COMPETITIVENESS AND INNOVATION FRAMEWORK PROGRAMME (CIP) IMPLEMENTATION REPORT 2010

EIPC of 14 June 2011
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1. **Summary**

The Competitiveness and Innovation Framework Programme (CIP) is a key programme to address the challenges EU industry is facing now and in the years to come. Its objectives are broadly in line with the flagships of the EU 2020 Strategy, where smart and sustainable growth is presented as a key priority for EU intervention to strengthen the EU economy. More than € 3.6 million are devoted to achieving these goals for the overall period of 2007-2013. For 2010, the budget allocated was € 534,266,000.

In 2010, the CIP:

- improved SMEs’ access to finance and provided personalised and professional services particularly oriented to SMEs:
  
  • In the period 2007 – 2010 the financial instruments guarantee scheme enabled 90,289 SMEs to receive loans.

  • Nearly 590 partners of the Enterprise Europe Network provide services all over Europe and beyond in support of business and innovation. Among other services, the Network provides information on EU matters; it has contacted more than 2.5 million SMEs via weekly newsletters and has organised local events where more than 600,000 SMEs have participated so far. In 2010 a number of Network partners teamed up to provide specialised environmental services to SMEs, one of the thematic priorities of the CIP.

- reinforec its support to innovation in SMEs:

  • Actions in this area, as set out in Article 13 of the CIP Decision, have included, inter alia, fostering sector-specific innovation, clusters, networks, public-private partnerships and cooperation with international organisations, and the use of innovation management.

  • The EIP has also supported national and regional programmes for business innovation, the take-up of innovative technologies and concepts and the innovative application of existing ones.

  • In addition, the programme has supported services for trans-national knowledge and technology transfer and for the protection and management of intellectual and industrial property. Actions have also included developing and exploring new types of innovation services.

  • Services on Intellectual Property Rights (IPR) are also provided to innovation and research companies and organisations. The objective of the European Helpdesk on IPR is to maximise the return of research and innovation of EU funding and of research and innovation efforts of EU SMEs. It supports the beneficiaries of EU funded programmes and other EU SMEs by a website including support documents, FAQs, brochures, e-learning tools and case studies; a helpline; training to intermediaries; and awareness actions.

  • In 2010 the China IPR Helpdesk has been continuing its work. The Helpdesk consists of a core management team and a panel of more than a dozen experts in IPR investigation and enforcement in China. Since its launch in 2008, the Helpdesk has delivered first-line advice
and guidance services to European SMEs through a variety of channels designed to respond to business needs.

- increased the number of pilot projects funded in the area of eco-innovation, one of the main CIP thematic priorities along with ICT-based services and sustainable energy:

  • The first application and market replication projects are concerned with the first application or market replication of eco-innovative techniques, products, services or practices of Union 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 improve environmental performance of enterprises, in particular SMEs.

  • Supported pilot actions aimed at solving interoperability issues and validating innovative ICT based services in real settings. It also supported networking actions developing experience sharing and consensus building. Those actions were complemented by benchmarking the development of the information society in Europe, supporting policy development and coordination through analysis and awareness raising actions.

  • Financed market replication projects, in the filed of sustainable energy, which are an integral part of the IEE II programme implementation that was not open prior to the work programme 2009.

- tackled non-technological barriers to energy efficiency and renewable energy:

  • In 2010, under Intelligent Energy Europe Programme new dissemination and information projects were recommended for funding in 2010 involving an impressive variety and number of market actors, including a high proportion of SMEs.

  • In December 2009 European Local Energy Assistance (ELENA facility) was established in cooperation with the European Investment Bank that helps local and regional public authorities to structure and implement bankable sustainable energy projects. Together with other actions about € 15 million were allocated in 2010 to this facility.

Overall, in 2010 the execution rate of the total budget allocated to the three different programmes was above 99%. The report shows that the CIP instruments were successfully reaching final beneficiaries and actions implemented so far delivered encouraging results.
2. **INTRODUCTION**

The 2010 Implementation Report of the Competitiveness and Innovation Framework Programme (CIP) outlines activities under the three CIP specific programmes during the fourth year of the programme’s implementation:

– the Entrepreneurship and Innovation Programme (EIP);
– the Information and Communication Technology Policy Support Programme (ICT-PSP);
– the Intelligent Energy-Europe Programme (IEE).

These three programmes have their own specific implementation reports where more detailed information is provided\(^1\) on the activities carried out. Some examples of the projects funded have been included in this document to illustrate the different initiatives. More examples can be found on the specific websites.

The actions listed in this report are those whose budget was committed during 2010. Some actions are multiannual and in that case results are only visible after several years; in other cases, measures start close to the end of the year and the implementation takes place within the following year. In those cases, even though these actions are included in this document, results will only be known later on and cannot be reported here.

This report is based on Articles 8.1 and 8.5 of the Decision establishing the CIP\(^2\). Additional information on the Competitiveness and Innovation Framework Programme can be found on the CIP website: [http://ec.europa.eu/cip](http://ec.europa.eu/cip).

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3. **OVERVIEW OF CIP BUDGET EXECUTION IN 2010**

The CIP Decision stipulates that the total budget for the CIP shall be € 3.6 billion for the period 2007-2013. The EIP represents the largest expenditure component of CIP, with 60% of the CIP budget allocation, of which approximately one-fifth is allocated to promoting eco-innovation. Each of the other two programmes, ICT-PSP and IEE, are allocated around 20% of the CIP budget. The table below gives an overview of the budget allocated and the amount committed during 2010.

<table>
<thead>
<tr>
<th>Budget lines</th>
<th>Concept</th>
<th>Amount (€)(^3)</th>
<th>Budget committed (€)</th>
<th>Budget committed (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01 04 04</td>
<td>EIP – Financial Instruments (out of which eco-innovation)</td>
<td>168,508,000 (32,000,000)</td>
<td>168,508,000</td>
<td>100%</td>
</tr>
<tr>
<td>02 02 01 and 02 01 04 04</td>
<td>EIP – Competitiveness of SMEs, innovation (out of which, eco-innovation market replication projects)</td>
<td>146,198,000 (35,020,000)</td>
<td>142,686,000</td>
<td>97.5%</td>
</tr>
<tr>
<td>09 03 01</td>
<td>ICT-PSP</td>
<td>116,000,000</td>
<td>116,000,000</td>
<td>100.00%</td>
</tr>
<tr>
<td>06 04 06</td>
<td>IEE</td>
<td>103,560,000</td>
<td>103,560,000</td>
<td>100.00%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>534,266,000</strong></td>
<td><strong>530,754,000</strong></td>
<td><strong>99.3%</strong></td>
</tr>
</tbody>
</table>

*Figure 1: CIP budget in 2010*

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\(^3\) These amounts include the contributions from non-EU countries participating in the programmes.
4. Activity of the CIP specific programmes in 2010

The main aim of the CIP is to encourage the competitiveness of European enterprises, in particular SMEs, by supporting innovation activities (including eco-innovation), providing better access to finance and delivering business support services in the regions. It encourages a better take-up and use of information and communications technologies (ICT) and helps to develop the information society. It also promotes the increased use of renewable energies and energy efficiency.

