EIP IMPLEMENTATION REPORT 2007

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

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INTRODUCTION

THE EIP IN ITS FIRST YEAR

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

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

The EIP is based on the experience gained through instruments used in the former Multi-Annual Programme for Enterprise and Entrepreneurship (MAP) such as measures on enterprise and entrepreneurship policy development, business support services, and Community financial instruments, in the sixth Framework Programme for Research, Technological Development and Demonstration which included a range of actions to support Europe's technological capability and improve its innovation performance, and the LIFE Programme dealing innovative techniques and methods in the environment field).

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

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

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THE 2007 WORK PROGRAMME AND IMPLEMENTATION REPORT

The annual work programme for 2007 was established by Commission Decision C(2007) 771 of 8 March 2007 following the positive opinion of the EIP Management Committee (EIPC) on 8 December 2006. It was last amended by Commission Decision C(2007) 6050 of 10 December 2007 following the positive opinion of the EIPC at its meeting of 18 October 2007.

This Implementation Report has been set out in seven chapters. The first six chapters reflect the six EIP objectives as set out above. Emphasis has been given to reporting on how far the objectives established in the annual work programme have been met. The report also includes an account of the execution of the budget in 2007 which shows the budget allocations in the 2007 work programme as approved by the EIPC and the respective commitments made by the Commission during the year.

Where possible, the report already refers to impacts. In most cases, however, the impact will only be measureable after some time and is therefore not yet addressed in this report.

The seventh chapter of this implementation report concerns support measures undertaken by the Commission pursuant to Article 24 of the CIP Decision (1639/2006).

OVERVIEW OF EIP ACTIVITIES IN 2007

The 2007 EIP work programme was primarily based on the following actions:

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

There are three financial instruments for SMEs, operated by the European Investment Fund (EIF) together with international financial institutions on behalf of the Commission:
- the High Growth and Innovative SME Facility (GIF) aims to increase the supply of equity for innovative SMEs in their early stages (GIF1) and in the expansion phase (GIF2),
- the SME Guarantee Facility (SMEG), provides counter- or co-guarantees to guarantee schemes operating in eligible countries, and direct guarantees to financial intermediaries, in order to increase the supply of debt finance to SMEs,
- a Capacity Building Scheme will support the capacity of financial intermediaries by improving the investment and technology expertise of funds and other financial intermediaries investing in innovative SMEs or SMEs with growth potential, and stimulating the supply of credit to SMEs by enhancing the credit appraisal procedures for SME lending.

For the first operations regarding the financial instruments, the total of 2007 commitments for the EIP was €145,339,880, of which €142,100,000 were the initial appropriations and €3,239,880 were added from EFTA/EEA contributions.

(2) The Enterprise Europe Network offers support and advice to businesses across Europe and helps them make the most of the opportunities in the European Union. The services are specifically designed for small and medium enterprises (SMEs). The Enterprise Europe Network is made up of close to 600 partner organisations in more than 40 countries, promoting competitiveness and innovation at the local level in Europe and beyond:
- 1st call: 69 proposals amount to a total EC contribution of €135,993,727 which corresponds to an overall co-financing rate of 52.62%.
- 2nd call: being finalised, an EC contribution of about €6,800,000 is expected.
A total amount of €73,540,000 has been committed for the network in 2007 while the remaining budget will be implemented in 2008.

(3) The **innovation and eco-innovation pilot and market replication projects** cover the following objectives of the programme:

- C - All forms of innovation in enterprises
- D - Eco-innovation
- E - Entrepreneurship and innovation culture

There are nine actions that cover several areas such as E-skills ICT, studies, etc. The most important project is Europa Innova which consists of three initiatives:

- Pan-European innovation platform for start-ups in knowledge-intensive services;
- Sectoral innovation watch;
- Europe INNOVA communications.

In 2007, the eco-innovation objective was covered solely through one of the CIP Financial Instruments - the High Growth and Innovative SME Facility (GIF) - where a total of €23,000,000 had been earmarked for the specific objective “eco-innovation”. The overall objective of this financial instrument is to improve access to finance for the start-up and growth of SMEs and investment in innovation activities, including eco-innovation. The description of the implementation of this measure is included in part A.2 of the report under “EIP financial instruments for SMEs”. Eco-innovation pilot and market replication projects will be implemented as from 2008. In 2007 capacity was built in order to manage the project cycle effectively, including the creation of an eco-innovation unit in the Executive Agency for Competitiveness and Innovation (EACI).

(4) The **policy analyses, development, coordination and twinning measures** cover the following objectives of the programme

- B - the creation of an environment favourable to SME cooperation, particularly in the field of cross-border cooperation;
- E - entrepreneurship and innovation culture
- F - enterprise and innovation-related economic and administrative reform.

There are twelve actions that cover several areas such as IPR, conferences etc. The most important measure under these objectives is the Community programme for the reduction of regulatory administrative costs. The main objectives of this specific measure are the following:

- On the basis of previous research completed in October 2006, to carry out measurements of administrative costs deriving from specific EU policy areas;
- to provide assistance to Member States where administrative costs measurements have not been carried out;
- to provide input for the setting of a common cost reduction target at EU level;
- to launch administrative costs reduction programmes, both at the Community and MS levels, by providing indications of areas most suitable for rapid reduction and of how this can be achieved.

**OVERVIEW OF THE EIP BUDGET EXECUTION IN 2007**

The total amount committed under the EIP in 2007 was about €267 million, leading to an execution rate of the total budget allocated to the EIP for 2007 of 99.2%. The budget committed for individual measures is given in the individual fiches and an overview is provided in the summary table below.

