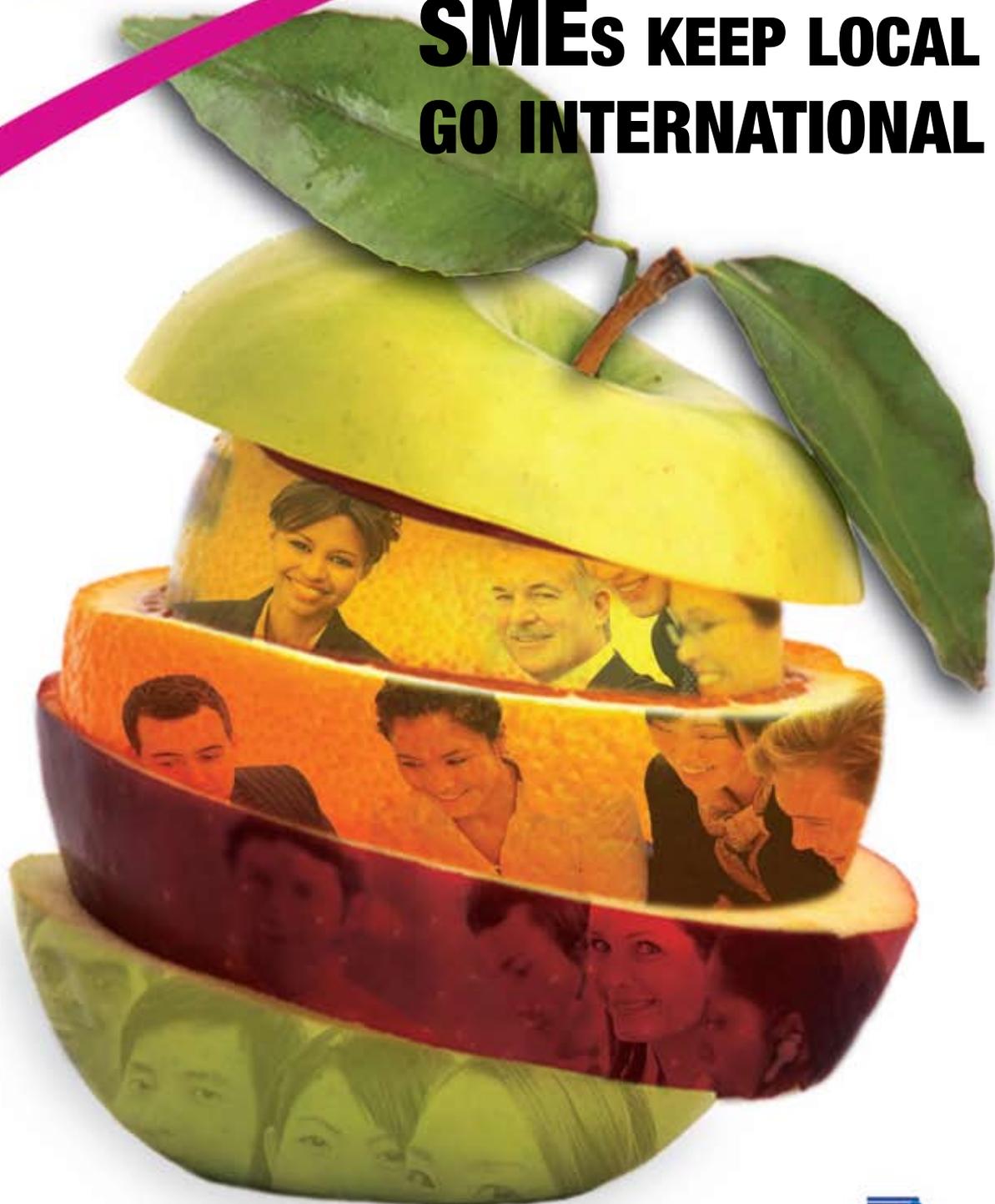




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EUROPEAN COMMISSION

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# Building Success through European Partnerships

Transnational research for SMEs through national programmes

Small and medium-sized enterprises (SMEs) are the lifeblood of the European economy, accounting for two thirds of GDP and providing 75 million jobs in the private sector. They are crucial to the EU's drive for innovation and technological development as it seeks to build a dynamic knowledge based economy. In the face of increasing globalisation, accelerating technological change and environmental challenges, SMEs look to European-wide assistance which will allow them to develop new products and services through innovation and investment in research.