The objectives of the CIP are pursued through the implementation of three specific programmes. This section describes the main actions funded by the three programmes during 2010.

4.1. The Entrepreneurship and Innovation Programme

The main EIP objectives, as set out in Article 10 of the CIP Decision, are to support, improve, encourage and promote:

(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.

Several instruments are used to achieve these objectives: CIP financial instruments for SMEs; services in support of business and innovation; eco-innovation first application and market replication projects; policy analysis, development and coordination of innovation policy actors. Other actions focus on promoting entrepreneurship and innovation culture or reducing administrative burden.

4.1.1. Better access to finance for SMEs

The objective of the CIP financial instruments is to improve access to finance for the start-up and growth of SMEs, and to invest in innovation activities, including eco-innovation. Basically, these instruments work by increasing investment volumes of risk capital funds and other investment vehicles, and by providing leverage to SME debt financing instruments and thus increasing the supply of debt finance to SMEs.

The financial instruments, operated by the European Investment Fund (EIF), are the following:
The High Growth and Innovative SME Facility (GIF) has been operational since November 2007 and is implemented by the European Investment Fund (EIF) on behalf of the Commission. By the end of 2010, 21 GIF transactions with Venture capital funds targeting investments in 17 participating countries had been approved (of which 5 in 2010), committing EU investments of € 292.3 million in total. Five of these venture capital funds are investing in eco-innovation across Europe, supported by EU commitments of about € 69 million.

The SME Guarantee Facility (SMEG) has been operational since September 2007 and by the end of 2010, 32 transactions with financial intermediaries from 15 countries had been approved (of which 16 in 2010, including extensions of existing contracts). The EU commitments amount to € 285.7 million. Most of the SMEG deals are under the Loan Guarantee window. There are six deals under the Microcredit window (in France, Ireland, Spain, Norway, Turkey and Poland) and one deal (Spain) under the Equity & Quasi-equity window. By the third quarter of 2010, 90,289 SMEs had received financing supported by SMEG, through 106 204 loans. By the end of 2010 a number of other deals for both GIF and SMEG were in the pipeline for assessment.

By the end of 2010, the number of SMEs receiving new financing under GIF amounted to 135 (25 of them in the eco-innovation sector) and 90,289 were financed under SMEG.

Some examples of SMEs supported are:

**GIF:** Fluxome is a biotechnology company that uses metabolically enhanced microorganisms as cell factories for manufacturing of natural nutraceutical ingredients with potential specific health benefits. One of the company’s star products, Resveratrol, is a polyphenol compound found in grapes and berries.

**GIF:** Resveratrol has in several studies been reported having a number of health benefits such as anti-aging, anti-inflammatory, cardiovascular and cancer protective properties. Fluxome was founded in 2002 as a spin-off of the Technical University of Denmark, with the aim to exploit its technology and know-how within development of innovative and cost-effective bioprocesses.

**GIF:** Energate operates last-mile natural gas distribution in Estonia for customers around Tallinn and Tartu, including those in the most remote locations. It is also a gate to green energy since it has recently started to develop wind farming projects. Energates CEO Hardi Sui is convinced that the combination of clean & renewable energy with more traditional resources offered by his company provides the best diversified offer for today’s consumers changing needs and demands.

**SMEG:** Lasertechnik started business specialising in repair welding for tools and mould construction in 1999. The business initially provided one-to-one welding services to local clients but soon a demand for serial welding arised. Responding to the market demand, in July 2009 the company bought a new “high-tech” machine to help them start serial welding. This purchase was made with a € 30,000 guaranteed loan from the Austrian financial intermediary AWS (Austria Wirtschaftsservice) and gave the firm the tools to do a more precise and more efficient job.

**SMEG:** Biotech GmbH, set up in 2006, both produces and trades orthopaedic, trauma and spine implants, providing mobility solutions for patients in Hungary. In 2010, Biotech went to UniCredit Hungary for a loan, bought a new factory, warehouse and office in Dösd near Budapest and also created a new R&D centre. Thanks to this recent expansion, the company can now increase its production and research and also has the infrastructure to take on another 28 employees in 2011.
The Capacity Building Scheme (CBS) was foreseen in the CIP legal basis. However, this instrument has shown no response from the market. Therefore, the Commission has been using the budget originally earmarked for the CBS to support mainly eco-innovation and technology transfer under the GIF.

With the aim of raising awareness of the funding opportunities for SMEs, "EU Finance Days for SMEs" are being organised during 2008-2011 in the CIP participating countries. In 2010, 8 EU Finance Days for SMEs were organised in the following capitals (chronological order): The Hague, Ankara, Bucharest, Tallinn, Vilnius, Reykjavik, Floriana, and Nicosia.

With a view to raising the awareness of the financial instruments among SMEs, a website has been developed (http://www.access2finance.eu) to help SMEs to identify the financial intermediaries cooperating within the CIP in their country.

For additional information on the financial instruments the following website can be consulted: http://ec.europa.eu/enterprise/policies/finance.

4.1.2. Enterprise Europe Network: business support in the regions

The second main instrument of the EIP is the Enterprise Europe Network, a network of partner organisations providing services in support of business and innovation. The Network is the key action under the objective of creating a favourable environment for SME cooperation, particularly in the field of cross-border cooperation.

The Enterprise Europe Network now covers EU27 countries, EEA countries and major economic areas such as USA, Russia, South Korea, Japan and China (48 countries in total), and is made up of 589 member organisations. Partner organisations are typically chambers of commerce and industry, technology centres, universities or development agencies.

The Network offers support and advice to businesses across Europe and helps them make the most of the opportunities in the Internal Market. The Network’s partners offer services specifically designed for SMEs. They provide information and practical advice on market opportunities, European legislation and policies relevant to a company or sector. They help SMEs to find suitable business partners by using either business or technology transfer cooperation databases, and provide information on EU funding opportunities and international networking.

The Network's main policy priorities for 2010 were: The Small Business Act and SME support, Think Small First, Skills for businesses, Business and innovation support in the services sector, the Network as a partner for sustainability and energy efficiency and bringing European value-added to businesses in the regions.