Out of the total budget committed, about €145 million have been allocated to the EIP financial instruments for SMEs. Out of the remaining €122 million an amount of € 116 million has been spent on the work programme and € 5 million on support measures.
## Summary table: EIP budget 2007

<table>
<thead>
<tr>
<th>Measure</th>
<th>Budget available (' 000 €)</th>
<th>Budget committed (' 000 €)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial instruments</td>
<td>145,340</td>
<td>145,340</td>
</tr>
<tr>
<td>Implementing measures</td>
<td>115,636</td>
<td>116,378</td>
</tr>
<tr>
<td>Enterprise Europe Network</td>
<td></td>
<td>73,540</td>
</tr>
<tr>
<td>Measuring administrative costs</td>
<td></td>
<td>9,996</td>
</tr>
<tr>
<td>EIC continuation</td>
<td></td>
<td>13,323</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>19,519</td>
</tr>
<tr>
<td>Support measures</td>
<td>8,096</td>
<td>5,266</td>
</tr>
<tr>
<td><strong>Total without Financial Instruments</strong></td>
<td><strong>123,732</strong></td>
<td><strong>121,644</strong></td>
</tr>
<tr>
<td><strong>Total with Financial Instruments</strong></td>
<td><strong>269,072</strong></td>
<td><strong>266,984</strong></td>
</tr>
</tbody>
</table>
A. ACCESS TO FINANCE FOR THE START-UP AND GROWTH OF SMEs AND INVESTMENT IN INNOVATION ACTIVITIES

A.1. FINANCING SME GROWTH

IMPLEMENTING MEASURE NO

ENT/CIP/07/A/N01S00

Short description of the measure (main activities & objectives)
The objective of this project was to continue implementing the actions outlined in the Communication “Financing SME growth”, in particular by:

- Identifying and removing obstacles to cross-border investment;
- Creating a monitoring tool for SME finance based on a selected set of statistical data and surveys;
- Promoting good practices on venture capital among regional authorities and SME guarantee schemes among international SME finance providers;
- Assessing the potential of microcredit to become a Commission policy initiative in 2008.

RESULTS:
(1) On reducing obstacles to cross-border venture capital investments, an expert group report was published in April and a Commission Communication was adopted in December.
(2) After the publication of the report of the 2006 project identifying gaps in data on finance, two contractors were chosen through calls for tender to develop the website and content of the Index on Finance.
(3) Two workshops were organised on enhancing the availability of seed finance. One focused on good practices (19 participants, including representatives of 15 Member States), another one focused on eco-innovation (28 experts participated).
(4) Completion of the expert group (four meetings with 29 experts) and publishing a report on the regulation of microcredit; participation in the DG Regional Policy initiative on microcredit.
(5) The Fifth Round Table for Banks and SMEs was completed in May (32 participants, including representatives of 20 Member States) and its results published.
(6) Preparations started for the “Finance Days” to be organised in each Member State in 2008-2009.
(7) Four reports on 2006 workshops on risk capital, and a summary of their main findings were published in March.
(8) A “good practices” summary of the project results was published in September. All publications are available at: http://ec.europa.eu/enterprise/entrepreneurship/financing/publications.htm.

Effectiveness and impact
Considerable opportunities for policy learning have been provided to the Member States on how to finance growth of SMEs, in particular with seed and start-up finance. The project has contributed to the improved understanding of efficient policies in financing SMEs; in particular, Member States have in the Council supported the Commission’s approach to removing obstacles from cross-border venture capital investments. The long-term practical effects will be monitored through the Index on Finance.

What remains to be done after 2007?
- A report to be published in February 2008 on financing eco-innovation;
- A set of finance days to be organised in the Member States in 2008-2009.

Calendar
Implementation start date: 01/2007
Implementation end date: 12/2009

**FINANCIAL IMPLEMENTATION**

Total amount committed in 2007:
290,020 € committed.

Unit: ENTR/D.3
Desk Officers: Ulla Hudina, Vilmos Budavari, Patrick Klein, Angelo Wille, Cindy Fökehrer
A.2. EIP FINANCIAL INSTRUMENTS FOR SMES

IMPLEMENTING MEASURE NO. ENT/CIP/07/A/N02S00

Short description of the measure (main activities & objectives)
The overall objective of the financial instruments is to improve access to finance for the start-up and growth of SMEs and investment in innovation activities, including eco-innovation, by:
- increasing investment volumes of risk capital funds and other investment vehicles,
- providing leverage to SME debt financing instruments and thus increasing the supply of debt finance to SMEs.

There are three financial instruments for SMEs, operated by international financial institutions on behalf of the Commission:
- the High Growth and Innovative SME Facility (GIF), operated by the European Investment Fund (EIF), aims to increase the supply of equity for innovative SMEs in their early stages (GIF1) and in the expansion phase (GIF2). A total of 23,000,000 € had been earmarked for the specific objective "eco-innovation";
- the SME Guarantee Facility (SMEG), operated by the EIF, provides counter- or co-guarantees to guarantee schemes operating in eligible countries, and direct guarantees to financial intermediaries, in order to increase the supply of debt finance to SMEs;
- a Capacity Building Scheme will support the capacity of financial intermediaries by improving the investment and technology expertise of funds and other financial intermediaries investing in innovative SMEs or SMEs with growth potential, and stimulating the supply of credit to SMEs by enhancing the credit appraisal procedures for SME lending.

RESULTS:
The Fiduciary and Management Agreements (FMA) for the two main financial instruments, the SME Guarantee Facility (SMEG) and the High Growth and Innovative SME Facility (GIF), were concluded with the European Investment Fund (EIF), which operates the instruments on behalf of the Commission. These agreements were signed in September and December 2007 respectively. The notices of implementation, containing a call for applications, for SMEG and GIF were published in the Official Journal in 2007. The first applications from financial intermediaries were received by the EIF and the first investment or guarantee proposals arising from these applications were submitted by the EIF to the Commission for approval. Of these, three proposals for investments (for a total amount of 35,000,000 €) were already approved in 2007.

Promotion and visibility
The Commission is building and further developing an appropriate strategy of visibility for the CIP financial instruments. The FMAs state that financial intermediaries participating in the CIP financial instruments will be required to incorporate in their promotional material clear references to the support provided by the European Commission and to ensure that each final beneficiary is made aware in writing of the origin of this support. In addition, in order to raise awareness of the funding opportunities for SMEs, the organisation of "EU finance days for SMEs" has been started. These finance days, covering also the financial instruments for eco-innovation, will be held in 2008 and 2009 in all capitals of the participating countries and are intended to improve the visibility of the programme at the level of final beneficiaries, the Enterprise Europe Network and stakeholders. A dedicated website for the financial instruments, which will help the SMEs to apply for loans and other finance supported by CIP, has been developed. The website will be accessible from March 2008 onwards. Furthermore, the European Commission prepared the detailed “Guiding paper for Investors on eco-innovation in CIP financial instruments”.

