

**Public overview on the selected projects in
Call 2011 CIP Eco-Innovation
First application and market replication projects**

EACI

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I. Short summary of the submission

280 proposals have been submitted in the Call 2011; 278 of them were considered eligible for CIP Eco-Innovation. The number of submitted proposals in the Call 2011 is similar to that of the Call 2010. A good coverage of countries was achieved in the Call 2011, involving 860 participants from 34 countries. Italy and Spain are in the lead both regarding the number of proposals and the number of participants. Lichtenstein, Slovakia and Finland did not participate in any of the submitted proposals.

The Call 2011 notably succeeded in covering the priority given to small and medium-sized enterprises (SME), a group generally difficult to approach by Community funding. Around 67% of the participants are SMEs, in the submitted as well as the selected proposals. This rate of nearly 70% has been constant for the last calls. Concerning the legal status of participants, the vast majority (80 %) are organisations from the private sector, either commercial or non-profit. Only 8% of the proposals did not have an SME in the consortium.

The response of the market covered the five priority areas established in the Call 2011 with the highest share on Green Business (31%), followed by Recycling, Buildings, Food and Drink, and Water. Anaerobic Digestion emerged as an own area with proposals mainly from the Food and Drink sector. Proposals that do not fit in any of these sectors are grouped in the category "Others". Within the Green Business sector, 7% of the proposals were sorted as Clean Production.

After the final approval, 59 proposals were selected for funding, but due to the available budget (37,5 M€) only 45-50 of them will actually enter negotiations.

II. Sectors covered on the selected Projects¹

Selected projects are distributed among the six sectors². The sectors Green Business (31%) and Recycling (21%) have received the highest numbers of proposals, while the sectors Food and Drink and Building cover 15% and 11% respectively. The new sector Water and covers 11%. Figure 1 gives an overview of the sector coverage.

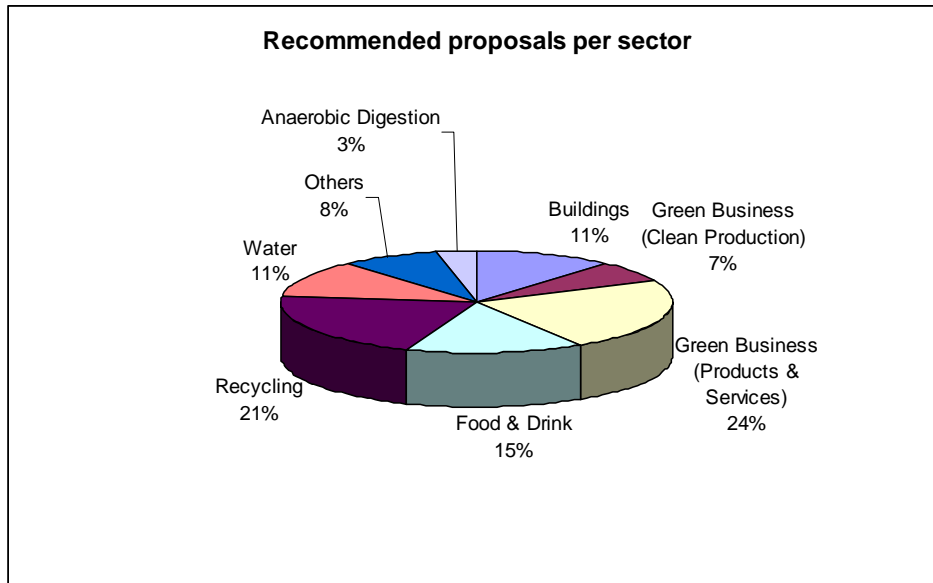


Figure 1: Selected projects by sector.

The selected projects will undertake the actions in various areas, increasing resource efficiency (raw materials, water and energy) and reducing greenhouse gas emissions, waste, toxicity and general pollution while being economically feasible and attractive. Projects will cover the innovation aspect in processes, products and also services with a significant share of process innovation.

¹ Recommended and Reserve list

² The sector of Anaerobic Digestion is rather horizontal to the scope and the priority actions of the Call however most proposals are related to the Food & Drink sector; two proposals to Sustainable Building products and one other to Greening Business.

III. Countries covered in the selected projects

Altogether 26 countries are covered by the selected projects, see figure 2. As visible by comparing Figures 2 and 3, there are important differences among the number of beneficiaries by country³ in participation and also in approval rates. These figures need to be taken with prudence as statistics on small sampling can easily show big variability.