By the end of 2010, more than 600,000 SMEs had been involved in local promotion & information events (via 15,000 organised events); 2.5 million SMEs had been contacted via newsletters and by other means; about 300,000 SMEs were helped with queries on EU matters. The results of Benefits survey show that the 3 services most appreciated by clients are the possibility to make contact / meet with potential foreign partners, the possibility to participate in company missions or any other brokerage services which are difficult or impossible without the Network; and the good databases with many partnership possibilities.
More than 10,000 SMEs were consulted on forthcoming legislation, for example on the European working time directive or European contract law.

**Figure 2: Number of SMEs supported by Enterprise Europe Network by end of 2009**

In 2010 the Enterprise Europe Network carried out an action to provide environmental services for SMEs. The purpose of the action is to broadly spread environmental expertise within the Network and to develop a support and service delivery structure in cooperation with environmental service providers. For a geographical area covering at least three countries participating in the EIP, partners identified the sectors that are a priority in terms of their impact on the environment; assess what is done for SMEs in the field of environment through local, regional, national and European initiatives; propose solutions to create synergies between programmes; build on existing expertise and improve services to SMEs.

Some success stories from the Enterprise Europe Network in 2010 are the following:

**Multi Protect is an Estonian micro-company that develops substances for the chemical industry, including an environmentally friendly, non-toxic fire retardant. Thanks to the Enterprise Europe Network, it is now represented abroad by UK-based International Specialty Chemicals.**

**Guided by the Enterprise Europe Network, a tiny Italian company that designs high-precision sensors for the aerospace and environmental industries has teamed up with a German biotechnology firm to develop a biosensor with huge implications for stem-cell research.**

**In 2005, two former foresters launched a company named Treemetrics, after pioneering a way to estimate the timber production capacity of trees before they are chopped down. Working with the Enterprise Europe Network, the duo has signed on dozens of new clients worldwide.**

For additional information on the Network the following website can be consulted: http://www.enterprise-europe-network.ec.europa.eu.
4.1.3. Supporting Eco-innovation from different angles: funding the test of innovative solution, facilitate access to finance, networking and analytical activities

The Entrepreneurship and Innovation Programme contains a number of tools to support eco-innovation with an earmarked budget in 2010 of € 69 million. This includes € 32 million under financial instruments for investment into eco-innovation. The activities under eco-innovation included networking activities in this sector, the provision of environmental services for SMEs under the Enterprise Europe Network and actions aiming at finding technological and non-technological innovation measures to reduce the carbon-intensity for a wider range of sectors which can be implemented in the short term and which do not require a further demonstration programme before their industrial implementation.

Eco-innovation first application and market replication projects are clearly oriented towards SMEs and aim to close the gap between research and market up-take as well as allow for a broader market penetration of eco-innovation. A call for proposals was launched in 2010 with a committed budget of € 35 million. The call focused on areas such as cleaner production processes, innovative environmentally-friendly products and services, and support for enterprises in greening their business, products and management methods. Among priority areas, “green business” and “recycling” and are the sectors attracting most proposals, followed by “buildings” and “food and drink”. These sectors are not exclusive – 7% of the projects that have been received come from different sectors. Inside the sector of Green Business, 11% of the proposals were ranged as Clean Production.

At the time of the deadline, 287 proposals were submitted. This represents an increase of a 42% compared to the 202 proposals submitted for the Call 2009. In total 895 participants from 33 countries took part in the proposals. Almost 66% of the participants taking part in proposals were SMEs. Regarding the structure of the proposed projects, approximately half of the proposals involved participants from different countries. All together 28 countries are covered by the selected projects.

The Call 2010 did not require multi-national participation but insisted on European added value as an award criterion. As already mentioned around 70% of the selected projects originated from at least two countries. The average number of participants per proposal is 4, which is substantial considering the non-legal obligation of multi-partnership.

Concerning the size of the participants in selected projects, 68% are SMEs, and 9% are large companies. This shows the important weight of the private sector in this Union instrument. Universities, Public Authorities and others represent 23%.

It is also worth of mention that, among SMEs, the vast majority is represented by micro and small enterprises (82%), a group difficult to attract to the Union funding.
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 products and services with a significant share of process innovation.

Many of awarded projects are clearly success stories, combining business and environmental benefits:

The project LEAKCURE has been selected as finalist for the British Water Industry Achievement Awards 2011. The proposal aims at market uptake of a trenchless method of repairing small water pipes leakage. The technology does not require leakage detection or location and self penetrates the leakage, sealing and permanently curing it. The proposer is a single SME from Israel. The first target end user is Thames Water serving the London area. Thames Water is looking for a solution to reduce the very high levels of leakage in its networks.


4.1.4. Improved innovation policy in the EU

The CIP aims at accelerating innovation processes and thus facilitating the commercialisation of innovative products and services. In 2010 under the Europa INNOVA initiative, among other actions, support was given to facilitating networking of all Europe INNOVA stakeholders to exchange knowledge and good practices. By way of example, many actions are related to the extracting and validating good practices and results from the Europe INNOVA projects, networks and platforms and translating these into lessons and policy recommendations. In addition, support was given to foster cross-fertilisation and efficient exploitation of synergies with other European, national and regional innovation initiatives.
E-skills actions have contributed to the implementation of the long-term EU "E-skills for the 21st century" strategy. The first "European e-Skills Week" in March 2010 was a success: 439,567 people and 7,325 organisations participated in 1,163 events in 35 countries. In total, 65 million people have been reached. The evaluation\(^4\) of the implementation of the Commission's Communication on e-skills for the period 2007-2010 demonstrated that good progress has been made and that Member States are increasingly developing e-skills strategies. E-skills activities gained further visibility and will also be supported under the "Digital Agenda" and "Innovation Union" flagships. ICT Uptake and Competitiveness have included a study examining the reasons for the faster deployment of ICT outside the EU and encourage ICT uptake by identifying best practices, developing specifications to address European requirements and formulating recommendations, as well as a study on Economic and Business Impact of Future Internet Developments.

4.1.5. **Support to entrepreneurship and SMEs**

Several actions were conducted during 2010 focusing on supporting entrepreneurship and innovation culture.

**Reaching SMEs all around EU and beyond: 1500 events under the European SME week**

A very successful measure that reaches an impressive number of citizens and business is the European SME Week. During 2010, 1,504 events and activities took place across the 37 participating countries, representing an increase of 25% when compared to +/- 1,200 events published in 2009 the whole year through.

Out of these, 687 events (45.7%) were purposely designed for the European SME Week. While nearly 300 events were (co-)organised by members of the Europe Enterprise Network, the bulk of the 1,504 events was organised by Chambers of Commerce (and Industry) at national and regional level. The events addressed a wide range of topics regarding SMEs. More information can be found on the dedicated website [http://ec.europa.eu/sme-week](http://ec.europa.eu/sme-week)

**Boosting entrepreneur culture among women**

The CIP supports the set up of a mentoring scheme in at least ten countries to promote and support female entrepreneurship. Mentors are expected to assist women entrepreneurs by providing, advice and support with the start-up, functioning and growth of their enterprises. They would be selected nationally from successful and well-known business entrepreneurs by the contractors participating in the action and after consulting the members of the European Network to promote Women Entrepreneurship (WES) and relevant stakeholders. This action will be implemented in 2011.