Did the approach substantially differ from the original plan as approved in the Work Programme?
The negotiations on the FMAs with the EIF took longer than originally planned. This was mainly caused by the complexity of the subject, the need to take account of lessons learned from the predecessor programme and the long validity period of the financial instruments (CIP expires
in 2013 but the maturity of the loans and investments could run until 2023). However, at the end of 2007, there was already strong take-up of the financial instruments.

The Partnership Action should have constituted an element of the Capacity Building Scheme as described in Art.20 of the CIP decision. A significant part of the action should have related to improving banks' and financial institutions' capacity to assess the commercial viability of projects with a significant eco-innovation component. The action was first presented to three International Financial Institutions (EBRD, CEB and EIB) in July 2007. All three IFI's showed fundamental doubts about the viability of the programme due to the very restrictive incentives and size of projects and in the end declined their participation.

**What remains to be done after 2007?**
The main programmes are now operational as foreseen. A strong pipeline of proposals is being processed during 2008. Contracts remain to be negotiated for the Capacity Building Scheme.

**Calendar**
- The FMA for SMEG was signed between the Commission and the EIF on 20/09/2007.
- The FMA for GIF was signed between the Commission and the EIF on 22/11/2007.
- The respective notices of implementation were published in the Official Journal on 26/09/2007 (for SMEG) and 14/12/2007 (for GIF).

**FINANCIAL IMPLEMENTATION**

Total amount committed in 2007: For the first operations regarding the financial instruments, the total of 2007 commitments for CIP was 145,339,880 €, of which 142,100,000 € were the initial appropriations of the budget line and 3,239,880 € were from EFTA/EEA contributions. 71,596,000 € were paid to the Trust Account in December 2007.

Unit: ENTR/D.3
Desk Officer: Jeremy Heath

Unit: ECFIN/L.2
Programme Manager: Roger Havenith
B. CREATION OF AN ENVIRONMENT FAVOURABLE TO SME CO-OPERATION, PARTICULARLY IN THE FIELD OF CROSS-BORDER CO-OPERATION

B.1. SERVICES IN SUPPORT OF BUSINESS AND INNOVATION

IMPLEMENTING MEASURE NO

ENT/CIP/07/B/N01S00

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

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

The network activities start on 1/1/2008 with exception of activities currently carried out by partners in the IRC network (till 31/3/2008).

RESULTS:
The preparation works for the call for proposal started already in 2006 which resulted in the publication of the call in the Official Journal C 306 of 15/12/2006. The call describes the framework for the implementation of the objectives by offering:
- Information, feedback, business co-operation and internationalisation services (Art. 21.2, Module a);
- Services for innovation and for the transfer of both technology and knowledge (Art. 21.2, Module b);
- Services encouraging the participation of SMEs in the Community FP for RTD (Art. 21.2, Module c).

Following the Call, 113 consortia participated, 93 came from EU-27 and 20 from 3rd countries.
After technical and financial capacity checking, 91 from EU-27 and 16 from 3rd countries were evaluated out of which 69 EU-27 passed the necessary thresholds as well as 10 3rd country proposals.

A second call for proposals was published on 21/09/2007 for areas not covered by the first call. In total 22 proposals were received. After evaluation, 9 from EU-27 and 8 from 3rd countries passed the thresholds.

Preparation actions were undertaken for the launch event of the network early February 2008.

**What remains to be done after 2007?**
The evaluation and awarding of the 2nd call for proposals need to be finalised. The launch event for the network for February 2008 needs to take place.

**Calendar**
The contract management activities have been delegated to the EACI already; the target for the remaining activities is the 1st of April 2008. The target date for the awarding of the partners from the 2nd call is the end of March 2008.

**FINANCIAL IMPLEMENTATION**

**Total amount committed in 2007**
- A total amount of 73,540,000 € has been made available for the commitment of the network, which has been fully committed by the end of 2007.
- 1st call: 69 proposals amount to a total EC contribution of 135,993,727 €, which corresponds to an overall co-financing rate of 52.62%.
- 2nd call: being finalised, an EC contribution amount of about 6,800,000 € is expected.

**Any deviation from budget foreseen in the financing decision?**
An additional amount of 4,940,000 € has been added to the initial budget of 68,600,000 € for the commitments of the network grants.

Unit: ENTR/E2
Desk Officer: Jean-François Aguinaga
B.2. STRENGTHENING THE IPR DIMENSION OF EU INDUSTRY AND SMES

B.2.1. IPR awareness and enforcement

IMPLEMENTING MEASURE NO

ENT/CIP/07/B/N02C00

Short description of the measure (main activities & objectives)

- The objective of this grant is to increase business development and innovation of enterprises, particularly SMEs, through improving their awareness and use of intellectual property rights and their ability to protect those rights and to fight counterfeiting.
- In addition to delivering broad-based SME awareness and enforcement actions, the project will address specific sectoral needs (textiles, leather, footwear, furniture, ...) and support IPR usage in international research and technology transfer projects (IPR-Helpdesk).
- The action will cover all forms of IPR, both those formally registered (patents, designs, trade marks etc.) and those protected by non-registered or informal methods (non-disclosure agreements, trade secrets etc.).
- The action will build upon major existing players and services. It will cooperate with the members of the CIP Network in support of Business and Innovation. It will foster closer collaboration and synergies between IP experts and innovation and enforcement actors across Europe, in order to improve SMEs and public Research Organisations access to IPR services at EU, national and regional levels. Close collaboration will also be ensured with the National Patent and Trademark Offices, the Office of Harmonization for the Internal Market, the European Patent Office and with relevant Commission IPR initiatives.

RESULTS:
A call was published on the 23/03/2007 and led to the award of a grant to the IP-BASE consortium including 19 National Patent and Trade Marks Offices and sectoral organisations. The 3 year contract started on 1/11/2007 with an Open workshop on IPR support services for SMEs.