The first source of funding for transnational research projects is offered through the Community Seventh Framework Programme for Research (FP7). New additional opportunities are now being developed through the coordination of national and regional funding programmes, with support of FP7 funding. This will mutually reinforce these programmes and help SMEs to access transnational research via their established national and regional partner agencies. Some of the most important initiatives are:



- **Eurostars** offers R&D performing SMEs the opportunity to initiate and drive international collaborative research projects;
- **EraSME** networks national and regional programmes to promote cooperation between individual SMEs and research organisations;
- **CORNET** seeks to improve the efficiency of collective research programmes and activities in Europe and is aimed at SME associations;
- **Exploratory Awards** is designed to encourage and facilitate the participation of SMEs in research at the European level.

## Is your business an SME?

Does your company have autonomous management? Is it engaged in economic activity, with fewer than 250 employees and an annual turnover not exceeding EUR 50 million? If the answers are yes — your business fits the EU's definition of an SME. To learn how your organisation may qualify as an SME even if it is not autonomous, see the detailed definition on the SME TechWeb or take the test on-line at: <http://ec.europa.eu/research/sme-techweb>.

## What sort of an SME are you?

Small and medium-sized enterprises taking part in transnational research may be divided into two broad categories.

- **Research-Performing SMEs** which have the ability to conduct research 'in-house'. Research-performing SMEs can benefit from the Eurostars programme.
- **Research-Acquiring SMEs** which need to outsource to a university or research centre. Individual Research-Acquiring SMEs can benefit from the EraSME programme, while CORNET is aimed at SME associations.

# Aim Higher with Eurostars

Do you want to be in the driving seat, leading market-orientated R&D projects that will help your company to innovate and conquer new markets? The Eurostars programme, the result of a joint effort of EUREKA and the European Commission, offers dynamic research orientated SMEs the opportunity to lead international collaborations on innovative projects. Eurostars provides support for in-house research and closer ties with the European research community. The opportunity for local SMEs to be involved in international research projects means combining and sharing creativity and expertise, leading to new markets for the resulting innovation. The proposed programme is targeted towards small consortia driven by an R&D performing SME from one of the participating countries. It must involve at least one other participant from a Eurostars country, which can be an SME, a Large Enterprise, a University or Research Organization. A typical project could involve two to three SMEs plus an R&D supplier, such as a laboratory or institute.

SMEs often face challenges getting financial support for their R&D projects. Eurostars supports forward thinking companies by making it easier for them to access transnational research and funding. By fast-tracking application procedures, harmonising evaluation, and synchronising funding timetables, the project can get off the ground quickly and results can be rapidly brought onto the market.

The Eurostars initiative aims at establishing a single, integrated, European programme to support R&D performing SMEs, building on the participating national programmes.

The Eurostars programme is an initiative of 29 EUREKA countries\* and is financially supported by the European Community. EUREKA is an intergovernmental network, set up in 1985. It aims to enhance the competitiveness of European industry by promoting cross-border, market-based research and innovation.

## What is a Eurostars project?

A Eurostars project can address any technological area with the intention of developing a new product, process or service. The project should be market-driven: it must have a maximum duration of three years, and within two years of project completion, the product of the research should be ready for launch onto the market. The exception to this rule applies to biomedical or medical projects, where clinical trials must be started within two years of project completion.

## Who is Eurostars aimed at?

The Eurostars Programme addresses R&D performing businesses that fulfil the EU-adopted definition of an SME

([http://ec.europa.eu/research/sme-techweb/pdf/sme-definition\\_en.pdf](http://ec.europa.eu/research/sme-techweb/pdf/sme-definition_en.pdf)) and are based in a Eurostars participating country (<http://www.eurostars-eureka.eu/where.do>). To qualify as an R&D performing SME, they must dedicate 10% or more of full-time equivalent or annual turnover in research activities.

## Who can participate?

The project should involve at least two participants (legal entities) from two different Eurostars participating countries. The main participant must be a research-performing SME from one of the 29 countries currently involved in Eurostars. The Eurostars area includes Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Latvia, Lithuania, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland and Turkey and the United Kingdom

Even if your organisation is based outside of the 29 member countries of Eurostars, you may still participate in the context of EUREKA, as long as the minimum requirements for Eurostars projects are fulfilled.

\* 29 countries at the time of printing. The initiative is open to new participants.



eurostars™

## What is the role of participating R&D performing SMEs?

R&D performing SMEs should lead the projects and execute the major part of the R&D work. At least 50% of the project's core R&D activity should be carried out by these SMEs. This percentage can, however, include minor contracting. The consortium should be well balanced, which means that no participant or country can have a share higher than 75% in the total project costs.