The aim of the Ambassadors Network is to have successful entrepreneurs campaigning on the ground to inspire women of all ages to become entrepreneurs.

The Ambassadors help to raise confidence in setting up and creating successful businesses. They are the role models who inspire other women to become entrepreneurs by "telling their story". The Network is made-up of 270 ambassadors from 22 CIP countries.


4.1.6. Analytical work for better EU policies

Surveys and studies with a European dimension are funded to guide policy making regarding SMEs and innovation. In that sense the CIP funded in 2010 the SMEs Performance Review. Its general objective is to provide empirical and analytical foundation for SME policy measures and enable the Commission to effectively monitor the implementation of the SBA as well as the SME-related policies elements of the EU2020 strategy (as a sequence to the Lisbon partnership for growth and Jobs). In 2010, the SME annual Report and SBA fact sheets and a research on the effects and impact of entrepreneurship programmes in Higher Education were carried out.

The European Innovation Scoreboard has allowed for a comparative benchmarking of innovation performance across EU countries and with major innovative countries outside the EU. The Innobarometer is an instrument developed by the Commission to capture innovation phenomena at firm or citizen level. It is a poll based on the Eurobarometer methodology with interviews based on a questionnaire developed by the Commission services. The geographical coverage for the 2010 edition has included the EU27 Member States plus Norway and Switzerland. The objective of the 2010 Innobarometer survey was to study the innovation strategies of the European public administration sector in response to changing constraints and opportunities.

The "Market Monitoring Studies on New Environmental Technologies, Heavy Industrial Goods, Consumer Goods" have improved the knowledge of the functioning of selected product markets in terms of key drivers of innovation and competitiveness, by producing a clear picture of the competitiveness of the product markets concerned in Europe by examining in detail, and in a consistent way, the situation in the market.

Additional information on the EIP programme can be found in the 2010 EIP Implementation report on the following website: http://ec.europa.eu/cip/documents/implementation-reports/index_en.htm.
4.2. The Information and Communications Technologies (ICT) Policy Support Programme

4.2.1. Approach and priorities for 2010

The ICT PSP aims to stimulate innovation and competitiveness and accelerate the development of a sustainable, competitive, innovative and inclusive information society. It supports activities to accelerate innovation and implementation of ICT based services and systems through the wider uptake and better use of ICT and the exploitation of digital content by citizens, governments and businesses.

The uptake of ICT in businesses is in general addressed by the private sector for which public policies focus on creating the best conditions for business developments and on raising awareness of the benefits of the technology innovations notably to SMEs.

The uptake of ICT and exploitation of digital content in areas of public interest like health, inclusion, cultural heritage, public sector information, learning, public administrations and energy efficiency requires more proactive policies. The major hurdles for a wider and better use of ICT in those areas include the unavailability of ICT-based services, the lack of interoperability of solutions across the Member States as well as the market fragmentation of the information space and of ICT-based solutions.

The ICT PSP helps overcome the hurdles hindering the development of an information society for all in support of the EU policy goals. It helps develop markets for innovative ICT-based solutions and digital content notably in areas of public interest. This helps open a wide range of new business opportunities in particular for innovative SMEs that provide such solutions.

The ICT PSP supports mainly pilot actions aimed at solving interoperability issues and validating innovative ICT based services in real settings. It also supports networking actions developing experience sharing and consensus building. Those actions are complemented by benchmarking the economic and social benefits from a digital single market, supporting policy development and coordination through analysis and awareness raising actions. All those actions contribute to the implementation of the Digital Agenda for Europe\(^5\).

The total budget available for the ICT PSP Work programme 2010 was € 116 million\(^6\).

The ICT PSP work programme 2010 was based on the following six priority themes:

- Theme 1: ICT for a low carbon economy and smart mobility
- Theme 2: Digital Libraries
- Theme 3: ICT for health and inclusion
- Theme 4: Open innovation for future internet-enabled services in "smart" cities


\(^6\) This amount includes additional contributions coming from third countries (Croatia, Serbia and Turkey in 2010)
– Theme 5: ICT for improved public services for citizens and businesses
– Theme 6: Multilingual Web

Those themes have mobilised the bulk of the budget. They have been addressed through specific objectives supported by a limited number of high impact pilot projects and thematic networks.

The pilots and the thematic networks have been selected through one open call for proposals for a total indicative budget of € 107 million. The call - ICT PSP Call 4 – was open from 21 January to 1 June 2010.

Implementation measures for call for proposals

Two types of pilot actions are supported:
– Pilot A: pilot building on existing national initiatives and aiming at developing interoperability and preparing for EU wide implementation of ICT based services;
– Pilot B: pilot showcasing and testing innovative ICT based solutions at real scale to demonstrate technical, organisational and legal feasibility.

In both case, a particular attention is paid on facilitating the scalability, further integration, replication or wider adoption of the piloted solutions.

Thematic networks (TN) gather relevant stakeholders in relevant areas for sharing experience, building consensus and preparing for further deployment of ICT based services in those areas.

A forth implementation measure – Best Practice Network (BPN) - concerned the Theme 2 "Digital Libraries" only. Best Practice Networks promote the adoption of standards and specifications for making European digital libraries more accessible and usable. They combine the "consensus building and awareness raising" function with the large-scale implementation in real-life context of one or more concrete specifications or standards.

Other measures

Other implementation measures concerns benchmarking, studies, support to conferences and events. They have been supported through calls for tenders or grants without calls for proposals for a total amount of € 9 million.

4.2.2. Projects resulting from the Call for Proposals in 2010

The pilots, best practice networks and the thematic networks selected through the call for proposals (Call 4), concerned 41 proposals (from 139 proposals received).

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7 The ICT PSP Work Programme 2010 and information on the ICT PSP Call 4 for proposals are available on: [http://ec.europa.eu/information_society/activities/ict_psp/participating/calls/call_proposals_10/index_en.htm](http://ec.europa.eu/information_society/activities/ict_psp/participating/calls/call_proposals_10/index_en.htm)
The portfolio reflects an excellent coverage of the six themes with all the objectives addressed.

The portfolio is composed of high quality projects supported by consortia mixing public authorities, private companies - including SMEs - and other organisations.

Overall, public bodies represent 41% of participants in the selected proposals of the Call. SMEs represent 26% of the participants, 33% are large enterprises or other private organisations such as user associations.

