of 2008, 14 deals with Financial Intermediaries (Venture Capital Funds) from 10 countries (including investments in the Baltic states) had been approved (of which 13 were signed by the EIF), committing<sup>2</sup> around  $\in$  153 million of EU investments. Three of these Venture Capital Funds are investing in eco-innovation with EU commitments<sup>3</sup> of nearly  $\in$  34 million.

• The SME Guarantee Facility (SMEG) provides counter- or co-guarantees to guarantee schemes operating in eligible countries, and direct guarantees to financial intermediaries, in order to increase the supply of debt finance to SMEs.

SMEG has been operational since September 2007 and is implemented by the EIF on behalf of the Commission. By the end of 2008, 12 deals with Financial Intermediaries from 9 countries (3 from New Member States) had been approved (of which 10 were signed by the EIF), committing from both 2007 and 2008 EU budget, €110 million for guarantees or counter-guarantees. By the end of September 2008, over 12,000 SMEs had received financing supported by SMEG.

- The Capacity Building Scheme will support the capacity of financial intermediaries by improving the investment and technology expertise of funds and other financial intermediaries investing in innovative SMEs or SMEs with growth potential, and stimulating the supply of credit to SMEs by enhancing the credit appraisal procedures for SME lending.
- The Capacity Building Schemes consists of two actions: the "Seed Capital Action" and the "Partnership Action" (PA). The first is expected to become operational by summer 2009. However, as regards the PA, discussions with potential partners led to the conclusion that the PA can not be implemented on the basis of the principles set out in the legal basis. Discussions have taken place between the responsible Commission services to explore options on how to use the resources of the PA.

For the operations regarding the financial instruments, the total of 2008 commitments for the EIP was €151,175,490, of which €143,100,000 consisted of the initial appropriations. Additional appropriations came from an amendment to the budget in June 2008, from EFTA/EEA contributions and from contributions of other non-EU member countries participating in the programme.

(2) The **Enterprise Europe Network** offers support and advice to businesses across Europe and helps them make the most of the opportunities in the European Union. The services are specifically designed for small and medium enterprises (SMEs). The Enterprise Europe Network is made up of close to 600 partner organisations in more than 40 countries, promoting competitiveness and innovation at the local level in Europe and beyond. The Network started its activities in January 2008.

In the course of 2008 framework partnership agreements and cooperation agreements have been signed leading the Network to cover the EU27, the EEA countries and partners in accession and candidate countries, in countries of the Western Balkans and in other third countries including the USA, Russia and China.

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Please note: for these commitments, also 2007 budgetary appropriations have been used

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A total amount of  $\le 82,786,000$  has been committed in 2008, of which  $\le 1,555,000$  has been committed to support the animation tasks.

- (3) The **innovation projects and eco-innovation pilot and market replication projects** come under the following objectives of the programme:
  - C All forms of innovation in enterprises
  - D Eco-innovation
  - E Entrepreneurship and innovation culture

Actions in this area cover several fields such as support for innovation, e-skills, e-business, clusters or studies. One of the most important projects is "<u>Europa INNOVA</u>" which focused on two main initiatives in 2008:

- the launching of a call for tenders for the continuation of "Europa INNOVA Communications", the horizontal support function of the Europe INNOVA initiative, which ensures the systematic collection, analysis, exploitation and dissemination of the results of innovation projects;
- Europe INNOVA annual conference, which in 2008 was a two days event and took place in Lyon. It was organised by the French Ministry of Economy, Industry and Employment in the framework of the French EU Presidency in close collaboration with the Commission.

Regarding Eco-innovation, a call for pilot and market replication projects was launched in April 2008 focusing on a list of non-exclusive priority areas:

- (a) cleaner production processes;
- (b) innovative environmentally-friendly products and service;
- (c) support to enterprises (especially SMEs) in greening their business, products and management methods.

This first call on eco-innovation achieved a good coverage since participants involved come from 33 countries, including non EU countries. It is also worth mentioning that 74% of participants were SMEs. The implementation of the first projects may start in early spring 2009. The budget committed with this Call 2008 for pilot and market replication projects is € 27,850 million.

As mentioned before, the eco-innovation objective was also covered in 2008 through one of the CIP Financial Instruments - the High Growth and Innovative SME Facility (GIF) - where a total of €26 million had been earmarked for the specific objective "eco-innovation" from CIP budget. The overall purpose of this financial instrument is to improve access to finance for the start-up and growth of SMEs and investment in innovation activities, including eco-innovation.

- (4) The **policy analyses, development, coordination and twinning measures** mainly come under the following objectives of the programme
  - B the creation of an environment favourable to SME cooperation, particularly in the field of cross-border cooperation;
  - E entrepreneurship and innovation culture
  - F enterprise and innovation-related economic and administrative reform.

There are several actions that cover areas such as SME performance review, entrepreneurship education, CSR, studies and conferences etc. A key measure in this category is the "Community programme for the reduction of regulatory administrative costs" with a budget committed in 2008 of €6,700,000.

The main objectives of this specific measure are the following:

• On the basis of previous research completed in previous years, to carry out measurements of administrative costs deriving from specific EU policy areas;

- to provide assistance to Member States where administrative costs measurements have not been carried out;
- to provide input for the setting of a common cost reduction target at EU level;
- to launch administrative costs reduction programmes, both at the Community and MS levels, by providing indications of areas most suitable for rapid reduction and of how this can be achieved.

#### 1.4. Overview of the EIP Budget Execution in 2008

The total amount committed under the EIP in 2008 was about €289 million, leading to an execution rate of the total budget allocated to the EIP for 2008 of 99,2 %. An overview of the budget available and committed is provided in the summary table below.

Out of the total budget committed, about €151 million have been allocated to the EIP financial instruments for SMEs. Out of the remaining €137 million an amount of €130 million has been spent on the work programme and €7 million on support measures under Art. 24 of the CIP legal base.

The contributions from non-EU member countries and EFTA/EEA countries participating in the programme were added to the initial budget of the EIP.

In December 2008 the following non-EU-member countries were fully participating in the EIP: Croatia, the Former Yugoslav Republic of Macedonia Montenegro, Iceland, Liechtenstein, Norway; while Albania, Israel and Serbia participated in certain parts. The Memorandum of Understanding with Turkey concerning its full participation from 2007 was signed on 12 February 2008 and entered into force on 22 January 2009.

#### Summary table : EIP budget 2008

| Budget availab                      | ole       | Budget committed   |           |  |
|-------------------------------------|-----------|--|-----------|--|
| Measure                             | (' 000 €) | Measure  | (' 000 €) |  |
| Financial instruments               | 151,269   | Financial instruments  | 151,175   |  |
| Implementing measures               | 131,931   | Implementing measures  | 130,440   |  |
|                                     |           | Enterprise Europe Network and Network animation  Eco-innovation pilot and market | 82,755    |  |
|                                     |           | replication projects   | 27,850    |  |
|                                     |           | Others   | 19,835    |  |
| Support measures                    | 8,115     | Support measures   | 7,249     |  |
| Total without Financial Instruments | 140,046   |  | 137,689   |  |
| Total with Financial                | 140,040   |  |           |  |
| Instruments                         | 291,315   |  | 288,864   |  |

#### II. EIP ACTIONS IN 2008

# A. ACCESS TO FINANCE FOR THE START-UP AND GROWTH OF SMES AND INVESTMENT IN INNOVATION ACTIVITIES

#### A.1. EIP Financial Instruments for SMEs

ENT/CIP/08/A/N01S00

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

The **financial instruments** have as an overall objective the improvement of access to finance for the start-up and growth of SMEs and investment in innovation activities, including eco-innovation, by:

- increasing investment volumes of risk capital funds and other investment vehicles;
- providing leverage to SME debt financing instruments and thus increasing the supply of debt finance to SMEs.

There are three financial instruments for SMEs, operated by the European Investment Fund (EIF) on behalf of the Commission:

- The High Growth and Innovative SME Facility (GIF) aims to increase the supply of equity for innovative SMEs in their early stages (GIF1) and in the expansion phase (GIF2). Investment proposals by financial intermediaries are selected on the basis of an open call for expression of interest (OJ C 302 of 14 December 2007);
- the SME Guarantee Facility (SMEG), provides direct or counter- or co-guarantees to guarantee schemes operating in eligible countries, and direct guarantees to financial intermediaries, in order to increase the supply of debt finance to SMEs. Intermediaries are selected on the basis of an open call for expression of interest (OJ C 226 of 26 September 2007);
- a Capacity Building Scheme (CBS) will support the capacity of financial intermediaries by improving the investment and technology expertise of funds and other financial intermediaries investing in innovative SMEs or SMEs with growth potential, and stimulating the supply of credit to SMEs by enhancing the credit appraisal procedures for SME lending. CBS consists of the Seed Capital Action and the Partnership Action.

#### **RESULTS AND IMPACT in 2008:**

#### 1. The High Growth and Innovative SME Facility (GIF)

This facility has been operational since November 2007 and is implemented by the European Investment Fund (EIF) on behalf of the Commission. By the end of 2008, 14 deals with Financial Intermediaries (Venture Capital Funds) from 9 countries (including investments in the Baltic states) had been approved (of which 13 were signed by the EIF), committing<sup>4</sup> around  $\in$  153 million of EU investments. Three of these Venture Capital Funds are investing in eco-innovation with EU commitments<sup>5</sup> of nearly  $\in$  34 million.