Calendar
Implementation start date (publication date): 23/03/2007
Implementation end date (project end): 10/2010

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
6,155,551.2 €

Unit: ENTR/D.1
Desk Officer: Jean-Pierre Lentz

B.2.2. Best practices on IPR enforcement

IMPLEMENTING MEASURE NO

ENT/CIP/07/B/N02C00A

Short description of the measure (main activities & objectives)

- Identification and exchange of best practices on IPR enforcement, especially outside the EU.
- Identification and exchange of best practices by Member States and private sector in the area of support measures for the IP enforcement, involving the networking of public & private experts, and including observer status for US and Japan representatives. Aimed at developing good practices for IPR enforcement support measures, advice structures, Private-Public Partnerships including on-the-spot networks, enforcement practices at trade fairs etc.
– The continued exchange of good practices and development of strong networks will be achieved through regular meetings.

**RESULTS:**
A larger than expected (56 instead of 40 participants) group of experts has been constituted, which indicates the interest of Member States in the issue. The contractors have started the study.
The original indicators are not met yet, because they refer to final outcomes: 1. Establishing of inventory of best practices; 2. Number and type of new actions triggered in this field. The inventory should be ready by summer 2008, but the monitoring of new actions will only be worth doing in 2009.

**What remains to be done after 2007?**
The project execution will start in 2008. The two out of four experts meetings take place on 16 Jan. and 16 Apr. 2008, while two further meetings are planned for 9 Jul. and 21 Oct. /2008. There is a need to commit another 86,000 € in order to cover the costs of the final conference in March 2009.

**Calendar**
Implementation start date (call for tender publication date): 16/04/2007
Implementation end date (final report expected): 04/2009

**FINANCIAL IMPLEMENTATION**

<table>
<thead>
<tr>
<th>Total amount committed in 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>study and secretariat of the group</td>
</tr>
<tr>
<td>transport and accommodation costs</td>
</tr>
<tr>
<td>coffee breaks and lunches for 4 meetings</td>
</tr>
<tr>
<td>total committed in 2007</td>
</tr>
</tbody>
</table>

Unit: ENTR/B.2
Desk Officer: Wawrzyniec Perschke

**B.2.3. Participation in WHO (World Health Organisation) activities aimed at addressing counterfeiting problems in the pharmaceutical sector**

**IMPLEMENTING MEASURE NO**

| ENTR/CIP/07/B/N02C04 |

**Short description of the measure (main activities & objectives)**
Financial contribution for and participation in WHO anti-counterfeiting International Medicinal Task Force

**RESULTS:**
The objective was to develop "Principles and Elements for National Legislation against Counterfeit Medical Products".

Two meetings took place from 12-13/07/2007 in Brussels and from 10-13/12/2007 in Lisbon with participation of numerous governmental and non-governmental legal experts from various WHO countries, stakeholders, international organisations and the European Commission to prepare, discuss and finalise the document. The document included specific provisions for export medicines. The document was agreed by the IMPACT General Meeting in December 2007. It is currently undergoing final editing before it will soon be made public on the WHO IMPACT
website (http://www.impactglobalforum.org/). In addition, the WHO Executive Board has decided that the topic of counterfeit medical products will be subject to the next meeting of the World Health Assembly, representing the national Health Ministers. This meeting will take place in May 2008.

Did the approach substantially differ from the original plan as approved in the Work Programme?
Originally a higher participation of Members of national parliaments was foreseen. Although invited by IMPACT no Members of the European Parliament participated. Although originally foreseen the issue of medical devices could only be covered broadly and not in detail.

What remains to be done after 2007?
WHO will monitor the implementation of the principles and provide support to selected countries for the implementation. Experiences will be reported back to the IMPACT General Meeting.

Calendar:
Ad hoc grant signed in June in line with the planning (starting date of the works 02/04/2007)

**FINANCIAL IMPLEMENTATION**
Total amount committed in 2007
192,065 €

Unit: ENTR/F2
Desk Officer: Sabine Atzor

### B.2.4. PATINNOVA conference

**IMPLEMENTING MEASURE NO**

| ENT/CIP/07/B/N02C05 |

**Short description of the measure (main activities & objectives)**
Established since 1990, the PATINNOVA Conference brings together every 2 years patent professionals and the innovation community for an exchange of views on new developments and provides a forum for the two communities to meet and better understand each other.

**RESULTS:**
The conference took place on 18-19/04/2007 in Munich at the premises of the European Patent Office. PATINNOVA 2007 was combined with the European Inventor of the Year 2007 and the European Patent Forum to a joint event which focused on IPR strategies and innovation. Under the title "IP Strategies for Innovation: Use - Enforcement - Support", PATINNOVA 07 focussed on short term policy issues and SMEs/PROs needs for public supports. All kind of IP protection means were addressed, both registered and non-registered, as well as enforcement of IPR and counterfeiting. The focus was on SMEs.

The joint event involved some 400 participants, out of which 160 were registered under PATINNOVA 07. The conference met its objective in allowing further reflection with different stakeholders (NPOs, SMEs, intermediaries, etc) on the need for public support services in the field of IPR.

**FINANCIAL IMPLEMENTATION**
Total amount committed in 2007
300,000 €

Unit: ENTR/D.1
Desk Officer: Jean-Pierre Lentz
B.3. FOURTH EUROPEAN CONFERENCE ON CRAFTS AND SMALL ENTERPRISES

IMPLEMENTING MEASURE NO

ENT/CIP/07/B/N03S00

Short description of the measure (main activities & objectives)
The 4th European Conference on Craft and Small Enterprises has been organised on 16-17/04/2007 in Stuttgart. It aimed at re-launching the dialogue with the sector, while recognising the important role of those enterprises for the economy and society. Some 1000 participants from all over Europe and beyond attended the conference. It was a unique opportunity for a broad discussion with craft representatives and entrepreneurs, as well as to gather new ideas to promote growth and job creation in the craft and small business sector. Conference conclusions from the craft sector were addressed to European, national and regional political level. The Commission received very good feedback from the participants.