The selected projects have been launched by the end of 2010 or during the first half of 2011 after negotiations. They address the different themes as follow:

- For "Theme 1: ICT for a low carbon economy and smart mobility", 4 Pilots B address innovative services for resources-use awareness and resources-management, aiming at reducing peak and overall demand for energy and water in social housing.

  The BECA pilot will involve 5000 end-users in 7 different pilot sites; SHOWE-IT will test solutions in 3 different pilot sites; ICE-WISH will involve 300 social houses from 10 European countries and EnergyTIC, supported by 20 partners from 20 Member of Associated states, will pilot solution in real settings. In addition, the thematic network @QUA gathers partners from the water sector for preparing a roadmap and building consensus on wider deployment of ICT solutions in water management.

  On smart mobility, CO CITIES (Pilot B) will scale up and test traveller information services in a number of European regions and cities, while COSMO (Pilot B) will target energy efficiency through improved traffic management and control systems. Finally, 10 Member States or associated states (representing 40 different partners) are committed within HeERO (pilot A) for testing and promoting the deployment of the pan-European eCall service.

- For "Theme 2: Digital Libraries", 9 actions have been selected including:

  Ev2 (a large thematic network) aims to ensure the continued running and development of Europeana from August 2011 to December 2013 including the ingestion of new content, coordinating the network of contributing organisations and enhancing the sustainability of the Europeana service and its functionalities.

  ARROWPlus is a BPN extending the ARROW network in scope and with additional countries (ARROW assists users and libraries in their diligent search for rights holders in view of digitisation).

  ENUMERATE is a thematic network for improving decision making on digitisation within cultural heritage institutions with use of statistical data.

  To increase the digital cultural content available through Europeana, EUROPEANA LIBRIARIES (BPN) aims at enhancing the Europeana content base by contributing around 5 million content items held by leading research libraries from across Europe, while OpenUp! aims to aggregate around 1 million multimedia digital objects from the natural history domain. Targeted digitisation will be done through two pilots: Europeana 1914-1918 for creating a large collection of different digital sources on the theme of World War I memories; and DCA to make accessible through Europeana 30 000 artefacts in the field of contemporary art, sourced from almost 20 content providers from 15 countries.

  The indications on participation are based on self declaration by participants in retained proposals.

  See [http://www.europeana.eu](http://www.europeana.eu)
In addition, to improve the spread of European research results, AGORA (Pilot B) will test new paradigms and solutions to open access to scientific information in the field of humanities.

- For "Theme 3: ICT for health and inclusion", 2 pilots and 4 networking actions have been selected:
  
  The Pilot A epSOS will be extended to 11 additional countries and international actors. It will in particular extend the functional requirements and validation of the epSOS core services: patient summary and ePrescription; advance towards pan-European agreements for interoperability, and help to defragment eHealth European services and ICT solutions markets.

  Two thematic networks are supported: eHealth Innovation will develop consensus on personalised ehealth services and related infrastructure, as well as examining legal/regulatory/organisation issues related to innovation and healthcare policy; SEHGovIA will establish a platform for the eHealth Governance Initiative, in view in particular to develop an eHealth Interoperability Roadmap.

  On inclusion, APSIS4all (Pilot B) will test in 3 different countries innovative Automated Teller Machines (ATMs) and Ticket Vending Machines (TVMs) to improve accessibility for people with disabilities, elderly people in the banking and transport sectors. Two thematic networks ETNA and ATIS4 will also be supported for facilitating the implementation of European Web Portal and Web 2.0 services able to provide information on ICT-based Assistive products and services which are available in Europe.

- For "Theme 4: Open innovation for future internet-enabled services in "smart" cities", 7 pilots B have been selected.

  SMART-ISLANDS will test a platform for developing and using innovative geo related web services (e.g. addressing transport, environment, meteo, mapping or tourism issues) specifically addressed to Mediterranean islands. The EPIC platform will combine cloud computing infrastructure with Living Labs methodology for facilitating the development of user-driven web-based services. Life 2.0 focuses on developing local interactions (with neighbours or public services actors, on local events and commercial services etc), through new services for elderly people, based notably on tracking systems.

  Open Cities aims to validate and develop best practices on using open platforms for innovative public services exploiting open data, fibre to the home and open Sensor networks in four major European cities. PERIPHÈRIA will pilot the use of innovative RFID technologies and show the benefits of societal services based on the "Internet of Things". PEOPLE aims at speeding up the uptake of innovative internet-based services focussing on sustainable development of four European cities. SMARTiP relies on open innovation and Living Labs experience for transforming public services in five test-bed cities through the empowerment of their citizens.

- For "Theme 5: ICT for improved public services for citizens and businesses", 3 pilots and networking actions have been launched.

  The Pilot A SPOCS (supporting the implementation of the Services Directive) will be extended to involve 9 additional member states and to pilot the use of the SPOCS infrastructure to additional professions. E-CODEX is a new Pilot A involving 14 Ministries of Justice of member or associated states in view to prepare the deployment of interoperable eJustice services; it builds on common specifications and interoperable solutions already tested in other large scale pilots such as PEPPOL or STORK.

  The thematic network SSEDIC gathers all key stakeholders to prepare the agenda to move towards a single European digital identity.
For "Theme 6 Multilingual Web", five pilots address multilingual online services for businesses and citizens and three pilots contribute to establishing a broad and open infrastructure to make language resources widely available.

**SUMAT** will increase significantly the range and volume of subtitled audio-visual material available to the European market; **PROMISLingua** will help to improve cross-border access to health, safety and quality compliance services for European SMEs in various EU countries. **LISE** will build a service, and a methodology, for harmonising multilingual nomenclatures in selected legal and administrative domains. **BOLOGNA** will pilot a tool for universities to produce translated versions of course materials at lower cost. **Organic.Lingua** will convert an existing educational website to a full-blown multilingual portal in nine languages, adding features such as cross-lingual search and retrieval, and on-demand translation.

**Three pilots** - **CESAR**, **META-NORD** and **METANET4U** contribute to the objective of establishing a broad and open infrastructure to make language resources widely available. They involve complementary clusters of languages in three geographical regions that will cooperate for the collection, preparation and provision of shared resources to language technology suppliers and product developers.

Activities such as dissemination and experience sharing are particularly important for the above pilot and networking actions in view of stimulating a wider adoption, replication or deployment of such innovative ICT based services across Europe.

The other measures, including annual benchmarking of the European information society, studies and conferences have been also supported, for a total of € 9 million. Those measures have been implemented through calls for tenders or grants without call for proposals.

**4.2.3. Participation**

When looking at the consortia involved in the proposals participating in the 2010, overall public bodies represent 41% of participants in the proposals of the Call. SMEs represent 26% of the participants, and the rest concerns other private entities such as intermediaries or user associations.