#### 2. The SME Guarantee Facility (SMEG)

SMEG has been operational since September 2007 and is implemented by the EIF on behalf of the Commission. By the end of 2008, 12 deals with Financial Intermediaries from 9 countries (3 from New Member States) had been approved (of which 10 were signed by the EIF), committing<sup>6</sup> €110 million from the EU budget for guarantees or counter-guarantees. By the end of September 2008, over 12,000 SMEs had received financing supported by SMEG.

#### 3. The Capacity Building Scheme (CBS)

- 3.1 The **Seed Capital Action (SCA)**: following a call for expressions of interest sent to the International Financial Intermediaries mentioned in the CIP legal base (EBRD, CEB and EIB/EIF), only the EIF manifested interest in the management of this action. The policy guidelines have been prepared and the contractual framework has been drafted by Commission services; contractual negotiations are planned to start in early 2009 and the SCA is expected to be operational by Summer 2009.
- 3.2 The **Partnership Action** (PA) should have constituted an element of the CBS as described in Art. 20 of the CIP decision. A significant part of the action should have related to improving banks' and financial institutions capacity to assess the commercial viability of projects with a significant ecoinnovation component. The action was presented to the International Financial Institutions (IFIs) mentioned in the legal basis (EBRD, CEB and EIB/EIF). All IFI's expressed fundamental doubts about the viability of this instrument, due to the restriction on incentives resulting from State aid rules and the resulting limited size of projects, and in the end declined to participate. The Partnership Action cannot therefore be implemented on the basis of the principles set out in the legal basis. Discussions have taken place between the responsible Commission services to explore options on how to use the resources of the PA.

#### 4. Awareness

To raise awareness of the funding opportunities for SMEs, "EU finance days for SMEs" are being organised in all EU capitals from 2008 to 2010. These EU finance days are intended to improve the visibility of the programme at the level of final beneficiaries, the Enterprise Europe Network (EEN) and other stakeholders. In 2008, EU finance days already took place in seven capitals.

A dedicated website for the financial instruments, has been developed with a view to helping SMEs to apply for loans and other finance supported by CIP. It has been accessible to SMEs since March 2008 at <a href="http://www.access2finance.eu">http://www.access2finance.eu</a> and will be further enhanced with specific information as more financial intermediaries sign contracts under SMEG. Moreover, the European Commission prepared a "Practical Guide to EU Funding Opportunities for Research and Innovation", which covers the CIP financial instruments, and a "Guiding paper for Investors on eco-innovation in CIP financial instruments".

Participating financial institutions are required to incorporate in their promotional material clear

<sup>&</sup>lt;sup>4</sup> Please note: for these commitments, also 2007 budgetary appropriations have been used

<sup>&</sup>lt;sup>5</sup> Please note: for these commitments, also 2007 budgetary appropriations have been used

<sup>&</sup>lt;sup>6</sup> Please note: for these commitments, also 2007 budgetary appropriations have been used

references to the support provided by the European Commission and have to ensure that each final beneficiary is made aware of this.

#### 5. Evaluation

An external interim evaluation of the EIP was carried out in the second half of 2008, including an analysis of the impact and performance of the financial instruments. The results of this interim evaluation will be published in Spring 2009 and will contribute to the overall CIP interim evaluation.

#### **OUTLOOK:** What remains to be done after 2008?

GIF and SMEG are fully operational and already showing results. It is important to note that there is an inherent time lag between commitment of budgetary funds, selection of a financial intermediary by the EIF, approval by Commission services, signature by the financial intermediary and provision of loans (SMEG) or investment into Venture Capital funds (GIF). However, it is encouraging that over 12,000 SMEs already have benefited from the financial instruments.

There is a significant pipeline of deals for 2009. The financial crisis and its impact on the economy are expected to result, with a certain time lag, in a slow-down in Venture Capital activities. SMEG, on the other hand, is a counter-cyclical instrument and the demand for guarantees by financial intermediaries is therefore likely to be sustained.

#### IMPLEMENTATION CALENDAR

GIF, SMEG: open call from 2007.

Seed Capital Action under CBS: signature of the contract (Fiduciary and Management Agreement) with

the EIF is scheduled for the first half of 2009.

Awareness: 15 further "EU finance days for SMEs" are planned for 2009.

#### **FINANCIAL IMPLEMENTATION**: Total amount committed in 2008

For the operations including awareness activities regarding the financial instruments, the total of 2008 commitments was  $\leq 151,175,490$ , of which  $\leq 143,000,000$  were the initial appropriations. Additional appropriations came from an amendment to the budget in June 2008, from EFTA/EEA contributions and from contributions of other non-EU member countries.

€116,156,125 (99.7 % of the payment appropriations) was paid to the Trust accounts in 2008.

Please note: The amount committed was slightly lower than that stated as total available appropriations in the revised work programme 2008 (€ 151,268,543) because contributions received from other non-EU member countries were lower than estimated.

Unit: ENTR/D.3 Unit: ECFIN/L.2

Desk Officer: Jeremy Heath Programme Manager: Roger Havenith

#### A.2. Improving Policies on Access to Finance

ENT/CIP/08/A/N02S00

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

In order to ease the access of SMEs to finance, the objective was to identify good practices, help Member States to implement them and to monitor progress, in particular for innovative and growth-oriented firms.

- **Bringing ideas to market:** To improve the conditions for early-stage innovation finance, the Commission has continued to focus on improving the framework conditions for venture capital, in particular for cross-border investment in the single market. The Commission organised four workshops, three with the Member States and one with academic experts as a follow-up to the 2007 Communication on removing obstacles to cross-border venture capital investments.
- **The right environment:** To explore the effects of macroeconomic variables on SME finance, the Commission launched a study on the cyclicality of SME finance that will be completed in February 2009. As a follow-up on previous work on micro credits, and to follow market and regulatory developments, the Commission organised a meeting of private experts.
- **Enterprise Finance Index:** The Commission has introduced the Enterprise Finance Index that allows stakeholders to follow developments in SME finance.

#### **RESULTS AND IMPACT in 2008:**

Workshops organised:

- Workshop 1 on cross-border investments: 13 Member State and 3 private experts participated
- Workshop 2 on cross-border investments: 13 Member State and 3 private experts participated
- Workshop 3 on cross-border investments: 6 private academic experts participated.
- Workshop 4 on cross-border investments: 14 Member State and 4 private experts participated
- Workshop on microcredits: 23 private experts participated.

Reports and recommendations on improving policies:

- Cross-border investments:
  - http://ec.europa.eu/enterprise/entrepreneurship/financing/investing\_across\_border.htm
- Microcredit: <a href="http://ec.europa.eu/enterprise/entrepreneurship/financing/microcredit.htm">http://ec.europa.eu/enterprise/entrepreneurship/financing/microcredit.htm</a>

#### Study on the cyclicality of SME Finance:

- Contractor: EIM Business & Policy Research (CSES)

#### Enterprise finance Index:

- Figures by Member State on venture capital, loans, guarantees, business angel finance;
- Figures on the financial instruments
- Indicators on Member State policies implementing recommendations
- Links to further data sources
- Website:

 $\underline{\text{http://ec.europa.eu/enterprise/entrepreneurship/financing/enterprise\_finance\_index/index\_en.ht}$ 

#### **OUTLOOK:** What remains to be done after 2008?

Completion of the study on the cyclicality of SME finance in February 2009 and associated final payment.

#### **IMPLEMENTATION CALENDAR**

Two Workshops on cross-border investment in July, November and December;

Workshop on microcredit in November;

Unveiling of the Enterprise Finance Index in June;

Start of the cyclicality study in July (end foreseen in February 2009).

#### **FINANCIAL IMPLEMENTATION**

Total amount <u>committed</u> in 2008: €140 561

Unit: DG ENTR/D.3

Desk Officers: U Hudina, C Fökehrer, A Wille, M Otulak

#### B. CREATION OF AN ENVIRONMENT FAVOURABLE TO SME CO-OPERATION, PARTICULARLY IN THE FIELD OF CROSS-BORDER CO-OPERATION

#### **B.1.** Network in Support of Business and Innovation - Network animation

ENT/CIP/08/B/N01S00 and ENT/CIP/08/B/N02S00

#### **DESCRIPTION of IMPLEMENTED MEASURE:** Main objectives & activities.

The objective of the Enterprise Europe Network is to ensure the support of business and innovation – in particular for SMEs – by offering information, feedback and business cooperation services, innovation, technology and knowledge transfer services as well as services encouraging the participation of SMEs in the Community framework programmes for R&D. (art.21 of the CIP legal base).

Two EIP measures were implemented in 2008 where the first measure relates to the establishment of the Enterprise Europe Network by selecting partners with a call for proposals and providing Community contributions to implement the work programmes of these partners. The second measure relates to the activities put in place to organise the Annual Conference and to animate the Network. It includes services needed to operate the IT tools and to organize trainings, meetings and communication activities.

The implementation of the two Network-related 2008 EIP measures was entrusted to the Executive Agency for Competitiveness and Innovation (EACI). In 2008, the Agency has further advanced by recruiting additional staff for the units responsible for the project management and animation of the Network. The hand-over of the project management took place already on the 1<sup>st</sup> of November 2007; while the delegation of the network animation tasks was formally concluded on 30/04/2008 (except for the management of IT tools which is scheduled for 23/02/2009).