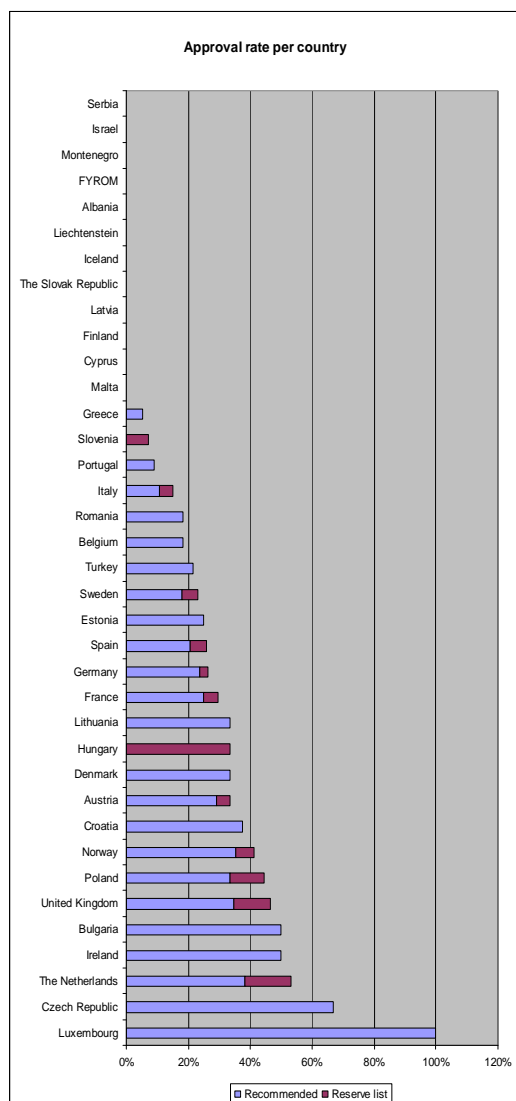


Figure 2: Approval rate per country

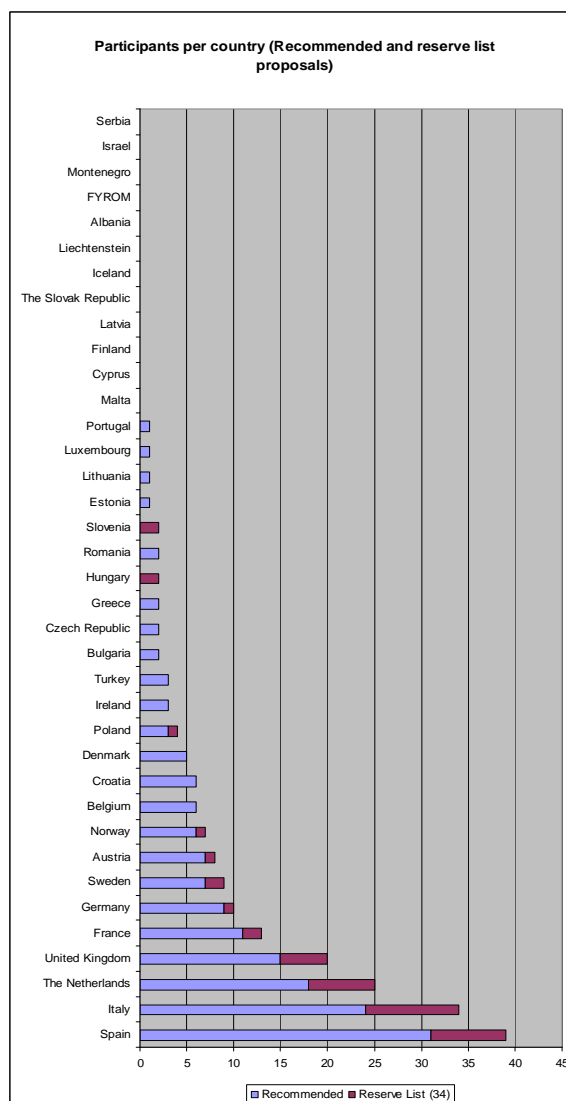


Figure 3: Participants per country in the selected projects.

The Call 2011 did not require multi-national consortia but insisted on European added value as an award criterion. Around 62% of the selected projects originated from at least two countries. The average number of participants per proposal is 3.4, which is substantial

³ Figures 2 and 3 consider "beneficiaries" and not proposals. The 280 proposals involved 860 entities. In the 59 approved proposals there are 202 beneficiaries.

considering that there was no legal obligation of multi-partnership. Only 17% are projects with only one participant.

IV. New players in EC arena

From the total of 202 participants in the selected projects, 54% have never received EC funding. From all the selected participants, 32% participated to the European RTD Framework Programme. 4% have been involved in previous calls on Eco-Innovation.