**Figure 4: Participation in ICT PSP (over 2007-2010)**
Figure 5: ICT-PSP Call 4 Statistics

![ICT PSP Call 4](image)

Figure 6: ICT-PSP Calls 1 to 4 Statistics

![ICT PSP Calls 1 to 4](image)

Additional information on ICT-PSP programme can be found on the dedicated website at the following address: [http://ec.europa.eu/ict_psp](http://ec.europa.eu/ict_psp).
4.3. The Intelligent Energy-Europe Programme

4.3.1. Objectives and thematic priorities

Through the participation of more than 3,000 public and private organisations across the EU, this Programme has become the main Union instrument in the field of energy efficiency and the use of new and renewable energy sources to support the development and implementation of policies and Directives, support the creation of favourable market conditions, prepare the ground for investments, build capacities and skills, and keep the key stakeholders informed and engaged.

The main IEE II Programme objective as set out in the Article 37 of the CIP Decision is to contribute to secure, sustainable and competitively priced energy for Europe, by providing for action:

– to foster energy efficiency and the rational use of energy resources;
– to promote new and renewable energy sources and to support energy diversification;
– to promote energy efficiency and the use of new and renewable energy sources in transport.

Projects funded under the IEE II programme are of a "soft" nature: they aim to work in a catalytic way, by triggering market mechanisms or to induce third parties to take action in line with the Programme's objectives. Communication and dissemination of the results is an inherent part of IEE projects and is at the core of the programme management. The impact of IEE II projects then extends far beyond the results of each individual project.

The 2010 Call for proposals was published on the IEE website on 23 March 2010 on the same day as the adoption of the 2010 work programme. The deadline for submission of proposals was set on 24 June 2010. The Call was promoted at a very well attended info day in Brussels and at more than 27 national info days. More than 250 pre-proposal check requests were answered by the EACI, in less than a week on average. 80 independent experts were invited to support the evaluation. About 51 of the experts participated in the IEE programme evaluation of the call for proposals for the first time. The evaluation results were approved on 10 December 2010 by the authorising officer, resulting in 44 projects recommended for funding. In addition, a reserve list was established consisting of 5 proposals. Applicants were notified on 15 December, as announced in the Call for proposals.

In the 2010 IEE Work Programme, projects covered actions in the following fields:

Energy efficiency and rational use of energy (SAVE)

Energy-efficient buildings: for action raising the energy performance of new and existing buildings, in both the residential and tertiary sectors, where the potential is estimated to be around 27% and 30% of energy use, respectively.

Out of the 76 proposals submitted under this priority, five were recommended for funding: one proposal for the setting up of information platforms; one proposal tackling management and maintenance in social housing; one proposal aimed to develop a tool for the analysis and comparison of energy efficiency of heating, ventilation and air-conditioning systems; and two proposals addressing energy savings in large non-residential buildings. Priority was given to those proposals with the largest expected impacts in terms of energy saved.

*Consumer behaviour:* for actions helping consumers choose the most energy efficient products among those covered under the Eco-design Directive as well as actions raising awareness among various groups of individual consumers for issues covered for instance by the Energy Services Directive or the Energy Performance of Buildings Directive.

"Consumer behaviour" was a successful new focus in the 2010 call. Seven good projects were selected to reach a large audience. Projects range from the development of TV broadcasts by major players such as RTBF and RAI, to actions specifically targeted to low-income households.

> With so many products available in the market these days, it is often hard for consumers to pick the most energy-efficient ones. With strong endorsement from WWF, the EurotoptenMax project aims to provide independent and reliable information on selected energy-using products and services, based on continuously updated market surveys. EurotoptenMax's end goal is to create and maintain 19 national top ten websites (covering 90% of Europe's population), while highlighting top runners and championing best available technology. These actions are expected to raise awareness for the benefits of top runner products and thus increase their market share. The project is expected to encourage manufacturers and retailers to make best performing products available across Europe, yielding energy savings of up to 200 GWh/year.

New and renewable energy resources (ALTENER)

*Electricity from renewable energy sources (RES-e),* to support EU policy by accelerating market growth and helping to achieve renewable energy targets.

There were slightly less proposals in 2010 than in 2009, but with a good reflection of the sector. Priorities included policy, grid, offshore wind & ocean, hydro and geothermal. A major share of the proposals was related to grid issues, whilst others addressed market development, distributed generation, storage and PV. The success rate in 2010 was good (18.5%). Five proposals were recommended for support (grid; policy, storage, ocean, and geothermal)

*RES in Buildings,* to expand the renewable energy systems integration in buildings and to support the implementation of the RES in buildings component of the RES Directive

A majority of proposals focus on the promotion and integration of RES technologies in buildings covering different topics such as building codes, coaching of public building owners etc. One third focused on specific technologies (geothermal, heat pumps, PV, solar, biomass CHP). Overall, more and stronger proposals on supporting local authorities were received. Four proposals were selected for support addressing solar heat obligations, mobilising renewables for industrial and commercial warehouses, renewables in hospitals and a dedicated web platform for consumers.
Bioenergy*11, to bring untapped bio-resources onto the energy market.

Very good proposals received for Solid biomass with a focus on mobilisation of resources, implementation of CEN standards/certification, and biogas reflecting the rapidly growing experience and interest in the sector. The quality was more limited for the liquid biofuels addressing alternative feedstocks and the proposals related to strategic initiatives and regional planning, which were lacking a clear implementation step in the market.

According to European Commission’s forecasts, biomass including (bio)waste will contribute by at least 50% to reaching the EU’s 20% renewable energy target by 2020. The UrbanBiogas project brings together five European cities that help realise the untapped potential of organic urban waste by using sustainable waste management systems to produce biomethane. This renewable fuel will then be fed into the natural gas grids or used in the transport sector – keeping the cities cleaner and greener. The five partners expect to stimulate investments of € 17 million in waste-to-biomethane projects and hope to inspire other European cities to follow their example.

Energy in transport (STEER) to promote energy efficiency and the use of new and renewable energies sources in transport

Energy-efficient transport: projects which address energy-efficient transport should prepare the ground for more effective implementation of European policies. They should contribute to extending and widening the potential range of market players and accelerate the take-up and transfer of best practice. Projects should tap the potential of the various modes and combined use thereof as a contribution to more energy-efficient transport. Policies related to integrated strategies and (dis)incentives will likewise help to steer the behaviour and decisions of transport users, authorities and operators.

The sub-priorities on energy-efficient transport were more focused than in the Call 2009 but the number of proposals was still relatively high. Eight proposals were selected for funding, of which half addressed the freight sector, a sector which had received little attention within the IEE programme so far.