#### The operational objectives of the Enterprise Europe Network are the following:

- (1) Help enterprises finding partners outside their own country for developing their business, export, technology and knowledge;
- (2) provide services encouraging the participation of SMEs in the Community Framework Programme for RTD and promote EU policies and SMEs access to EU programmes;
- (3) develop Network recognition and awareness locally; ensure that the Network and its services are known by SMEs in the geographical areas covered;
- (4) develop an integrated service range, where services towards business development (module a) are balanced with services towards technology and knowledge transfer (module b), and synergies among network partners are increased;
- (5) guide clients towards the most appropriate service provider; implement the "no wrong door" concept and build synergies with other relevant service providers within the Network as well as in the area, to offer complementary services;
- (6) continuously increase the quality of the integrated services provided by the network;
- (7) contribute to the SMEs feedback in consulting businesses and obtaining their opinion on Community policy options;
- (8) build an efficient management system in reducing the administrative burden for all parties, for

The EACI was created through the Commission Decision of 31 May 2007. The EACI is responsible for the management of Community actions in the fields of energy, entrepreneurship and innovation, and sustainable freight transport.

#### **RESULTS AND IMPACT in 2008:**

The Network activities started on January 2008 with exception of the activities that were carried out by partners in the former IRC network up to 31 March 2008.

The preparation works for a call for proposal for potential partners of the Network started already in 2006 which resulted in the publication of the call in the Official Journal C 306 of 15.12.2006.

After technical and financial capacity checking, 91 proposals from EU-27 and 16 from third countries were evaluated out of which 69 EU-27 passed the necessary thresholds as well as 10 third country proposals.

A second call for proposals was published on 21 September 2007 for areas not covered by the results of the first call where 9 EU-27 and 8 third countries passed the thresholds. Additional proposals have been received from 3rd countries in the course of 2008. It should be noted that Third countries may apply at any time which may result in some additional proposals for 2009 as well.

By the end of 2008, there were 84 framework partnership agreements signed and 7 more expected to be signed in the 1<sup>st</sup> quarter of 2009. Additionally, there were 8 cooperation agreements signed with third countries and 4 more expected to be signed in the 1<sup>st</sup> quarter of 2009. The Network now covers EU27 countries, the EEA countries and partners in accession and candidate countries, in countries of Western Balkans and in other third countries including USA, Russia and China; please refer to ec.europa.eu/enterprise-europe-network for the complete list of the 44 countries. Additionally, conditional terms for Associated and Affiliated membership have been defined where 8 and 5 memberships have been concluded respectively.

The official launch of the Network in February 2008 received a high political visibility with keynote speakers on SME policies and workshops with more than 1100 participants. National events were organised by the partners in each country explaining and promoting the services offered by the Network to SMEs.

A Network governance structure has been put in place where strategic decisions on the role and future of the Network are discussed in the Steering and Advisory Group. More specific working groups have been set up to analyse the needs and developments for communication, partnership tools and quality & performance.

The Annual Guidance Note (AGN) to the Network, which gave Commission's main political messages to the partners to promote and focus their activities taking place during 2009, was circulated at the end of 2008, following an internal consultation with other services in both the DG and other DGs.

Various training sessions have been organised with special attention to the newcomers' training with a total of 500 participants. A communication strategy, guidelines and graphical charter for the Network have been developed and promoted throughout the Network. Necessary guidelines and procedures have also been developed to ensure the quality of the services provided.

IT partnership tools have been put in place to support the business processes needed by the Network. This includes all the IT tools needed for collaboration, business cooperation and technology transfer. Network partners have been very active in finding opportunities for business and technology cooperation between SMEs, with more than 5000 offers and requests introduced in the cooperation databases by the end of 2008.

The first annual conference of the Network was organised in Strasbourg in liaison with the French Presidency. About 800 Network partners took stock of the first year's activities and had an outlook to the

#### Did the approach substantially differ from the original plan as approved in the Work Programme?

In general, the approach did not differ with the original plan that was approved in the Work Programme. But the late delivery of IT tools generated unease and concerns among Network partners. Before the end of 2008, the problems were however solved and recognised as such.

#### **OUTLOOK:** What remains to be done after 2008?

It is expected that the last framework partnership agreements will be signed early 2009; this is for example the case for Turkey (as its Memorandum of Understanding has just recently been ratified by the government) or Serbia. Additionally, it is expected that few more cooperation agreements with 3<sup>rd</sup> countries will be signed after receiving their successful application. The hand-over of the management of the partnership tools to the EACI is planned for early 2009.

#### FINANCIAL IMPLEMENTATION

An amount of €1.2 million was committed in 2008 for the EC contribution to the activities of the Network together with an amount of €1.55 million to support the animation tasks. In 2007 the budget for the Network grants was €73.54 million. This adds up to a total budget of €156.29 million since the launching of the EIP.

Unit: DG ENTR /E.2

Desk Officer: Jean-François Aguinaga

#### **B.2.** SME and Craft Enterprises Participation in European Standardisation

ENT/CIP/08/B/N03C00/1

#### **DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.**

The main activities included in this measure are the following:

- 1. Support for Involvement of SME in standardisation through a Framework Partnership Agreement:
- Provide information to SMEs and craft businesses on standardisation and exploit feedback;
- Organise SMEs and craft enterprises participation and representation in national, European and International standardisation bodies (NSO,CEN, CENELEC, ETSI, ISO/IEC/ITU);
- Appoint experts in Technical Committees (TC) of the ESOs in order to represent SMEs and crafts interests;
- Participate in strategic meetings, committees and conferences to promote SME interests;
- Organise training seminars for SMEs and experts;
- Extensively disseminate information (training seminars, WEB site, newsletter, etc.);
- Creation of a Expert SME Guide and helpdesk in ESOs;
- Report back to the Commission

#### 2. Evaluation of Activities

Since July 2002, two consecutive service contracts aiming at improving the information and participation of SMEs in the standardisation process have been awarded. The evaluation should provide a list of SMEs' needs covered and not covered by the service contract and make recommendations for future activities.

#### **RESULTS AND IMPACT in 2008:**

Four main activities have been carried out during 2008:

- 1- SME experts participating in around 31 technical committees and working groups of the main standardisation bodies:
- 2- Information activities for SMEs: 6 newsletters, 20 seminars organised, training for SMEs; Up to date of the website devoted to standardisation and SMEs issues: http://www.normapme.com/.
- 3- Launching in collaboration with CEN et CENELEC an Expert SME Guide and Helpdesk for the experts of the technical committees, in order to ensure that the new standards that are going to be created are SME friendly
- 4- Promoting the "Think Small First" principle: Elaboration of 12 position papers on SMEs related issues and standardisation. These documents are available on the following website: http://www.normapme.com/

#### **OUTLOOK:** What remains to be done after 2008?

- Evaluation: final report is going to be finalised in March 2009 and then published on: http://ec.europa.eu/enterprise/entrepreneurship/craft/craft-priorities/craft-standardisation.htm
- Finalisation by summer 2009 of the Expert SME Guide and Helpdesk.

#### **IMPLEMENTATION CALENDAR**

- 1. Framework Partnership Agreement signed with Norampme on 18 April 2008.
- 2. Four Specific Grant applications started their activities in July 2008.
- 3. Specific service contract regarding the evaluation exercise signed on 18 February.

The work started on 29 February.

#### **FINANCIAL IMPLEMENTATION**

Total amount <u>committed</u> in 2008: €1.171.492,99 of which €996.492,99 where committed to the four actions signed and €175.000 to the evaluation exercise.

Unit: DG ENTR /E.3

Desk Officer: Isabelle Augustin

#### B.3. eBSN

#### ENT/CIP/08/B/N04S000

#### **DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.**

Evidence shows that SMEs will not readily proceed to investments in ICT-enabled process innovation, unless those can be justified by demonstrable payback within acceptable timeframes. In the absence of clear SME show-cases to demonstrate performance improvement due to eBusiness transformation, investment in this critical component of innovation will be lagging, thereby negatively impacting competitiveness. However showcasing effects are much more pronounced if delivered in a peer-to-peer context, i.e. among SMEs with similar profiles.

This action aims at constituting a **compendium of at least 200 best eBusiness practices of European SMEs**, a collection of case studies of SMEs that innovated and transformed their business through ICT. These case studies will cover SMEs of different sizes, industry or services sectors and geographic areas in the EU. The compendium will complement the information on public policies in support of eBusiness for SMEs with real stories about how SMEs have achieved concrete benefits, by innovating

through ICT.

The case studies will be made available on the eBSN portal:

http://ec.europa.eu/enterprise/e-bsn/index\_en.html

Moreover, a brochure entitled "Showing the business case for eBusiness: best eBusiness practices by European SMEs" will be published in all EU languages.

#### **RESULTS AND IMPACT in 2008:**

On 4 June 2008, an open call for tenders was published. The offers received were evaluated and a contract awarded to a consortium. The contract was signed in December 2008.

#### **OUTLOOK:** What remains to be done after 2008?

The contract has a duration of 12 months, during which the contractor will:

- Identify SMEs qualifying for case studies and collect information on their eBusiness transformation process.
- Analyse and describe each case study.
- Actively promote the 'Compendium of Best eBusiness practices among European SMEs' in all EU markets.
- Prepare and publish a brochure entitled "Showing the business case for eBusiness: best eBusiness practices by European SMEs"

The final report "Compendium of best European SMEs eBusiness practices: showing the business case" including full description of all case studies in English will be accessible in electronic form under the eBSN portal. The final version is expected by the end of 2009.