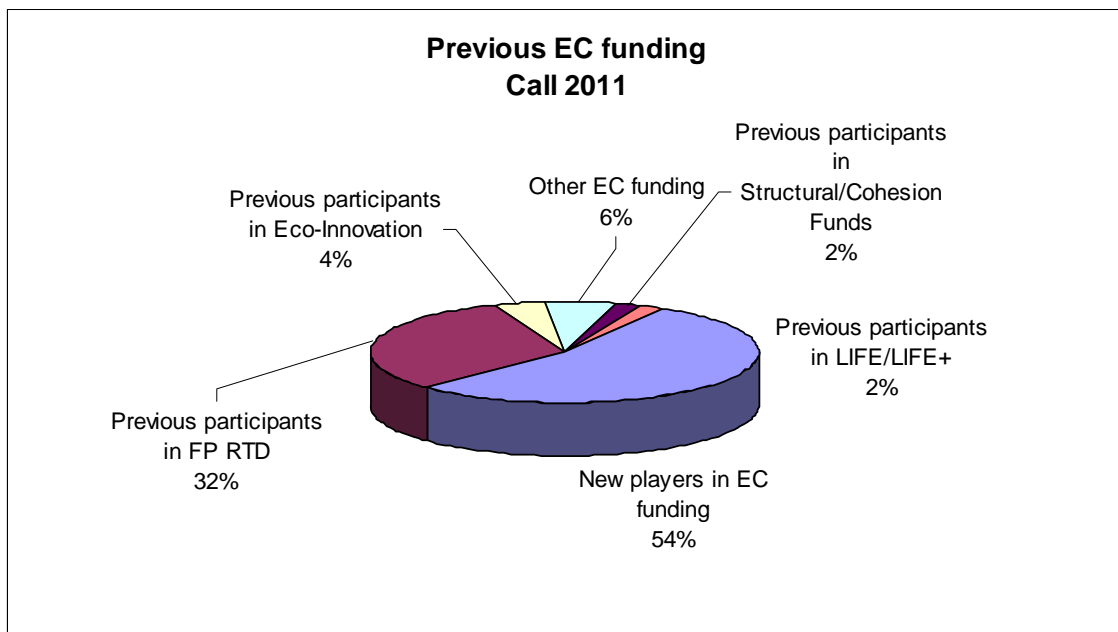


Figure 4: Previous EC funding

V. Categories of participants and type of SMEs

Concerning the size of the participants in selected projects, 67% are SMEs, and 14% are large enterprises. This shows the important weight of the private sector in this Community instrument. Universities, Public Authorities and others represent 19%. Only 5 (~8%) of the selected projects do not involve any SMEs. See figures below.⁴

It is also worth to mention that, among SMEs, the vast majority is represented by micro and small enterprises (85%), a group difficult to attract to the Community funding⁵.

⁴ The classification as SME is based on the indications by the participants themselves.

⁵ Definition of micro enterprise: less than 10 employees, lower or equal to 2 M€ turnover // definition of small enterprise: less than 50 employees, lower or equal to 10 M€ turnover. Indications by participants

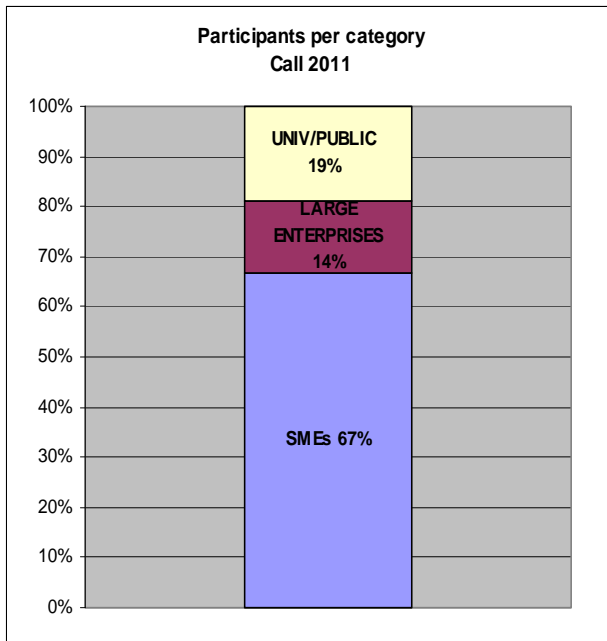


Figure 5: Participants per category in selected projects

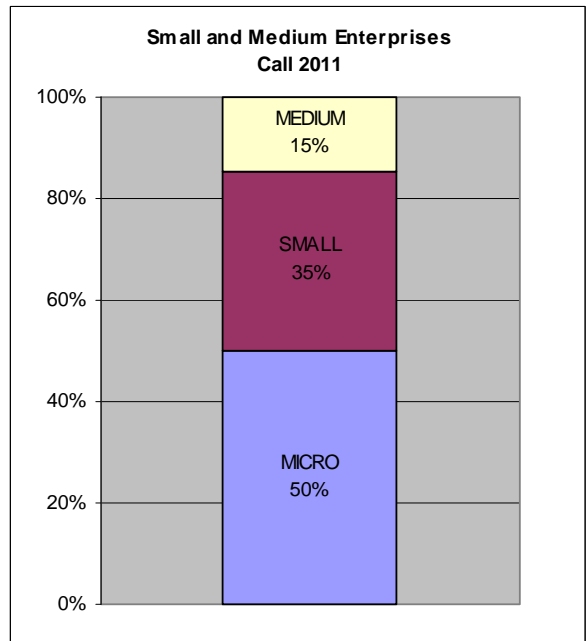


Figure 6: SMEs Breakdown

VI. Conclusion

The fourth Call triggered a very good answer from the market. Eco-innovation market replication has well achieved its objective of reaching SME's.

The good response from the market puts the proposals under a big competition and results in funding 1 out of 6 submitted proposals.

The new 45-50 projects under the Call 2011 - currently under negotiation – will make a total of nearly 200 eco-innovation projects already running.