Increasing congestion and energy consumption as well as serious environmental pollution caused by unsustainable urban transport are major threats to our cities. The C-LIEGE project addresses these threats by improving freight transport operations in urban areas, particularly the “last mile” transport within city centres. Seven pilot areas will serve as best practice examples of how cities can achieve greater energy efficiencies. The project partners aim to reduce the energy consumption in freight transport by at least 20%. This involves decreasing the number of kilometres travelled by heavy freight vehicles in urban areas and using environmental-friendly engines for the “last mile”.

Capacity-building and learning on energy aspects of transport: to improve the knowledge of future and current practitioners, officials and experts on energy aspects of transport. To increase the activity of local and regional agencies on energy aspects of transport. To integrate services related to energy and transport in the portfolio of local and regional agencies.

The quality of proposals was better than in previous years. Two proposals were selected with very appropriate geographical coverage.

11 Comprehensive Bioenergy Key action integrating from Call 2010 onwards the previous Biofuels, Bio-Business and the bioenergy supply part of Renewable Heating & Cooling
Integrated initiatives where energy efficiency and renewable energy sources are integrated and synchronised in several sectors of the economy and/or where various instruments, tools and players are combined in the same action

**European networking for local action**

This key action funded in 2009 was integrated with the Local Energy Leadership Key Action of the 2010 IEE Work Programme and will not exist as a separate topic anymore.

**Bio-business initiative**

This key action funded in 2009 was integrated into the BIOENERGY key action of the 2010 IEE Work Programme and will not exist as a separate topic anymore.

**Local energy leadership**

Six high quality proposals were recommended for funding under this key action: three presenting peer-to-peer and mentoring approaches between municipalities and three proposing large-scale networking activities.

In pursuit of EU 2020 agenda, reaching out to more cities is vital, as they are one of the key actors able to implement the Union's energy policies. To strengthen this EU-local relationship, the CASCADE project will mobilise a core of 18 major cities, including Milan, Amsterdam and Warsaw, and more than 10 million citizens in 11 EU Member States. Offering peer-to-peer programmes and developing exchanges between local authorities, CASCADE will train more than 300 local staff and officials. It will also organise networking events at national level in the area of transport, renewable energy in urban planning and energy-efficient refurbishment, thus leveraging the potential of cities as transfer agents in their countries.

**Strengthening Capacities for Financing EE and RES in Housing**

Only a few proposals were submitted and none was selected.

**4.3.2. Market Replication Projects**

Market replication projects are an integral part of the IEE II programme implementation which was not open prior to the work programme 2009. Article 44 of the CIP Decision sets out the category of projects for which Union funding can be provided for the implementation of action under Market Replication Projects. "The Community shall provide support to projects concerned with the market replication of innovative techniques, processes, products or practices of Community relevance, which have already been technically demonstrated with success. These shall be designated to promote broader utilisation of such techniques, processes, products or practices within the participating countries and facilitate their market uptake."

Market replication projects (MRP) introduce as a major definition element the focus on replication effects, justified by leverage effect (leverage factor with 1 € invested from IEE-MRP programme) and mobilisation factor (amount of investments, energy savings, actors, knowledge, etc. mobilised as a measurable result of the project).
ELENA Facility has been launched in December 2009. It is being implemented by the EIB according to a sub-delegation agreement between the European Commission's DG ENER and DG ECFIN, and consequent Contribution Agreement between DG ECFIN and the EIB. The Facility is financed under the IEE Market Replication Projects' Heading (according to article 44 of the CIP Decision\(^\text{12}\)).

So far, €60 million has been allocated to the Facility from the IEE Programme's budget line (€15 million in 2009, €15 million in 2010 and €30 million in 2011 (including €11 million earmarked for the new ELENA ‘compartments’, to be launched in 2011 with the KfW and the CEB).

ELENA is implemented in a first come, first serve basis, with no deadlines for call for proposals.

EIB has set up a dedicated ELENA Team, composed of 4 full-time specialists, in charge of daily implementation of the Facility, based in Luxembourg. It is overseen and complemented by desk officers in charge of ELENA at DG ECFIN and DG ENER.

The important task of the EIB staff in charge of the ELENA Facility is to provide support to local authorities in the preparation of their application and the submission of the subsequent Requests for Approval.

While during the first months of the operation of the Facility a large proportion of inquiries focused on general or administrative information, requests from potential applicants progressively shifted towards more specific issues, directly related to concrete investments. The dissemination of information regarding ELENA in information days, workshops and seminars, seems to have clarified the basic questions related to the scope and selection process within the Facility. The facility is further promoted by the Covenant of Mayors Office and ManagEnergy initiative.

A continuous dialogue has been initiated with over 50 local and regional authorities who submitted pre-applications, where ELENA staff provided detailed assessment of proposals at different stages of the preparation. This resulted in 12 approved (out of which 6 signed) projects so far and a pipeline of 23 eligible projects that are presently being refined before the submission of a formal application. Some 15 projects are still in a very early stage of elaboration and were put on hold pending further communication from applicants. As regards ELENA, the representation of applications per country is as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>IT</th>
<th>ES</th>
<th>UK</th>
<th>NL</th>
<th>SE</th>
<th>RO</th>
<th>SK</th>
<th>BE</th>
<th>DK</th>
<th>PL</th>
<th>FR</th>
<th>IS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Count</td>
<td>6</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
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<td>1</td>
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</tr>
</tbody>
</table>

The number of applications differs substantially from one country to another.

The rapid take-off of the ELENA Facility, as demonstrated by the significant number of inquiries and submission of eligible proposals, can be explained by the fact that ELENA addresses one key non-financial barrier to the development of these types of projects by local and regional authorities (lack of technical and financial capacity). It is noted that ELENA

support has contributed to accelerating investments in the ELENA priority areas and to the adopting of best practices.

So far, under the ELENA Facility, the 12 approved projects correspond to an amount of ELENA contribution of EUR 21,877,929; the planned investments related to these signed and approved projects should reach around EUR 1.6 billion, according to applicants.

The ELENA contribution requests could amount to a further EUR 38 million for the pipeline of 23 potential new projects already identified. Should they be approved, investments related to the pipeline of prospective projects could reach EUR 3.7 billion according to the figures supplied by applicants.

Although no concrete results can be observed yet, if the objectives foreseen by the projects supported (12 projects) are fully achieved, the cumulated energy savings, over the ELENA project duration, are estimated at 913 GWh, and 417 GWh of energy should be generated by renewable sources. These projects are expected to avoid the production of around 496,000 tons of CO2 emissions over the ELENA project time.

The ELENA projects will require the recruitment of dedicated and additional staff to implement the technical assistance activities and prepare the ground for the investment programmes. The signed and approved projects will thus directly create 48 jobs during the 3 year duration of the contracts for a total amount of 1562 person-months of work. Further, the number of direct and indirect jobs created during the implementation and life time of the investment projects supported by ELENA Facility so far, can be estimated at least at 25,400 person-years.