#### IMPLEMENTATION CALENDAR

The call for tenders was published in the OJ of 4 June 2008 with a 4 July deadline for submission of bids. A 12 months contract was signed in December 2008. It started on 19 December 2008

#### FINANCIAL IMPLEMENTATION

Total amount committed in 2008: €345.150

Unit: DG ENTR/D.4

Desk Officer: Dana Eleftheriadou

#### B.4. Networks for the competitiveness and sustainability of European tourism

ENT/CIP/08/B/N05S00

#### **DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.**

A call for proposal has been launched with the overall objective of providing added value in improving the sustainability performance of European tourism, through the creation of an environment favourable to tourism small and micro enterprises and to their cooperation on sustainability issues.

The specific objectives are:

- to identify and promote practices and tools that can help small and micro enterprises to be sustainable and competitive;
- to support joint actions between stakeholders that address challenges proper to the tourism sector and that can promote the creation of an environment favourable to small and micro

- enterprises and to their co-operation on sustainability issues, in view of the setting up of a European tourism knowledge network;
- to promote the involvement of the actors who create knowledge (e.g. universities, research institutes, public and private observatories) in the integration of sustainability principles in existing or new practices / tools that can help small and micro enterprises to be competitive.

This call for proposals is co-financing initiatives of public and private bodies, or their existing networks, aiming to demonstrate to small and micro companies that adopting sustainable practices is an important aspect of competitiveness, especially in the long term.

#### **RESULTS AND IMPACT in 2008:**

Since the contracts were only signed in December 2008, no results can be reported for 2008.

#### **OUTLOOK:** What remains to be done after 2008?

The action will be implemented from 01/01/2009 until 30/06/2010.

#### **IMPLEMENTATION CALENDAR**

Implementation start date: the call for proposals was launched on 14/05/2008

Submission of proposals: 31/07/2008

Award decision: 10/11/2008

Commitments (3): November 2008 Total amount (3): 276.255,20 €

Signature of contracts(3): December 2008

Start of the action: 01/01/2009

Implementation End date: 30/06/2010

#### FINANCIAL IMPLEMENTATION

Total amount committed in 2008 : €276.255,20

Unit: DG ENTR/I.1

Desk Officer: Michela Lafranconi –until 30/11/2008, Iuliana Aluas – from 01/12/2008

#### C. ALL FORMS OF INNOVATION IN ENTERPRISES

### C.1. Europe INNOVA: Collection, analysis and exploitation of results obtained from innovation projects

ENT/CIP/08/C/N01S00

#### **DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.**

The implementing measure concerned two separate actions:

a) Publication of a call for tenders to allocate a contract having as objective, the continuation of the horizontal support functions of the Europe INNOVA initiative to ensure the systematic collection, analysis, exploitation and dissemination of the results of innovation projects.

The key areas of activity include facilitating networking of all Europe INNOVA stakeholders to exchange knowledge and good practices by organising thematic workshops, European Innovation Conferences and other events; maintaining, adapting and further developing the public Web portal and collaborative workspace; extracting and validating good practices and results from the Europe INNOVA projects, networks and platforms and translating these into lessons and policy recommendations; ensuring the continuous and systematic promotion and dissemination of the activities and results of Europe INNOVA projects, networks and platforms; fostering cross-fertilisation and efficient exploitation of synergies with other European, national and regional innovation initiatives.

b) Allocation of an ad-hoc grant to the national French Ministry of Economy, Industry and Employment (MEIE) to organise, in the context of the French EU Presidency, the annual Europe INNOVA conference - a 2-day event bringing together up to 700 innovation stakeholders to debate the latest policy ideas, opportunities and challenges for European innovation and competitiveness.

#### **RESULTS AND IMPACT in 2008:**

- a) Since the award decision of the Call for Tenders was in October 2008, the implementation period of the contract only began on 16/12/2008, so results and impact will only be available in the course of 2009 and 2010.
- b) The Europe INNOVA Conference took place, as planned, on 22-24/10/2008 in Lyon, France, with some 550 participants from 30 countries. The conference, organised by MEIE on behalf of the French EU Presidency in close collaboration with and hosted by Grand Lyon, was considered a success by both participants and organisers. All conference documentation is available at <a href="https://www.europe-innova.org/Lyon2008">www.europe-innova.org/Lyon2008</a>.

#### **OUTLOOK:** What remains to be done after 2008?

- a) The contract implementation will take place during 2009 and 2010. Milestones include, inter alia, ongoing updating of web portal, publication of quarterly newsletter, organisation of thematic workshops, annual partnering events & Europe INNOVA Conference 2010.
- b) The final report and financial statement for the Europe INNOVA Conference will be submitted and processed and the related final payment effected during 1<sup>st</sup> half of 2009.

#### **IMPLEMENTATION CALENDAR**

a) Publication of Call for Tenders on 16/02/2008; final date for submission of bids 08/05/2008; date award decision 31/10/2008; contract start 16/12/2008 for 24 months + 12-month planned renewal;

publication of contract award notice 30/12/2008.

b) Submission set sent to MEIE 20/12/2007; deadline for submission of proposal 06/02/2008; start of performance period 01/03/2008; conference dates: 22-24/10/2008; end of performance period 28/02/2009; final report due by 31/05/2009.

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €2.384.473,66

a) Contract allocated through Call for Tenders: €1.989.030,00

b) Europa INNOVA Conference: €395.443,66

Unit: DG ENTR/D.2

Desk Officer: Lisbeth Bahl Poulsen

#### C.2. Global Sectoral Approaches

#### ENT/CIP/08/C/N02S00\3

#### **DESCRIPTION of IMPLEMENTED MEASURE:** Main objectives & activities.

A study to identify and characterise industrial process technologies and the industries producing these technologies that have the highest potential to further reduce industrial Greenhouse Gas emissions.

#### **RESULTS AND IMPACT in 2008:**

Various preliminary and internal documents have been produced -Inception report, first draft of the interim report. Also, two meetings have been held with the consultant to steer the project. The consultant has interviewed different stakeholders raising the awareness of the policy initiative on ecoindustry with industry itself.

#### **OUTLOOK:** What remains to be done after 2008?

The interim report will be send to the Commission on 31 January 2009. End of February a stakeholder meeting on the interim report will be organised and on 31 June 2009 a draft final report will be published. The final report will be submitted on 31 August 2009.

#### IMPLEMENTATION CALENDAR

Implementation start date: 11 August 2008

Implementation End date: Final report to be submitted on 31 August 2009.

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €261.900

Unit: DG ENTR /B.1

Desk Officer: Hans Naudts 56959

#### C.3. Sustainable Industrial Policy – Building on the Eco Design Directive

ENT/CIP/08/C/N03S00

#### **DESCRIPTION of IMPLEMENTED MEASURE:** Main objectives & activities.

DG Enterprise & Industry aims at promoting the integration of sustainable development into policies that foster the EU's competitiveness, such as those that encourage innovation. Sustainable Industrial Policy aims at fostering environmental and energy efficient products in the Internal Market. The Ecodesign Directive 2005/32/EC is the cornerstone of this approach. It establishes a framework for improving the environmental performance of products placed on the EU market, through mandatory minimum requirements but also through voluntary benchmarks for industry.

The Ecodesign studies should identify and recommend ways to improve the environmental performance of the selected products from the earliest stage of product design. The products selected were transformers, commercial refrigerating and imaging equipment. The studies should provide the necessary analysis that will inform policy makers regarding any future decision on these products.

#### **RESULTS AND IMPACT in 2008:**

A call for tenders including three lots was published giving as result the signature of three contracts on 16 December 2008 for the elaboration of three preparatory studies for the three following product groups: refrigerating and freezing equipment, transformers and sound and imaging equipment such as DVD players.

The contracted work will provide necessary information to develop mandatory minimum requirements for the three selected product groups, complemented with, where appropriate, voluntary benchmarks, labelling and incentives to drive performance upwards. For each lot, it has been ensured that selected contractors have the willingness and means to involve a sufficient number of stakeholders in the study (at least 15 key stakeholder groups, including SMEs). Concrete deliverables (reports, websites and stakeholder meetings) are to be presented in 2009 and 2010.

#### **OUTLOOK:** What remains to be done after 2008?

The final report of the study on imaging equipment (lot 3) is expected to be ready by May 2010. Final reports for the two studies on transformers and on commercial refrigerating equipment (lots 1 and 2) will be delivered by August 2010.

#### IMPLEMENTATION CALENDAR

Implementation start date:12 July 2008 (publication of the call in OJ S134)

The studies were committed in December 2008

Implementation end date: 16 November 2010 for lots 1 & 2; 16 August 2010 for lot 3

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €895.666

Unit: DG ENTR/B.1

Desk Officer: L. Baillargeon

#### C.4. e-Business W@tch

#### ENT/CIP/08/B/N04S001

#### **DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.**

The sectoral e-Business Watch monitors, measures and analyses the dissemination and use of ICT and e-Business by enterprises from different sectors, size-classes and/or regions in Europe, in order to assess their economic impact and to draw policy implications.