## How are Eurostars projects funded?

EUR 300 million of funding is available from Eurostars dedicated national budgets, with a further EUR 100 million from FP7. Eurostars is managed by a team based at the EUREKA Secretariat in Brussels, with the support of national research funding agencies. Projects are evaluated at central level by

independent experts according to common evaluation criteria. Once a project is approved, funding is implemented locally to give a single payment combining both national and central EU funding.

## How do you apply?

All applications for Eurostars must be submitted electronically to the EUREKA Secretariat. Applicants are advised to contact their EUREKA National Project Coordinator for advice and support in preparing their application.

If you need general information on the Eurostars Programme (in English), please contact the EUREKA Secretariat at <http://www.eurostars-eureka.eu/>



# EraSME – Bringing good ideas and business together

To be able to compete, businesses are on the constant lookout for new and innovative ideas which will give them the competitive edge in the marketplace. Yet despite the efforts of SMEs to innovate, many good ideas get lost, or in many cases companies simply lack the R&D resources to fully utilise and implement their ideas. For this reason the EraSME programme has been implemented in order to bring together SMEs and research and technology organisations (RTOs). Their aim is to help SMEs with big ideas to access resources they may not possess, such as equipment and knowledge. The EraSME programme not only strengthens the ability of SMEs to compete by increasing cross-border cooperation but also to promote collaboration between RTOs and SMEs. This will increase their capacity to perform in international R&D networks.

The EraSME initiative aims at the coordination of national and regional programmes addressing this category of innovative SMEs. In the context of the ERA-NET scheme, the participating programmes agree to launch joint calls, to conduct common evalu-

ations of project proposals and develop a coordinated monitoring of the projects.

## What is an EraSME project?

In order to receive funding, projects must be run by SMEs and be able to demonstrate a real market potential. SMEs must be able to show that they will benefit most from the project results. Another important factor for potential EraSME projects is that they must be transnational, innovative and close-to-market, with the intention of developing new products, processes or services. EraSME continues under FP7 and closer cooperation is foreseen with the CORNET programme with respect to the 'back office' management.

## Who is EraSME aimed at?

EraSME aims to target businesses which, instead of developing research in-house, are 'research acquiring' - in other words they

obtain their research from outside the company. These businesses must also fulfill the EU-adopted definition of an SME and be established in a participating country / region. The organisation will seek to engage in transnational R&D projects with research and technology organisations (RTOs). As always, specific conditions should be checked under the Calls for Proposals.

## Who can participate?

SMEs and RTOs from any participating countries or regions can take part in EraSME. Funding possibilities are offered in various project formats. Small projects can already be set up with two SMEs from two different participating countries/regions and one RTD performer. Larger projects should contain at least four SMEs from two different countries/regions, and at least two RTD performers. The project partners shall nominate a project coordinator who will submit the proposal, lead the project and be in charge of reporting.



Additional project partners such as large companies or partners from other countries/ regions may also be involved, but in most cases they will not be funded and cannot lead the consortium.

## How will your SME benefit from EraSME?

By linking centres of research with SMEs and larger companies, both sides are able to gain a deeper understanding of each other. Another benefit achieved through these linkages is that SMEs will be in a better position to develop and exploit ideas to their full potential. Building a long-term strategic partnership with RTOs allows SMEs to concentrate on their core business while increasing their competitiveness. As for RTOs, they are able to work in a commercial environment and acquire a better understanding of the market.

## How are EraSME projects funded?

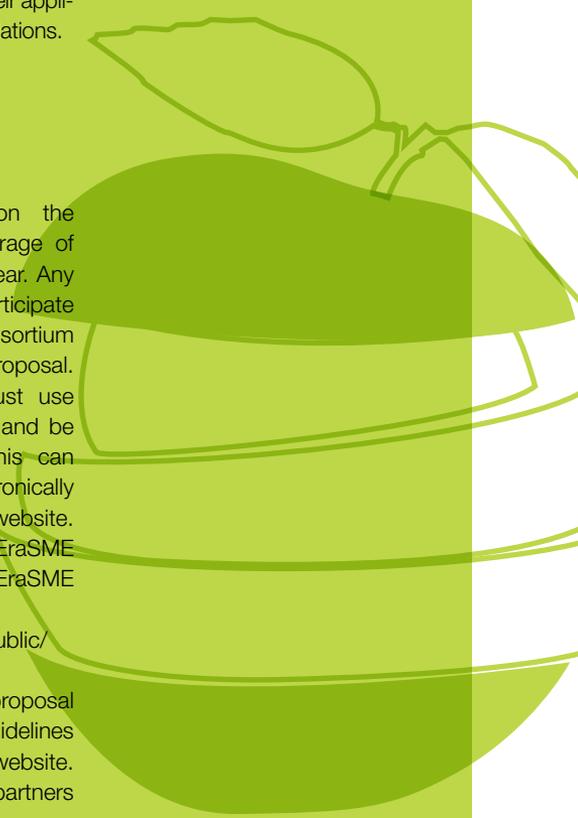
Public agencies will fund participating partners according to their applicable national/regional regulations.