RESULTS:
The Competitiveness Council adopted conclusions on the follow up of the conference in May 2007. As planned from the beginning, main results have been incorporated into the midterm-review of modern SME policy (October 2007) and they remain a source of inspiration for the upcoming Small Business Act. The dialogue with craft stakeholders was continued in the follow-up period. For issues such as education and training, close contacts have been established between all concerned Commission services to look into possibilities to better consider craft and small enterprise specificities in future policy initiatives at the European level (ongoing; long-term objective).

What remains to be done after 2007?
Close contacts with the sector are maintained. Further priorities will be followed-up in the context of the SBA and its follow-up.

Calendar
Two contracts for the organisation of the conference were signed in March 2007. Implementation date: 16-17/04/2007, day of the conference as planned.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
212,197.39 €

Unit: ENTR/E.3
Desk Officer: Ralph Diestelhorst
Short description of the measure (main activities & objectives)
The objective of the Euro Info Centre Network was to increase growth and employment through providing locally delivered quality support services to European SMEs. The network was designed to:
- inform enterprises on Community matters and their application;
- assist in positioning SMEs at the European and international markets;
- inform the Commission about Community matters affecting SMEs;

Operational objectives:
- improve the impact and the quality of services and performance of the network;
- create more synergies with policies, programmes and projects which relate to the "European" context and activities of SMEs;
- position the EICs as a delivery tool for the implementation of the Communication on the new SME policy for Growth and Jobs;
- continue with the implementation of a new strategy for business cooperation;
- continue with the promotion of the network within the Commission and outside.

RESULTS:
(1) Information provision: as a whole, the EIC network received and answered a total of about 200,000 inquiries on EU subjects. The top five subjects covered were funding opportunities, internationalisation and business co-operation, market information, public procurement and tenders and customs and taxation. Information watch services were offered to 55,000 companies.
(2) Events: the network organised or contributed to over 3,000 events on various EU themes involving more than 200,000 companies.
(3) Publications: the EICs wrote around 600 articles, published 450 different newsletters and bulletins, produced nearly 60 databases, 200 policy guides and 250 leaflets, and issued 30 press releases.
(4) SME Feedback: The network encoded about 3000 questions in the SME Feedback database; the cases mainly refer to the internal market, taxation, employment and social affairs, environment, external trade, competition and customs.
(5) B2Europe: the project was launched in 2005 where the participating networks have agreed to signpost clients to each other; over 70 EICs from almost 20 European countries have signed the b2Europe charter with other EU-backed networks (IRC network, BICs, and others).
(6) Training and events: Two steering group meetings were organised as well as 12 training sessions involving about 500 participants and meetings on special topics.
(7) EIC Promotion: Four Newsletters have been issued, the Host structure information sheets have been prepared and "Online Dispatch" messages have been sent out. Additionally, Specific Actions fact sheets and country maps have been prepared.

What remains to be done after 2007?
The EIC network stopped its activities on 31/12/2007 and as such only financial and operational activity reporting on the year 2007 is expected from the EICs in the first half of 2008.
EIC Operating grants 2007, training, networking and promotion: 9,489,534 €
Technical Assistance Office and meeting of network members: 3,833,108 €
**Total:** 13,322,642 €

Unit: ENTR/E2
Desk Officer: Jean-François Aguinaga
B.5. SUPPORTING SME AND CRAFT ENTERPRISES PARTICIPATION IN THE EUROPEAN STANDARDISATION PROCESS

IMPLEMENTING MEASURE NO
ENT/CIP/07/B/N05S00

Short description of the measure (main activities & objectives)
In order to tackle the barriers SMEs face in the standardisation process and to promote SME’s interests, a service contract was signed in 2005 with NORMAPME whose role is to represent SMEs’ interests in the standardisation technical committees and process. Objectives include:
– Provide information to SMEs and craft businesses on standardisation, quality and norms, and exploit feedback;
– Organise SMEs’ and craft enterprises’ participation in national, European and International standardisation bodies (NSO, CEN, CENELEC, ETSI, ISO);
– Participate in strategic meetings, committees and conferences to promote SME interests;
– Extensively disseminate information (seminars, Web-site, newsletter etc.);
– Report back to the Commission on a regular basis.

RESULTS:
Contract with Normapme (July 2005-July 2007 for 1,528,000 €) has been renewed for 1 additional period of 12 months for an amount of 764,000 € till July 2008. The aim is to represent SMEs interests in the European standardisation technical committees and process.

Quantitative results: i.e.:
– Participation in 31 Technical Committees (TC) and Working Groups of CEN-CENELEC-ETSI – ISO by experts who promote SME’s interests;
– Participation in 22 seminars;
– Dissemination of 12 newsletters in 6 languages;
– Normapme cooperates with various organisations (ex. IFAN, FIEC, CEPMC, HOTREC, ORGALIME).

What remains to be done after 2007?
– Evaluation of actions carried out from 2001 till 2008;

Calendar
1st Quarter 2007 : Commitment and amendment to contract (renewal for the third year);
Summer 2007 : Final report for the 2 first years and related payment;
1st Quarter 2008 : Signature of the specific contract (Framework Service contract) for the evaluation of actions carried out from 2001 and 2008;
1st Semester 2008 : Signature of a Framework Partnership Agreement and of specific grant agreements.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007: 764,000 €
Unit: ENTR/E3
Desk Officer: Isabelle Augustin
B.6. POLICY-RELEVANT RESEARCH ON SMES

IMPLEMENTING MEASURE NO

ENT/CIP/07/B/N06S00

Short description of the measure (main activities & objectives)
The related working group on “Policy-relevant research on entrepreneurship and SMEs” has three main objectives:
(1) to bring together policy managers from national SME research institutes and public administrations as well as SME researchers to bridge the gap between SME research and policymaking;
(2) to discuss the policy implications of research results on entrepreneurship and SMEs,
(3) to disseminate these research results to policymakers and other relevant stakeholder groups at national and European level.

Its qualitative objectives are:
(1) to provide an overview of existing SME policy relevant research in selected SME policy fields;
(2) to enable networking between SME researchers; SME research organisations and public administrations;
(3) to intensify the collaboration between researchers and policy makers.