The action follows a bottom-up approach: Firstly, the specific sub-sectors, size classes and topics to be studied are identified. Then data are collected using a variety of methods (surveys, secondary sources and face-to-face interviews). Subsequently, these data are enriched with non-statistical information (market evolution, new developments, etc). Afterwards, the collected information is analysed and presented in sectoral or thematic reports, which are discussed with the respective experts and in relevant workshops.

#### **RESULTS AND IMPACT in 2008:**

On 2 December 2008, a second specific contract was signed under the existing Framework Contract ENTR/2006-019. This specific contract covers the second implementation period (from December 2008 to December 2009) foreseen under this Framework Contract.

#### **OUTLOOK:** What remains to be done after 2008?

The contract has a duration of 12 months and is based on a 'Proposal of Services' prepared by the contractor (Empirica GmbH) taking into account the main principles of the e-Business Watch: a balanced combination of research, analysis and dissemination activities.

The five sectoral reports to be prepared should be available by end October 2009. The annual e-Business Watch conference is scheduled for November 2009. The final report should be available in December 2009.

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €849.990

Unit: DG ENTR/D.4 Desk Officer: Hasan Alkas

#### C.5. Dissemination of Agro-Food Industry Innovation

ENT/CIP/08/C/N05S00

#### **DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.**

Organisation of conferences at national level to disseminate the relevant information and instruments to the agro-food SMEs in order to support the innovation and competitiveness of the food sector.

#### **RESULTS AND IMPACT in 2008:**

A 1<sup>st</sup> conference in Slovenia took place on 5-6 June in Ljubljana, followed by two other conferences, one in France (Rennes, 9-10 October) and the other one in The Netherlands (The Hague, 27-28 November).

In parallel a global study was achieved in June 2008 to help the Commission to identify possible countries/regions where conferences could be the most efficient.

- The conference in Slovenia underlined the need of a consistent local political approach (between the ministries of Economy and Agriculture) and the efficiency of setting up a cluster in the food sector in order to boost innovation using among others the local culinary culture. Eighty participants attended the conference.
- The conference in France supported by the local food cluster (cluster dedicated to the food sector in Brittany "Valorial") and the local innovation agency enhanced the awareness amongst SME of the necessity to innovate in new products and new processes and demonstrate the positive role of clusters. It raised awareness of local SMEs on European policies and the tools to support competitiveness and innovation (e.g. FP7, CIP, eco-innovation programme). It gave the opportunity to national politics to be involved and to support the EU initiative. More than 150 participants attended the conference on the first day and 110 participants on the second day.
- As regards the conference in The Hague, the main item was food logistics. Around 70 people participated in the conference. The industry became aware that the improvement of agrologistics is essential for the European long term competiveness and especially within the food industry characterised by perishable products. This means transport reduction, faster delivery of fresh products, cost reduction and ability to switch and combine between the different transports modes. Moreover, in this context, the industry perceived the importance of business services and the possibility of expansion it offers.

The evaluation questionnaires filled in by participants during these 3 conferences showed the approach of DG Enterprise to go on site to meet food companies and present the EU instruments supporting innovation and competitiveness was appreciated. Particularly the opportunity to discuss with EU officials during face-to-face meetings.

Programmes and summaries of the conferences are posted on the following website: http://ec.europa.eu/enterprise/food/index\_en.htm

#### **OUTLOOK:** What remains to be done after 2008?

A conference is going to be organised in Greece (Thessaloniki, 6-7 March 2009).

#### **IMPLEMENTATION CALENDAR**

Call for tender published on 05/06/2007;

Framework contract signed 23/10/2007 for 2 years – possible renewal for 2 more years;

2 specific contracts signed in 2007 (prior survey and 1st conference in Slovenia) were executed during 1st semester 2008; 2 specific contracts for conferences in France and in The Netherlands were signed in 2008; 1 specific contract also signed in 2008 is due to cover the organisation of a conference in Greece in early 2009;

#### FINANCIAL IMPLEMENTATION

Total amount committed in 2008 : €429.000

Unit: DG ENTR/F4

Desk Officer: Louis-Marie Bouthors

#### C.6. European Cluster Agenda Conference

#### ENT/CIP/08/C/N06S00/1

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

The European Cluster Memorandum provides the political endorsement by the Member States to work together under the initiative PRO INNO Europe in order to develop a common cluster agenda in support of the development of strong, world-class clusters in Europe.

Ad-hoc grant to the national French Ministry of Economy, Industry and Employment (MEIE) for the organisation of a high-level ministerial conference under the French EU Presidency to take stock of progress made on the implementation of the common agenda for transnational cluster cooperation and to provide a follow-up to the European Cluster Conference organised in January 2008 by the Swedish Government and the Slovenian EU Presidency.

#### **RESULTS AND IMPACT in 2008:**

Around 450 policy-makers, practitioners, intermediaries and businesses active and interested in the area of cluster policy participated on 13 November 2008 in Sophia Antipolis, France, in the 4<sup>th</sup> Competitiveness Cluster Forum entitled "Towards world-class clusters in Europe" to discuss the recently adopted Commission Communication on clusters. The event, organised by MEIE on behalf of the French EU Presidency in collaboration with the European Commission and hosted by Foundation Sophia Antipolis, was a great success and provided further impetus to the already hot topic of cluster policy. Information on the event is available here: <a href="http://www.sophia-antipolis.org/ue2008/programme2.htm">http://www.sophia-antipolis.org/ue2008/programme2.htm</a>.

### The approach for the organisation of the Conference slightly differed from the original plan as approved in the Work Programme:

Originally it was foreseen to have on the second day of the conference (14 November) a Ministers' Meeting in Sophia Antipolis. For security reasons, this meeting was relocated to Paris, so it was agreed that expenditure for the meeting would be fully covered by the French Presidency.

#### **OUTLOOK:** What remains to be done after 2008?

The final report and financial statement will be submitted and processed and the related final payment effected during 1<sup>st</sup> half of 2009.

#### **IMPLEMENTATION CALENDAR**

Submission set sent to MEIE 20/12/2007; deadline for submission of proposal 06/02/2008; start of performance period 01/03/2008; conference dates: 13-14/11/2008; end of performance period 28/02/2009; final report due by 31/05/2009.

#### **FINANCIAL IMPLEMENTATION**

Total amount <u>committed</u> in 2008 : €149.995,81 Unit: DG ENTR D.2. Desk Officer: Bo Caperman

#### D. ECO-INNOVATION PILOT AND MARKET REPLICATION PROJECTS

ENT/CIP/08/D/N01S00

#### **DESCRIPTION of IMPLEMENTED MEASURE:** Main objectives & activities.

The CIP contains a number of tools to support eco-innovation. In year 2008 in addition to the €26 million under the financial instruments foreseen for actions in the area of eco-innovation, €27 850 000 were earmarked for pilot and market replication projects. The measure is designed to support projects concerned with the first application or market replication of eco-innovative techniques, products or practices of Community relevance, which have already been technically demonstrated with success but which, owing to residual risk, have not yet penetrated the market. Supporting such innovative eco-technologies should contribute to remove obstacles to the development and wide application of eco-innovation, create or enlarge markets for related products and improve the competitiveness of EU enterprises on world markets. The projects should also aim at reducing environmental impacts or improving the environmental performance of enterprises, in particular SMEs. For call 2008 non-exclusive priority areas were identified:

- (a) cleaner production processes, with preference for those sectors having an important environmental impact, such as construction, chemicals, food and drink industry, manufacturing, recycling;
- (b) innovative environmentally-friendly products and services, including innovative approaches to the eco-design of products or eco-labelling;
- (c) support to enterprises (especially SMEs) in greening their business, products and management methods especially innovative approaches to environmental management systems or increased ecoefficiency.

#### **RESULTS AND IMPACT in 2008:**

The call for proposals for eco-innovation pilot and market replication projects was published on 22 April 2008 and closed on 11 September 2008.

By the call deadline 134 proposals were submitted. The response of the market covered well priority areas established in the Call 2008 with the highest share on Recycling (34 %). This is a priority area of environmental policy attracting a great deal of attention thanks to the new Waste Framework Directive. The sector attracting the second highest interest is Green Business (23%) followed by Buildings (20%). Food and Drink and Other sectors, with some proposals from metal and textile, have a minor representation (12% and 11 % respectively).

A good coverage of countries was achieved. 444 participants involved in the Call 2008 come from 33 countries. Also third countries are participating, among which Turkey is in the lead followed by Croatia.

The Call 2008 notably succeeded in addressing the Small and Medium-sized Enterprises market. In total, 74% of all 444 participants are SMEs.

The total budget requested is 110.786.892 Euro with an average funding per project of  $\sim \$30,000$ , slightly higher than the estimated \$700,000.

More information about this action can be found at the webpage: http://ec.europa.eu/environment/etap/ecoinnovation/library\_en.htm

The Executive Agency for Competitiveness and Innovation (EACI) is entrusted with implementing tasks related to the EIP, inter alia with the management of eco-innovation pilot and market replication projects.

#### **OUTLOOK:** What remains to be done after 2008?

The proposals were pre-evaluated with the assistance of external experts between 8 and 18 December

2008. The reports from the evaluation and financial documentation will be submitted to the Evaluation Committee and then to the Director of the EACI for approval of the evaluation results in January 2009. Negotiations with selected beneficiaries will start soon after the approval.

#### **IMPLEMENTATION CALENDAR**

Publication of the call: 22 April 2008 Call closing date: 11 September 2008

Evaluations of the Call for proposals 2008 will be finished and proposers informed end of

January/beginning of February 2009.