## How do you apply?

Calls are announced on the EraSME website. An average of two calls is planned per year. Any SME that wishes to participate must build or join a consortium and submit a project proposal. The project proposal must use the 'Form for Applicants' and be completed in English. This can then be uploaded electronically through the EraSME website. More information on the EraSME calls can be found on the EraSME webpage:  
<http://www.era-sme.net/public/>

Guidance for writing your proposal can be found in the Guidelines for Applicants on the website. Help in finding research partners

and forming a consortium can be found on the website on the Project Building webpage at <http://www.era-sme.net/public/partnering-site>





# CORNET – Sharing knowledge for increased opportunity

The 'Collective Research Networking' platform (CORNET) is designed to exchange information and encourage collaboration between national and regional programmes and schemes for collective research across Europe. The aim is to create opportunities for the creation of transnational collective research with national/regional funding. Consisting of 19 partners managing 13 research programmes, the CORNET Consortium currently spans 13 countries and regions. CORNET continues under FP7 and closer cooperation is envisaged with the EraSME programme with respect to 'back office' management.

The partners in CORNET II are committed to increasing the coordination between the participating national programmes and starting development of a sustainable, integrated programme to support collective research in transnational projects.

## What is Collective Research?

Collective research serves the needs of a large group of SMEs represented by a body acting on their behalf. A further characteristic is that any knowledge generated through the project is widely disseminated amongst the target community.

Collective research allows technical norms to be developed across an industrial sector. Some examples include the use of collective research to meet environmental standards, or to improve industrial safety.

## Who can participate?

There are a number of groups that are eligible to participate; these include project consortia or associations, federations, trade associations or groupings of industrial enterprises from at least three different CORNET countries or regions. All these groupings will be able to submit a proposal for a common collective research project. CORNET countries and regions include: Austria, Belgium – Flanders, Belgium – Walloon Region, Cyprus, France, Germany, Greece, Hungary, Italy, Luxembourg, the Netherlands, Poland, Portugal, Slovenia, Spain – Catalonia, Spain – Valencia, Turkey. These partners will then be able to exchange information on best practice and pool resources to plan and implement transnational collective research projects. This approach helps to avoid duplication of research efforts and provides an opportunity to share costs.



## How can CORNET benefit a community of SMEs?

CORNET funding supports research and development carried out by RTO's and specialised centres, commissioned by SME associations who act on behalf of their members. It will address their pre-competitive needs within a specific business sector and the results will be widely disseminated for exploitation. The coordinating activities of CORNET are supported by EU funding. The programme promotes cooperation between SMEs and R&D institutes, encouraging international collective research and wide dissemination of results. This allows SMEs to access new knowledge and expertise developed in a transnational context without being distracted away from their core business.

## How is CORNET funded?

CORNET funding is allocated according to the rules of the national/regional programmes involved. Each national CORNET partner agency or funding organisation provides funds to accepted projects. In general, the federation, association or group of industries will be funded by its own national/regional agency.

Therefore, it is necessary for all candidate project partners to consult with their respective agencies during the preparation of the proposal to secure compliance with the applicable national and regional criteria.

There is no thematic focus in the CORNET calls: consortia from all industrial sectors are invited to submit proposals dealing with any technology. Projects should have a maximum duration of two years.

## How do you apply?

Calls are published on the CORNET website. An average of two calls per year is planned. It is recommended that the consortium leader submits a pre-proposal in English to be checked by the funding agency or ministry in their country or region.

The CORNET application form must be submitted in English by the project coordinator to the funding agency or ministry in their country or region.

For further information please visit the CORNET website at <http://www.cornet-era.net>.

For answers to specific questions please contact your national or regional funding organisation. Contact details are also available on the CORNET website.