RESULTS:
In June and November 2007 two working group meetings took place. In total, more than 40 different experts from 28 CIP countries participated. 12 presentations on the state of play of policy-relevant research on entrepreneurship and SMEs at European or national level were delivered. Discussions on improving the economic knowledge base on entrepreneurship and SMEs took place. One of the focal points of the discussions was the new EUROSTAT-OECD Entrepreneurship Indicators Programme (EIP). The forthcoming “SME Performance Review” of the European Commission will address several challenges of the EIP, namely the determinants of SME performance (e.g., innovation, access to markets, access to finance, internationalisation, etc.). As a result, the Commission is in the process of conducting a survey on the key players in research on entrepreneurship and SMEs in the participating countries in order to establish a network of experts in different areas of SME research.

What remains to be done after 2007?
There will be two further working group meetings on policy-relevant research on entrepreneurship and SMEs in June and November 2008. A final report on the findings of the working group on “Policy-relevant research on entrepreneurship and SMEs” shall be presented by the end of 2008.

Calendar
1st working group meeting: 07/06/2007
4th working group meeting: 29/11/2008

Final report expected by the end of 2008

FINANCIAL IMPLEMENTATION
Total amount committed in 2007: 80,000 €

Unit: ENTR/E.3
Desk Officer: Heino Nau
B.7. EBSN WORKSHOPS AND MEETINGS

IMPLEMENTING MEASURE NO

ENT/CIP/07/B/N07C00

Short description of the measure (main activities & objectives)
The objectives of this measure are to foster networking, exchange of information and knowledge on public e-business policies and public-private partnerships, and to further elaborate on recent policy developments in regards to a list of priorities set by the Member States through the European e-Business Support Network for SMEs (eBSN) open consultation mechanism.

RESULTS:
The following workshops and meetings were organised:

− 12th eBSN workshop on “Helping SMEs go global through ICTs” in Barcelona on 22/03/2007. Over 200 participants attended this high-level event, mostly local businesses and regional development agencies. The objective was to demonstrate how ICTs can open new horizons for SMEs by enabling them to expand their business world-wide and to stimulate European SMEs engage in cross border e-business transactions notably through B2B e-marketplaces;

− 13th eBSN workshop on “eBusiness solutions and standards for SMEs – state of play and perspectives” in Berlin on 24-25/05/2007. Over 150 participants attended the event. Its goal was to provide an overview of the state of play in e-Business related standardisation work, their further perspectives and any problems arising;

− 12th eBSN Steering Group meeting in Berlin on 25/05/2007;

− 13th eBSN Steering Group meeting in Lisbon on 12/11/2007;

− 14th eBSN workshop on “ICT uptake for SMEs competitiveness” in Lisbon on 13/11/2007. More than 160 stakeholders participated, to this event, whose objective was to provide an overview of the state of play related to the Information and Communications Technologies (ICT) uptake and relevant policy initiatives at national and Community level;

− 15th eBSN workshop on “Achievements and challenges in sector specific e-Business policies” in Oslo on 3-4/12/2007, co-organised by Innovation Norway and the European Commission. The workshop addressed specific industry needs, as well as the needs for policy decisions to respond to core challenges like standards and skills issues. It presented case studies from the construction, tourism, health, textile and furniture sectors.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007: 67,136.56 €

Unit: ENTR/D.4
Desk Officer: Iordana Eleftheriadou
C. ALL FORMS OF INNOVATION IN ENTERPRISES

C.1. INNO-METRICS: 1-EUROPEAN INNOVATION SCOREBOARD + 2-INNOBAROMETER

IMPLEMENTING MEASURE NO

ENT/CIP/07/C/N01C00

Short description of the measure (main activities & objectives)

(1) **European Innovation Scoreboard (EIS)**: The purpose of this tool is to provide the Commission services and more generally the European innovation community with economic and statistical analyses on innovation performance based on publicly the best available statistics. The objective is to raise awareness of the innovation situation in Europe and to contribute to the identification of innovation challenges in the Member States.

(2) **Innobarometer**: The Innobarometer is a Eurobarometer survey (poll) aiming at capturing specific information on innovation in firms, or from European citizens. This analysis allows capturing policy relevant and timely information on innovation at firm or citizen level which is not available from other sources.

**RESULTS:**

(1) A call for tender for a three year contract to prepare the EIS was launched in May 2007 and two tenders received and evaluated. The award decision was made in December 2007 and the contract will start on 1 February 2008.

(2) A specific contract was agreed in October 2007 under the Eurobarometer Framework contract for a survey of firms focusing on non-R&D forms of innovation. The survey was implemented by November 2007 and the results and analysis have now been approved and will be published. The results offer new important insights into the differences in innovative behaviours between R&D and non-R&D based firms and have been further analysed under the EIS contract.

**What remains to be done after 2007?**


**Calendar**

1) Implementation start date (contract start): 02/2008  
   Implementation end date (contract end): 01/2011

2) Implementation start date (contract start): 10/2007  
   Implementation end date (contract end): 01/2008

**FINANCIAL IMPLEMENTATION**

**Total amount committed in 2007**

(1) 479,940.00 €
(2) 289,254.29 €

Unit: ENTR/D.1  
Desk Officer: Keith Sequeira
C.2. E-SKILLS

IMPLEMENTING MEASURE NO

ENT/CIP/07/C/N02S00

Short description of the measure

(1) Impact of global sourcing on e-skills:
Further to the recommendations of the European e-Skills Forum and of the report of the ICT Task Force (November 2006), it has been decided to study the impact of global sourcing on e-skills. In the field of information and communication technologies (ICT) the struggle for talent is worldwide. ICT companies and large enterprises increasingly outsource software development, ICT services and maintenance outside the EU. The OECD estimates that around 20% of total employment could potentially be affected by global outsourcing and ICT-enabled outsourcing. The goal of this action is to understand better the impact of global sourcing on e-skills in order to anticipate change and concentrate efforts on nurturing talent and developing skills where the EU can best compete.

(2) Development of quality criteria for industry e-skills training and certifications:
This activity has not been launched because it will be addressed, starting in March 2008, by the European Committee for Standardisation (CEN/Information Society Standardization System).