Implementation of the first projects will start Spring 2009.

The implementation of the measure follows an agreed format.

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €27 850 000

Unit: DG ENV/ G.3

Desk Officer: Maciej Szymanowicz

#### E. ENTERPRISE AND INNOVATION CULTURE

#### **E.1. SME Performance Review**

#### ENT/CIP/08/E/N01S00

#### **DESCRIPTION** of IMPLEMENTED MEASURE: Main objectives & activities.

The general objective of the SME Performance Review is to provide an empirical tool to monitor SME performance and guide policy making. Its specific objective is to increase and disseminate information on the characteristics and specificities of SMEs in Europe through the supply of comprehensive data, the description and analysis of economic performance as well as its main determinant factors. Its operational objectives are the publication of key statistics on SMEs together with an economic analysis and policy conclusions as described in the section "results and impacts in 2008".

#### **RESULTS AND IMPACT in 2008:**

The first Annual SME Report (2008) has been commissioned and the draft final report has been received in December 2008

The concept and methodology for the Small Business Act fact sheets has been developed and applied to all EU-Member States. The fact sheets complement the information contained in the Annual Report in the sense that they focus on country-specific information, while the annual report will look on the more aggregated EU-wide trends. The fact sheets are to be finalised in February 2009.

A thematic study on SME and subcontracting has been commissioned in December 2008.

A thematic study on the internationalisation of SME has been commissioned in October 2008.

#### **OUTLOOK:** What remains to be done after 2008?

The 2008 Annual Report and the SME fact sheet are being finalised in February 2009.

The study on sub-contracting and SMEs is due in June 2009

The study on SME internationalisation is due in October 2009

The results of all of the above cited actions will be published on the SME portal of Enterprise and Industry DG (http://ec.europa.eu/enterprise/sme/index.htm).

#### FINANCIAL IMPLEMENTATION

Total amount committed in 2008: €673.338,00

Unit: DG ENTR/ E.3

Desk Officer: Ludger Odenthal

#### E.2. e-Skills

#### ENT/CIP/08/E/N02S00

#### **DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.**

This measure covers five actions under the responsibility of DG Enterprise and Industry related to the policy Communication on "e-Skills for the 21<sup>st</sup> Century: Fostering Competitiveness, Growth and Jobs" adopted in September 2007:

- (1) Monitoring the supply and demand of e-skills with a focus on ICT practitioners;
- (2) developing e-competence curriculum guidelines;
- (3) studying efficient instrument such as financial and fiscal incentives;
- (4) developing exchange mechanisms for e-learning courses for e-skills and the networking of training

and research centres and

(5) organising a high level conference to report on progress and discuss the way forward.

#### **RESULTS AND IMPACT in 2008:**

The four planned calls for tenders have been successfully launched in June 2008 and contractors have been selected. The work on all four contracts will start in January 2009.

A very successful conference was organised on 9-10 October 2008 in Thessaloniki in cooperation with the European Centre for the Development of Vocational Training and major stakeholders (<a href="www.e-skills-conference.org">www.e-skills-conference.org</a>). The conference delivered some very welcome messages of encouragement in challenging times. Experts from governments, industry, trades unions and associations reported that Europe is increasingly developing its human capital to be globally competitive and is making significant progress towards the important goal of implementing a long-term e-skills strategy. The picture that emerged from their discussions was of Europe as a whole developing a potentially world-leading ability to share and learn from skill-building projects at national and European levels. While global conditions remain highly turbulent, the medium and long-term benefits for Europe of the e-skills strategy are already clear: the emerging cooperation will help Europe to be significantly better able to compete and to prosper.

#### **OUTLOOK:** What remains to be done after 2008?

All four contracts start in January 2009 with durations varying between 9 and 14 months. Final reports can be expected between September 2009 and February 2010. They will be published on the e-skills webpage.

New communication actions about e-skills will be proposed such as the organisation of a major awareness campaign (EU e-Skills Week) and the launch of an independent evaluation of the implementation of the EU e-skills strategy.

#### **IMPLEMENTATION CALENDAR**

Calls were published in the second quarter of 2008. The evaluations and the contracts were finalised in the fourth quarter of 2008. Their implementation will take place in 2009.

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €1.130.255

Unit: DG ENTR/ D.4 Desk Officer: André Richier

# E.3. European SME Week and initiatives to foster entrepreneurship among target groups

ENT/CIP/08/E/N03S00

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

The measure consist of:

- 1. the preparation of the launch of the European SME Week (ESW) as a campaign of events for promoting entrepreneurship to the public in a joint effort with the participating countries;
- 2. the running of the European Enterprise Awards competition at national and European level and organise the awards ceremony in 2009 in connection with the European SME Week (meetings of national coordinators of the Awards, nominated by their country to manage the national selection process, will be organised;

3. with the aim of disseminating information and promoting best practices in connection with the ESW, organise meetings of the European network of women's entrepreneurship and expert groups on ethnic minority entrepreneurship as well as family businesses.

#### Oualitative objectives:

- to make Europe more entrepreneurial by promoting entrepreneurship to the public in a joint effort with the participating countries;
- to identify successful European initiatives to promote entrepreneurship in general, and in particular entrepreneurship amongst women and ethnic minority groups, as well as family businesses;
- to showcase and share examples of best SME policies and practices;
- to analyse the need for and shape of possible future policy initiatives in favour of family businesses;
- To raise awareness of entrepreneurship and SME policies.

#### **Quantitative objectives:**

- 1. A European SME Week and related national events
- 2. A European Enterprise Awards (EEA) competition and awards ceremony
- 3. Expert meetings on family businesses and women's and ethnic minority entrepreneurship networks
- 4. Reports and updates on related websites

#### **RESULTS AND IMPACT in 2008:**

- 1. SME week: Overall strategy developed, 2 meetings of the group of national coordinators held, dedicated website published<sup>8</sup>, handbook for event organisers prepared, information leaflet produced, teaser videos for the SME week and the entrepreneurship video awards published, European Entrepreneurship Video Awards launched<sup>9</sup>, entrepreneurs for entrepreneurial portraits selected, monthly newsletter launched, concept for opening exhibition developed, preparations started for the opening event, SME policy brochure printed<sup>10</sup>.
- 2. European Enterprise Awards (EEA) and ceremony: contract signed for Secretariat of the EEA to support the selection process; contract for the organisation of the award ceremony and the closing event/conference in Prague. Grant agreement concluded with the Czech Presidency to co-fund the closing event and the award ceremony.
- 3. Expert meetings: One meeting of the family business group, one meeting of the European network to promote women's entrepreneurship (WES) and one meeting of the ethnic minority entrepreneurship group and a conference on good practices in the promotion of ethnic minority enterprises were held.
- 4. Reports and websites: The WES annual activity report<sup>11</sup> and the final report of the ethnic minority group<sup>12</sup> were published on the respective websites.

#### **OUTLOOK:** What remains to be done after 2008?

- 1. SME week will take place from 6-14 May 2009. The programme for the opening event will be finalised and invitations sent. The opening exhibition will be implemented. The brochure on entrepreneurial portraits will be published in some paper copies in English and online in 21 languages.
- 2. Enterprise awards ceremony and conference will take place in Prague on 13-14 May 2009.
- 3. One meeting of the WES network scheduled to take place from 5-6 March 2009

#### IMPLEMENTATION CALENDAR

Implementation start date: January 2008. Implementation End date: May 2009.

#### FINANCIAL IMPLEMENTATION

9 http://ec.europa.eu/enterprise/policy/entrepreneurship/video-award/index\_en.htm

<sup>8</sup> http://european-sme-week.eu

http://ec.europa.eu/enterprise/entrepreneurship/docs/sme\_pack\_en\_2008\_full.pdf

http://ec.europa.eu/enterprise/entrepreneurship/support\_measures/women/wes.htm

http://ec.europa.eu/enterprise/entrepreneurship/support measures/migrant/index.htm

Total amount <u>committed</u> in 2008 : €1 814 194.80

Units: DG ENTR/E.1, E.3, E.4

Desk Officers: Kirsi Ekroth-Manssila, Anna Danti, Jorge Bastino, Tina Zournatzi, Alison Imrie

### **E.4.** Responsible Competitiveness: Fostering Corporate Social Responsibility in European industrial sectors

ENT/CIP/08/E/N04S00

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

Responsible Competitiveness: fostering Corporate Social Responsibility in European industrial sectors.

This action is designed to promote Corporate Social Responsibility (CSR) as a competitiveness tool on a sector-specific basis, by supporting multi-stakeholder initiatives with a cross-border dimension, and with a strong focus on SMEs.

#### **RESULTS AND IMPACT in 2008:**

The programme was launched in November 2008, and is at the initial implementation stage as of January 2009. Three projects were selected to support CSR in three specific industrial sectors: chemicals, textile and construction, being SMEs the main target group.

An expert has also been selected in order to identify lessons learned from the selected projects.

#### **OUTLOOK:** What remains to be done after 2008?

2009 and 2010 will be devoted to the full implementation of the three projects selected.

#### **IMPLEMENTATION CALENDAR**

Implementation start date: November 2008 Implementation end date: June 2010

#### FINANCIAL IMPLEMENTATION

Total amount committed in 2008: €433.000

€388.000 for the 3 projects (grants) €45.000 for the expert (service contract).