4.3.3. Grants to specific target groups

Concerted Actions

CA EPBD III - The Concerted Action on the Energy Performance of Buildings Directive (CA EPBD II) is a mature mechanism for supporting implementation of the EU legislation at national level. In 2010 the results of the collaboration between countries was evident: certification and inspection schemes are now running in almost all countries and these schemes have many common elements. Integrated central registries for issuing and storing certificates; hosting of training schemes, accreditation and registration of qualified experts; automated quality assurance checks; and invoicing fees for certificates and experts; have been a key topic for best practice exchange. In one country the efficiency of the system was improved by 30\% through uptake of practices identified in one country and replicated in another. Also, calculation methodologies have converged and the CEN EPBD standards are now more widely used, although there is country which presently uses the full set. The CA EPBD continued to inform the political process, feeding into the EC's preparatory work on a cost-optimal framework for setting of minimum energy performance requirements, whilst its recommendations were adopted in the EC's mandate to CEN for preparation of a 2nd generation of EPBD standards. In 2010, the CA EPBD held two meetings, each with
approximately 18 technical sessions amongst the 120+ participants, and held 4 study tours for hands on experience.

**CA ESD** - The Concerted Action on the Energy End-Use Efficiency and Energy Services Directive (CA ESD) continued enhancing and structuring the sharing of information and experiences relating to the implementation of the ESD Directive (2006/32/EC). In 2010, the CA ESD benefited from the good cooperation environment developed throughout its past activities and three plenary meetings were organised in Rome, Brussels and Lisbon. Based on these discussions, more than 13 detailed Working Group reports were produced that provide a clear understanding of the state-of-the-art and best practices relating to ESD implementation. Overall, the response rates to questionnaires, the level of active participation and the high level of attendance at plenary meetings all point towards Member States and the Commission valuing the work carried out.

**CA RES** - The "Concerted Action supporting the transposition and implementation of Directive 2009/28/EC of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (RES Directive) CA-RES" is a project supported by Intelligent Energy Europe (IEE). The CA-RES started in July 2010 and has duration of 3 years. The CA-RES is coordinated by the Austrian Energy Agency (AEA). During 2010 preparatory work (defining its content, defining the participants, evaluating and negotiating the proposal) and the kick off of this new initiative has been carried out: The CA-RES contract has been prepared in 2010 and signed in the second half of 2010. A successful kick off meeting involving 170 participants from 29 countries has been organised in September 2010. All the activities of the CA-RES have been carried out in close collaboration with DG ENER.

**4.3.4. The Building Workforce Training and Qualification Initiative in the field of energy efficiency and renewable energy (BUILD UP Skills) – preparatory phase**

In 2010 the new initiative focussing on qualification of building workers was prepared pursuing several ways. First, a subgroup to the IEE Committee was formed and met three times during 2010 to discuss the concept and first draft specifications with the DG ENER and the EACI. Second, other services of the Commission were consulted with the particular objective to link the initiative to activities of DG EMPL and DG EAC and to build synergies with their current priorities (skills councils etc.). Third, meetings were hold with stakeholders at European level to receive input from industry and education institutions.

The budget foreseen for the preparation of the Initiative was committed in two ways. On the one hand it was dedicated to the "verifying" role of the Concerted Actions RES and EPDB III (168.000 € each) in the context of the Initiative. On the other hand it was committed as part of the follow-up tender for BUILD UP to logistically support the EU exchange activities and to provide webspace for the Initiative (525.000 €). 50.000 € are reserved to preparatory communication services such as the visual identity.
4.3.5. **Standards initiative**

The aim of the initiative is to develop standards required for implementing the energy efficiency and renewable energy legislation and related EC policies. These standards will be prepared by the relevant European standards bodies (CEN/CENELEC) under specific agreements.

In 2010 a mandate was given to CEN/CENELEC for the development of new standards for biomethane and pyrolysis and to further refine standards for bioethanol/petrol blends. A specific grant agreement was signed on 23/12/2010. This initiative is managed by DG ENER C2. In addition, a mandate was given to CEN/CENELEC and ETSI for the elaboration and adoption of standards for a methodology calculating the integrated energy performance of buildings and promoting the Energy Efficiency of Buildings, in accordance with the terms set in the recast of the Directive on the Energy Performance of Buildings (2010/31/EU). A grant agreement will be signed in 2011. This initiative is managed by DG ENER C3.
5. OTHER ISSUES

5.1. Interim evaluation of the Competitiveness and Innovation Framework Programme

The interim Evaluation of the Competitiveness and Innovation Framework Programme has been conducted from March 2009 till March 2010. In general, the findings of the evaluation have been encouraging and confirmed the relevance, effectiveness and efficiency of the framework programme as well as its three pillars.

However, some recommendations were made on how to further improve the implementation of the CIP and design a possible successor programme. In particular, the issues of CIP visibility and communication, coordination and reporting were highlighted as areas which need further improvements. Since then the Commission has implemented some of the recommendations.

5.2. Strategic Advisory Board on Competitiveness and Innovation

The annual meeting of the CIP Strategic Advisory Board took place on 6 May 2010 in Brussels.

This Board is composed of 20 representatives of industry and business associations, including those representing SMEs. The expertise of its members is related to the sectors and issues addressed by the Framework Programme, including financing, ICT, energy and eco-innovation.

In the 2010 meeting, the discussion focused on the main achievements obtained by the CIP since its launching and the conclusions of the CIP interim evaluation.
6. CONCLUSION

In 2010 all CIP instruments and actions were fully operational showing encouraging results. The execution rate of the total budget allocated to the three different programmes was above 99%.

During the fourth year of implementation, some CIP measures extended the coverage of their actions and then the number of possible beneficiaries. This was the case of the financial instruments (more than 90,200 SMEs benefited from their support by the end of 2010).

Other actions, such as the European Enterprise Network increased the number of SMEs reached. By the end of 2010, and among other services, the partners of the Network contacted more than 2.5 million SMEs via newsletters every week. They have also involved more than 600,000 SMEs in local promotion and information events.

New initiatives were prepared which will have an important impact on SMEs, for instance the BUILD UP SKILLS initiative under the Intelligent Energy Europe programme which aims at giving craftsmen and construction workers the right skills to increase the performance of the building stock and to build nearly-zero energy buildings.

The response from the market to the grants published was very positive. Actions such as the pilot and market replication projects on ICT-based services and eco-innovation or the dissemination and information actions on sustainable energy had an increased number of applications and, in most cases, the number of projects funded during 2010 was higher than in previous years. One of the most evocative cases is the call on eco-innovation, where the total funding request increased by more than 40% compared with the 2009 call and more than 100% compared with the first call in 2008.