RESULTS:
A call for tender was published in August 2007 and resulted in the signature of a service contract for the provision of a study report on the impact of global sourcing on e-skills. The kick-off meeting of the study will take place on 8/01/2008. A Steering Committee has been established with representatives from the OECD, INSEAD, the ICT industry (e-Skills Industry Leadership Board), and the European Metal workers Federation (EMF) and the Peterson Institute for International Economics. The report will be released by the end of September 2008 and the results will be discussed at the European e-Skills 2008 Conference on 9-10/10/2008 in Thessaloniki.

Did the approach substantially differ from the original plan as approved in the Work Programme?
It has been decided to cancel the study related to the development of European quality criteria for industry e-skills training and certification because this activity will be undertaken by CEN/ISSS in 2008 as they proposed mid-2007. This decision avoided any duplication of work in this field.

What remains to be done after 2007?
The study on the impact of global sourcing on e-skills will start on 8/01/2008.

Calendar
Implementation start date (call for tender publication date): 25/08/2007
Implementation end date (final report): 06/10/2008

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
198,320 €

Unit: ENTR/D.4
Desk Officer: André Richier
C.3. STUDY ON FUTURE QUALIFICATION NEEDS IN THE CONSTRUCTION SECTOR

IMPLEMENTING MEASURE NO
ENT/CIP/07/C/N03S00

Short description of the measure (main activities & objectives)
An assessment of the nature of the specific skill problems in the construction sector, with findings on company level, to develop a hands-on flexible strategy to upgrade skills. This includes identifying current and anticipated likely developments in skill requirements, including the need for improved environmental performance of the construction works, the effects on SMEs, and future initiatives for improving the competitiveness of the construction sector.

The action is implemented through a service contract for a study.

RESULTS:
A call for tender was published on 3/04/2007 with a deadline for submission in June 2007. The evaluation process took somewhat longer than foreseen. The contract was signed in December 2007. The duration of the contract is 15 months. Thus, the results are foreseen in the first quarter of 2009.

Did the approach substantially differ from the original plan as approved in the Work Programme?
Results were foreseen for the last quarter 2008. There will be a delay of 3 months.

Calendar
Publication of the call for tender: 03/04/2007
Signature of the contract: 17/12/2007 (duration: 15 months)
Implementation end date: First quarter 2009.

Reasons for major slippage in the timing?
Apart from the delays during the evaluation process, no further delays are foreseen.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
240,300 €

Unit: ENTR/I.5
Desk Officer: Claes Andersson
C.4. EUROPE INNOVA

IMPLEMENTING MEASURE NO

ENT/CIP/07/C/N04S00

Short description of the measure (main activities & objectives)

1. **KIS-Platform:**
The overall objective of the European Innovation Platform for knowledge Intensive Services (KIS-Platform) is to foster technological as well as non-technological innovation (organisational innovation) in services, taking into account the dynamic interconnections between research, skills, entrepreneurship, finance and clusters. In order to maximise the potential impact, it will particularly address the needs and specificities of potential high growth ventures active in KIS, which represents the most challenging segment, but also the most rewarding one in terms of economic growth and value added. In this sense, it should be considered as a test-case for wider application in other areas.

The KIS-Platform is supposed to be implemented through a public private partnership, based on a sectoral networking approach (strand 1) complemented with horizontal support services (strand 2).

2. **Sectoral Innovation Watch (SIW):**
The objective of the Sectoral Innovation Watch (SIW) is to improve policy makers’ understanding of innovation at sectoral level and to contribute to the development of better sector-specific innovation policies. The new contract for 2008-2010 provides continuity to the previous Sectoral Innovation Watch activities in 2005-2008 and complements them where necessary (analysis of new sectors, etc). The project seeks to characterise sectoral innovation modes and to identify sectoral drivers and challenges for innovation. The effect of national policy environments on sectoral innovation performance is also assessed.

RESULTS:

1. **KIS-Platform:**
The evaluation of the call, as well as the signature of four grant agreements was completed before the end of 2007, as foreseen. The contract entered into force on 1/02/2008, so it is still premature to draw any conclusions about impact.

2. **Sectoral innovation Watch (SIW):**
The evaluation of the call, as well as the signature of the service contract was completed before the end of 2007, as foreseen. Execution of tasks has started only in March 2008 as foreseen in the contract, it is therefore too early to draw conclusions about the impact.

Did the approach substantially differ from the original plan as approved in the Work Programme?
The approach for the KIS-Platform and for the Sectoral Innovation Watch did not deviate from what was originally approved in the work programme. The action related to Europe INNOVA Communications was postponed to 2008.
What remains to be done after 2007?

1. **KIS-Platform:**
   The grant agreements have a duration of 36 months, so they will last until the beginning of 2011. There are no remaining actions with respect to the 2007 EIP legal base other than the management of the contracts.

   **Calendar**
   - Implementation start date (publication date): 15/05/2007
   - Date of signature of contracts: 01/12/2007
   - Implementation End date (final reports of the four contracts): 01/01/2011

2. **Sectoral Innovation Watch (SIW):**
   The contract foresees that the execution of tasks will last up to 30 months (until autumn 2008). There are no remaining actions with respect to the 2007 EIP legal base other than the management of the contract.

   **Calendar**
   - Implementation start date (publication date): 23/05/2007
   - Date of signature of contract: 14/12/2007
   - Implementation end date (final reports): 31/10/2010

**FINANCIAL IMPLEMENTATION**

**Total amount committed in 2007:**
1. KIS-Platform: 4,992,086 €
2. Sectoral Innovation Watch (SIW): 1,995,018 €

**Any deviation from budget foreseen in the financing decision?**
1. KIS-Platform: The budget foreseen in the financing decision was 5,000,000€, so the budget was executed in 99.9%.
2. Sectoral innovation Watch (SIW): The budget foreseen in the financing decision was 2,000,000€, so the budget was executed to a degree of 99.8%.