Unit: DG ENTR/ I.2

Desk Officer: Thomas Dodd

# E.5. European Charter for Small Enterprises: Dissemination of good practices and information

ENT/CIP/08/E/N05S00

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

#### Qualitative objectives:

- Raise awareness of SME policy issues covered by the Charter and trigger action by the participating countries through identification and exchange of good practice and learning from each other.
- Identification and assessment of good practices, ad-hoc expert meetings and dissemination and promotion of deliverables.
- Follow-up on the conclusions of the Annual Progress Report under the Growth and Jobs Strategy and

the subsequent Spring European Council.

#### Quantitative Objectives:

- A Charter conference on European level;
- a cross-border Charter conference;
- a printed good practice brochure and further communication material.

#### **RESULTS AND IMPACT in 2008:**

#### What has been done & achieved in 2008?

All financial commitments for the Charter conference have been done. The date initially foreseen for the conference has been postponed from May/June 2009 to October 2009 in order not to coincide with the 1st European SME Week. The organisational set-up of the conference has been agreed upon with the Swedish Presidency who is co-organising the event. Good practice collection from the Member States has been launched. Commitments for ad hoc expert meetings on start-ups and entrepreneurship education were made. One meeting on each topic was organised.

#### **OUTLOOK:** What remains to be done after 2008?

Detailed organisation of the conference. Evaluation, selection and translation of the good practices into 21 languages. One more meeting on start-ups will be organised on 23 February 2009.

#### IMPLEMENTATION CALENDAR

Implementation start date: February 2008 Implementation end date: October 2009

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €408.240,78

Unit: DG ENTR /E.1

Desk Officer: Andrea Reichel

### E.6. "Think Small First" principle: implementation at Community and National level

ENT/CIP/08/E/N06S00

#### **<u>DESCRIPTION of IMPLEMENTED MEASURE</u>**: Main objectives & activities.

The project consists, on the one hand, of a study identifying and evaluating SME specific provisions at Community level and, on the other hand, it sets up an Expert Group to collect good practices from the Member States on how to implement the "Think Small First" principle.

#### **RESULTS AND IMPACT in 2008:**

Following a thorough screening of the acquis, the contractor identified all existing specific SME rules in EU legislation (such as simplified reporting requirements, longer transition periods, reduced fees, exemptions etc.), thus setting the basis for a coherent approach to the application of the "Think Small First" principle. The recommendations of the study had a significant contribution to the development of the SME test in the revised Commission Impact Assessment Guidelines and are also relevant for the national initiatives in this field.

There were three one-day workshops with the Member State experts that provided valuable input to the study and a great forum for sharing ideas and, exchanging experiences between experts. In addition an own Report of the Expert Group in the form of a Compendium of Good Practices on the Implementation of the "Think Small First" principle will be published in the first quarter of 2009. The

document translates the "Think Small First" principle in operational terms and is designed to help the Member States with the implementation of the Small Business Act by presenting operational solutions on how to "Think Small First".

The study on the application of the « Think Small First » principle in EU legislation and programmes is available at: <a href="http://ec.europa.eu/enterprise/entrepreneurship/think\_small\_first.htm">http://ec.europa.eu/enterprise/entrepreneurship/think\_small\_first.htm</a>

The Revised Commission Impact Assessment Guidelines are available at:

http://ec.europa.eu/governance/impact/key\_en.htm

#### **OUTLOOK:** What remains to be done after 2008?

The Expert Group's Compendium of Best Practices will be finalised and made available to the public in first quarter of 2009. Large dissemination activities to national authorities and business organisations at national and EU level are envisaged.

#### IMPLEMENTATION CALENDAR

The study "Evaluation of the application of the 'Think Small First' principle in EU legislation and programmes" was started on 4th April 2008 and ended on 26 September with the delivery of the final report.

As far as the Expert Group is concerned, the first of a series of 3 workshops took place in Brussels on 29 May 2008. The first two workshops contributed to the above mentioned study. The purpose of the third workshop on 3 December was specifically the elaboration of the Expert Group's own report to be made available to the public in March 2009.

#### FINANCIAL IMPLEMENTATION

Total amount committed in 2008: €230,000

Unit: DG ENTR /E.4 Desk Officer: S. Chenev

#### E.7. Entrepreneurship education implementation actions

ENT/CIP/08/E/N07S00

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

Action 1), Joint Entrepreneurship Education Steering Group: organisation of high level meetings with senior officials from national departments of enterprise and education, and selected stakeholders.

Action 2), Expert Group on Entrepreneurship in Vocational Education: setting up an expert group with national representatives, analysis and discussion of main issues, information gathering and publication of a final report.

#### **RESULTS AND IMPACT in 2008:**

Action 1). Specific contract signed with a consultant (ECOTEC) under a framework contract of DG EAC, for the preparation, organisation and evaluation of the high level meetings. Contacts taken with host countries and participating countries, and with most relevant business organisations. Cooperation ensured with DG EAC. Preliminary arrangements made, for two meetings to take place from February to April 2009. Great interest shown by national administrations.

Action 2) Three meetings of the Expert Group took place. The first round of information gathering from participating countries, through a questionnaire, was finalised. In total, 24 countries are participating.

The approach regarding Action 1, slightly differed from the original plan as approved in the Work Programme?

As bringing together in one single place high level representatives from around 30 countries and from two departments of each administration would not ensure the necessary inter-action and concrete exchange, it was decided to create smaller groups of countries that will meet in different locations.

#### **OUTLOOK:** What remains to be done after 2008?

Action 1): Two high level meetings will take place until April 2009.

Action 2): Final meeting of the Expert Group in March; Publication of the Expert Report estimated in July 2009.

#### **IMPLEMENTATION CALENDAR**

Implementation start date:

- April 2008 (Action 2) and November 2008 (Action 1)

Implementation End date

- April 2009 (Action 1) and July 2009 (Action 2).

Reason for slippage in timing:

- Action 1: the original concept was partly modified (see sections above).

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008: €215.387, 25

Unit: DG ENTR/E.1

Desk Officer: Simone Baldassarri

#### E.8. Study on SME organisations' representatives

ENT/CIP/08/E/N08S00

#### **DESCRIPTION of IMPLEMENTED MEASURE:** Main objectives & activities.

The measure consist on the following activities:

- 1. Elaboration of a study to identify the relevant SME organisations at national level and assess their representativeness, by evaluating for example, the number of SMEs represented and the predominance of sectors or categories represented (craft, cooperatives, etc...).
- 2. Elaboration of a database of SME stakeholders identified, to be used for targeted communication activities.
- 3. Organisation of internal workshop to present the results.

The qualitative objectives of the activities are the following:

- To strengthen the dialogue with SME stakeholders in order to implement the Think Small First principle by identifying relevant SME organisations and by assessing their representativeness especially in new Member states. Organisations to be identified should cover SMEs in general, and where possible crafts, family enterprises, ethnic minority entrepreneurs, women entrepreneurs and high-growth enterprises in all countries covered. Their membership is then to be compared with the share of these enterprise categories.
- To improve communication with SME stakeholders by drawing up a database of SME organisations in participating countries. At least 300 organisations to be included in the database.

#### **RESULTS AND IMPACT in 2008:**

Using an existing framework contract for SME-related studies, the contract was signed in October 2008. Work has progressed as planned, and the progress report was presented & approved in December 2008.

#### **OUTLOOK:** What remains to be done after 2008?

- 1. The final report on the study is due mid/end March 2009. It will be published on the SME portal (http://ec.europa.eu/enterprise/sme).
- 2. The database will be submitted at the same time as the final report mid/end March 2009, and will be for internal Commission use.
- 3. The internal workshop, aimed at informing colleagues within DG ENTR of the results of the study and of the existence of the database, will be organised for end March 2009.

#### **IMPLEMENTATION CALENDAR**

Implementation start date: January 2008 Implementation End date: April 2009

#### FINANCIAL IMPLEMENTATION

Total amount committed in 2008: €177,180.00

Unit: DG ENTR /E.4 Desk Officer: A. Imrie

## F. ENTERPRISE AND INNOVATION RELATED ECONOMIC AND ADMINISTRATIVE REFORM

### **E.9.** Community programme for the reduction of regulatory administrative costs

ENT/CIP/08/F/N01S00

#### **DESCRIPTION of IMPLEMENTED MEASURE:** Main objectives & activities.

#### Main objective

The main aim of the Action Programme is to suppress unnecessary information obligations imposed on businesses, leaving them with more resources to invest and remain competitive.

#### Main activities

- Carry out mapping and measurements of administrative costs deriving from specific EU legislation in 13 priority areas (i.e. costs incurred by businesses when complying with legal obligations to provide information to public authorities or third parties reporting, labelling, inspection, statistics, etc; this measurement covers obligations stemming from EU legislation and from national measures implementing or transposing it).
- Provide recommendations to reduce administrative burdens imposed by EU obligations and their transposition by the Member States (-25% by 2012).
- Provide assistance to Member States where administrative costs measurements have not yet been carried out.

#### **RESULTS AND IMPACT in 2008:**

#### Main results

A total of 11 specific contracts implemented and monitored in parallel covering mapping, measurement, recommendation and communication work (seven of which were negotiated and signed in 2008).

Overall, the screening of the 42 EU acts in scope of the programme resulted in the identification of 356 EU information provisions13. The consultants hired to conduct the EU baseline measurement found that implementation or transposition of these EU obligations had led to the adoption of almost 10.000 national obligations across the 27 Member States. Their review showed that more than 1000 were going beyond what is required by EU law.