# EU Exploratory Awards – Developing Your Proposal

The EU Exploratory Awards (EA) are specifically designed to help SMEs to identify their research needs, find the appropriate support measures and assist them in preparing a complete research proposal for Community funding. The Fourth Framework Programme (FP4) and the Fifth Framework Programme (FP5) have used these Exploratory Awards to help SMEs in the preparation of project proposals for Community support. Since these measures were not continued in FP6, several Member States established their own funding schemes (in the form of a grant or a loan) at national and/or regional level.

## What are exploratory awards?

The aim of the European Exploratory Awards scheme is to integrate and strengthen existing national and regional schemes providing financial support to SMEs willing to enter into transnational research. A major objective of these schemes is to help SMEs and

SME Associations to make better informed decisions regarding the need for the research, the choice of partnership, the choice of funding scheme etc. and to improve the quality of proposals. This will provide an incentive for those countries which have not yet set up such a scheme either at national or at regional level. Based on the experiences from comparable schemes in FP4 and FP5, the need for an exchange of best practices in Europe and for a harmonisation of the numerous schemes has become evident.

## Who are the exploratory awards aimed at?

The Community will grant additional financial support to national and/or regional schemes providing financial means to SMEs or SME associations to help them prepare proposals for transnational collaborations, in particular with respect to the actions supported by 'Research for the benefit of SMEs' under the Capacities programme of FP7. The main

objective of the support action is to establish durable schemes and services to increase the number of awards provided by the national and/or regional schemes.

## How can Exploratory Awards benefit your SME?

It can help SME/SME Associations in three main ways:

- to make better informed decisions regarding the need for the research;
- to identify appropriate partners and a suitable funding scheme;
- to provide assistance to prepare the proposal, with the aim of submitting proposals with a higher quality and better chances of success.



## How are Exploratory Awards projects funded?

The European Union co-funding for this scheme is expected to be in the range of EUR 20-40 million. A considerable amount of national funding ideally in the ratio of 1:3, similar to what is proposed in the Eurostars programme will be leveraged.

## When will the Exploratory Awards Programme be launched?

A feasibility study funded by the EU is currently underway. This preliminary phase will set down a framework of activities which will be necessary for the implementation of the objectives. The results of this phase are expected in June 2008.

In the event of a positive outcome, an implementation phase will begin in the third quarter of 2008 and the new European Exploratory Awards scheme should be launched in the Member States and Associated Countries by the first quarter of 2009.

## Which countries are participating?

The feasibility study consists of four work packages and has a duration of seven months. Twenty-four countries are participants including: Austria, Belgium, Cyprus, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Turkey, and UK.

## How do I get more information?

For further information contact the Coordinator.

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# Where can your SME find support?

## SME Techweb

SME TechWeb offers a wealth of information for SMEs planning to take part in EU research. It has been established for companies that wish to innovate and internationalize. The information available is especially useful for those SMEs applying for research funding.

**Visit:**

<http://ec.europa.eu/research/sme-techweb>

## SME National Contact Points (NCPs)

NCPs provide information and guidance to SMEs wishing to participate in EU research and are able to offer personalised support in the proposer's own language. The NCPs are usually national structures set up and financed by the governments of the 27 EU Member States and the states associated to the Seventh Framework

Programme (FP7). A complete list of NCPs for FP7 can be found at: [http://cordis.europa.eu/fp7/ncp\\_en.html](http://cordis.europa.eu/fp7/ncp_en.html). For general FP7 information regarding related research activities, Calls for Proposals, work programmes, and schemes in FP7, visit the following websites:

**CORDIS:**

<http://cordis.europa.eu/fp7/home.html>

**Europa:**

<http://ec.europa.eu/research/fp7/Information>

**Requests:**

<http://ec.europa.eu/research/enquiries/>

**EU research:**

<http://ec.europa.eu/research>

## Enterprise Europe Network

Launched in 2008 by the European Commission, the Enterprise Europe Network offers a 'one-stop shop' to meet all the information needs of SMEs and companies in Europe. The network is present in more than 40 countries, including the 27 Member States, 3 EU candidate countries (Croatia, the former Yugoslav Republic of Macedonia, and Turkey) members of the European Economic Area (EEA) and other participating third countries. A staff of 4000 in 600 local partner organisations provides expert advice and services to EU businesses. Whether you need information on EU legislation, help finding a business partner, want to benefit from innovation networks in your region or need information on funding opportunities, this is the place to start.

**Visit:**

[http://www.enterprise-europe-network.ec.europa.eu/index\\_en.htm](http://www.enterprise-europe-network.ec.europa.eu/index_en.htm)

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