Measurement results are based on available statistics (mainly on the number of enterprises affected by an information obligation), around 3000 individual interviews with businesses, more than 50 workshops with local business associations and national ministries and data adjustment work by hundreds of sectoral experts.

The EU baseline measurement is made up of data produced by field research, by retrieving data from national baseline measurements and by extrapolation. Original data collection took place simultaneously in 6 different Member States for each priority area, in order to determine how much time and money businesses spend to comply with information obligations. For 5 other Member

EU legal texts include different types of provision that can lead to information obligations at national level: some impose an *obligation* on businesses (314); others open up the *possibility* for Member States to impose an obligation on businesses (42).

States, approximately 40% of the data could, on average, be retrieved from their national baseline measurements. Results for the "EU measurement" countries and the "national baseline measurement" countries provide an improved basis for analysis of administrative costs. Data for the remaining 16 Member States are the result of an extrapolation based on models developed specifically for each priority area. The SCM approach does not aim at producing statistically valid results, but rather expert-based estimates that help understanding the nature of the problem and assessing reduction progress in relative terms. Doing otherwise would not be cost-efficient (considering the level of detail and the number of parameters concerned).

The measurement phase should be finalised during Spring 2009. Early indications show that, in total, the 42 EU acts impose administrative costs of approximately €10 billion to €130 billion. Among the 13 priority areas covered by the programme, Taxation and Company law seem to have the highest potential for reduction, as they account respectively for about 60% and 20% of total administrative costs. Food safety, Working environment, Agriculture and agricultural subsidies and Transport are next on the list, each of them accounting for administrative burdens of between €5.7 billion and €3 billion

The identification of (further) reduction for each of the 42 EU acts in scope has started on the basis of the provisional data delivered by the consultants. The EU baseline measurement exercise is indeed greatly help in setting reduction priorities and designing reduction proposals for several reasons. Firstly, the assessment of administrative burdens does not directly tell what is necessary and unnecessary, but a detailed baseline measurement does indicate what is most costly and/or irritating for businesses. It also indicates who imposes administrative burden and can therefore lighten it. Unlike reduction programmes set up in reaction to general complaints, this allows to quickly determine where reduction work could start in order to bring the greatest relief. Finally, having data for such a large number of information obligations and countries also provide a rich basis for comparative analysis. 14

Last but not least, the development of a starter kit for measuring and reducing administrative burdens at Member State level was launched. Building on best practice, this kit includes ready-to-use documents (templates serving as guides for interviews, planning sheets, reporting templates, simplification roadmaps, etc.), a generic database for storing national data on administrative burdens and an administrative burdens calculator. These IT tools are designed to be easily adapted to national specificities. Fourteen Member States declared their interests and seventeen participated in their development. The Starter Kit is meant to help Member States having set a national reduction target to meet their objectives before 2012 in an efficient way.

#### **Main impacts**

The Action Programme contributes to the preparation and adoption of more ambitious reduction proposals regarding administrative burdens, feeding the opinion of the High Level Group on administrative burdens and the reflection of the Commission. Allowing Member States to exclude micro-enterprises from the scope of EU accounting directives could save more than €6 billion. The revision of the VAT Directive to remove the barriers to electronic invoicing and to modernise the invoicing rules could deliver significant overall cost savings to businesses if all invoices were sent electronically.

Together with communication work funded by another budget line, the Starter Kit contributed to the sharp increase in the number of Member States having set an administrative burdens reduction target (from 7 at end 2006, to 14 at end 2007 and 21 at end 2008).

More information available on

1.

<sup>&</sup>lt;sup>14</sup> Great differences in the burden imposed by the same type of obligation across sectors with similar characteristics might be the result of differences in technical options. Similarly if businesses manage to comply with an information obligation more quickly in one country, it might be because they are more efficient or because implementation of EU law is better designed in that country. The mapping of national measures provides a first but crucial indication on this.

http://ec.europa.eu/enterprise/admin-burdens-reduction/action\_program\_en.htm

For examples of fast track actions and stand alone measures reducing administrative burdens, see Commission Working Document of 28 January 2009, Reducing Administrative Burdens in the European Union - Annex to the 3rd Strategic Review on Better Regulation

#### **OUTLOOK:** What remains to be done after 2008?

- 1. Finalisation of the current baseline measurement.
- 2. Finalisation of the specific reduction recommendations in each of the current 13 priority areas.
- 3. Delivery of IT tools (EU database & administrative burdens calculator + the starter kit for measuring and reducing administrative burdens at Member State level).
- 4. Technical support to Commission services and Member States using respectively the EU and national IT tools.
- 5. Quantification and reduction of acts added to the Action Programme (cf. extension announced in the Commission Working Document of January 2009).
- 6. Dissemination of the recommendations concerning national measures implementing or transposing EU obligations through dedicated sectoral meetings with line ministries.

#### **IMPLEMENTATION CALENDAR**

Actions 1 to 3: final contractual deliverables expected in March / April 2009 (slight slippage due to the unprecedented scope and complexity of the work)

Action 4: from February to December 2009

Action 5: from February to June 2009

Action 6: From April to December 2009

#### FINANCIAL IMPLEMENTATION

**Total amount committed in 2008:** €5.929.288,80

#### There were some deviation from budget foreseen in the work programme:

Initial budget for 2008: €8 million.

Budget returned for reallocation to other projects: €1,3 million (adjustment linked to (1) tight control of resources allocated to the consultants and (2) greater clarity on the relatively limited extension of the Action Programme expected in the short term – January 2009)

Late decommitment (23/12/08): €642.997 (withdrawal of draft specific contract 09 concerning the extension of the Action Programme, because of extra demands made by the consultants)

Unit: DG ENTR /B5

Desk Officer: Eric PHILIPPART

#### E.10. Interim evaluation of the EIP

#### ENT/CIP/08/F/N02S00

#### DESCRIPTION of IMPLEMENTED MEASURE: Main objectives & activities.

The evaluation aims at providing recommendations regarding the effectiveness and efficiency of the EIP and on whether or not there is a need to readjust the implementing methods and/or means.

The evaluation tasks include: desk research, interviews with key stakeholders, survey of network members, SME survey, interviews with financial intermediaries and case studies.

#### **RESULTS AND IMPACT in 2008:**

The evaluation is on-going in line with the specific contract.

#### The approach slightly differed from the original plan as approved in the Work Programme:

The original plan included two studies, one concerning the financial instruments, the other covering the rest of the programme. In order to ensure more coherence, it was decided to carry out a single evaluation, focusing on the Financial instruments and on the Network.

#### **OUTLOOK:** What remains to be done after 2008?

The final report shall be completed by May 2009; a presentation is scheduled at the Management Committee of the EIP on 12 March 2009.

#### IMPLEMENTATION CALENDAR

Contract signed on 22 May 2008

Contract duration: 50 weeks (contract end date 6 May 2009)

#### **FINANCIAL IMPLEMENTATION**

Total amount committed in 2008 : €249,852

Unit: DG ENTR /A.4

Desk Officer: C. Perrin, M. Garellick, M. Zambrzycka

#### G. SUPPORT MEASURES

In accordance with Article 24 of Decision 1639/2006 establishing the Competitiveness and Innovation Framework Programme (2007 - 2013), the Commission shall regularly undertake the following:

- (1) analysis and monitoring of competitiveness and sectoral issues, including for the Commission's annual report on the competitiveness of European industry;
- (2) preparation of impact assessments of Community measures of particular relevance for the competitiveness of enterprises and their publication with a view to identifying areas of existing legislation requiring simplification or the need for new legislative measures to make innovation more attractive in the Community;
- (3) evaluation of specific aspects or specific implementation measures in relation to the Entrepreneurship and Innovation Programme;
- (4) dissemination of appropriate information in relation to the Entrepreneurship and Innovation Programme.

These objectives are accomplished through support measures which, as stated in Article 25 of Decision 1639/2006, are not covered by the annual work programme and do not involve the procedure referred to in Article 46(2) of the same Decision. In 2008, this included five types of support measures:

- Competitiveness and cross-sectoral studies, such as the annual competitiveness report;
- sectoral studies in several areas of European Industry such as aerospace, pharmaceutical, shipbuilding, etc.;
- preparation of impact assessments of Community measures such as the simplification of Directive 1999/5/EC on Radio and Telecommunications Terminal Equipment or the possible amendment of Directive 97/68/EC on Non-Road Mobile Machinery;
- conferences, study groups and technical support such as the High-level Group on Administrative Burdens;
- communication and information activities, such as websites, newsletters and other publications.

Some of the most relevant activities of the above list are the economic studies to elaborate the Competitiveness Report 2009, which include amongst others:

- studies on challenges and opportunities for European competitiveness and cooperation in BRICs countries (Brazil, Russia, India and China);
- analysis of the potential effects of the NAMA (non-agricultural market access) part of WTO negotiations and its potential impact on EU industry;
- studies to understand the differentiated impact of formal education (being a student or an apprentice) and non formal education (attendance at taught learning activities) on competitiveness at sectoral levels;
- examination of the relationship between migration and the productivity (and competitiveness) performance of European economies.

Another important support measure was the reworking of the websites related to the EIP aimed at having better structured and more user-friendly information for SMEs and citizens.

A total of €7,249 million was committed for such activities in 2008.