Unit: ENTR/D2
Desk Officers:
1. KIS-Platform: Mette Quinn
2. Sectoral Innovation Watch (SIW): Daniel Klein
C.5. STUDY ON INNOVATION SYSTEMS AND LEADING ICT MARKETS

IMPLEMENTING MEASURE NO

ENT/CIP/07/C/N05S00

Short description of the measure (main activities & objectives)
The purpose of the study is to evaluate emerging technologies on a global level that may impact on EU ICT competitiveness in the future. The study will identify, describe and assess the likelihood of the success of the technologies and their impact on ICT markets. The findings of the study will be used in order to analyse in which areas of ICT the EU ICT industry will be competitive in the future. These results will be used for policy recommendations aiming at strengthening the competitiveness of the EU ICT industry.

RESULTS:
An administrative arrangement (contract nr SI2.472632) has been concluded on 17/09/2007 with Joint Research Centre (DG JRC) on the execution of the project entitled “Competitiveness by Leveraging Emerging Technologies Economically” COMPLETE.

What remains to be done after 2007?
The project is divided in a technological analysis and a competitive analysis for two consecutive years. The project will deliver an interim report in July 2008, a draft final report in November 2008 and a final report in February 2009 to be validated by an expert workshop in March 2009. In the second cycle the project will deliver an interim report in July 2009, a draft final report in November 2010 and final report in February 2010 to be validated by an expert workshop in March 2010.

Calendar

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
400,000 €

Unit: ENTR/D.4
Desk Officer: Mats Marcusson
C.6. ENTERPRISE SURVEY ON THE USE OF THE ICT AND THE ELECTRONIC COMMERCE

IMPLEMENTING MEASURE NO

ENT/CIP/07/C/N06S00

Short description of the measure (main activities & objectives)
Collection and distribution of data on the ICT adoption and use by enterprises; development of benchmarking indicators and related variables, covering enterprises of EU Member States and EFTA/EEA countries. Follow-up of ICT uptake – related development of competitiveness in EU enterprises.

RESULTS:
ICT uptake and efficient use makes a significant contribution to the productivity growth and increase of competitiveness of European enterprises. ICT is also typically an enabling factor in 60-70% of all new innovations.
For measuring the situation, comprehensive annual statistical survey is necessary. Co-fund (by grants to National Statistical Institutes) of the Eurostat's survey called "Enterprise survey on ICT usage and E-Commerce". The survey covers EU-25, and candidate countries and EFTA/EEA, with sample size of 100,000 enterprises and is based on Regulation EC/2004/808 of 30/4/2006.
The survey provides comprehensive official statistical information on the ICT systems and their usage in enterprises, use of Internet and other electronic networks by enterprises, e-Commerce and e-Business processes, ICT competence in the enterprises and the demand of ICT skills.

What remains to be done after 2007?
– Distribution of the Community Survey on ICT usage and e-commerce in Enterprises 2008 in the Member States.
– Transmission of data from Member States to Eurostat.
– Publication of the results from the survey.
– Development of benchmarking indicators for the preparation of the e-business readiness index.

Calendar
Implementation start date: first quarter 2007
Implementation end date: December 2008

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
500,000 €

Unit: ENTR/D.4
Desk Officer: Mats Marcusson
D. ECO-INNOVATION

In 2007 the objective D - Eco-innovation was covered through one of the CIP Financial Instruments - the High Growth and Innovative SME Facility. For this reason, the description of implementation of this measure is included in part A.2 of the report under “EIP financial instruments for SMEs”.
E. ENTREPRENEURSHIP AND INNOVATION CULTURE

E.1. EXCHANGE OF GOOD PRACTICE UNDER THE EUROPEAN CHARTER FOR SMALL ENTERPRISES

IMPLEMENTING MEASURE NO

ENT/CIP/07/E/N01S00

Short description of the measure (main activities & objectives)
The project includes two components:
(1) Organisation of a conference to exchange good practice in the context of the Charter in May/June 2008 inviting representatives of national, regional and local governments, European and national business organisations and business support providers from all participating countries. The two-day conference will be organised jointly with the Slovenian Presidency. The conference will include presentations and discussions on good practices in the Charter areas.
(2) Publishing the good practice cases in an easy to read and to use brochure in 20 languages in printed and electronic format.

Qualitative Objective: Raise awareness of SME policy issues covered by the Charter and trigger concrete action by the Member States by facilitating the exchange of good practice and learning from each other.
Quantitative Objective: Two deliverables: A Charter conference and a printed good practice brochure in 21 languages.

RESULTS:

(1) All financial commitments for the conference and the brochure have been done. Agreement with the co-organising Slovenian Presidency on the distribution of responsibilities. The draft programme has been agreed upon.
(2) The Member States and Norway have submitted 151 good practices cases which have been evaluated. The best ones have been selected to be published in the brochure.
(3) The Charter conference is going to be held on 3-4 June 2008. 350 registrations from more than 40 countries have been received. 50 speakers will present good practices in SME policy from all over Europe.
(4) The annual good practice brochure, containing selected cases, has been printed in 21 languages and will be distributed at the conference and beyond.

Calendar
Implementation start date: 03/2007
Implementation end date: 07/2008

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
349,141.17 €

Unit: ENTR/E.1
Desk Officer: Andrea Reichel
E.2. STUDY ON SMES ACCESS TO PUBLIC PROCUREMENT

IMPLEMENTING MEASURE NO

ENT/CIP/07/E/N02S00

Short description of the measure (main activities & objectives)
The project aimed at measuring progress in the participation of SMEs in European and national public procurement contracts updating and complementing the information contained in the project report published in 2004. It was made up of a study identifying good practices, specifying the success factors, as well as the progress that needs to be made in order to bring about greater SME participation in public procurement contracts and proposing procedures and/or instruments to measure the development and impact of instruments designed to promote SME participation in public procurement.

RESULTS:
The final report\(^2\) provided extremely interesting and useful data which constitutes the basis for the current policy actions on SMEs’ access to public procurement. For the year 2005, it was estimated that 42% of the value of public procurement contracts above the thresholds go to SMEs (and respectively 61% in terms of the number of contracts). Looking at the trend from 2002 to 2005, there is a slight improvement in SMEs’ participation which in 2002 was estimated to 33% in terms of value (and 53% in terms of number of public procurement contracts) above threshold. In addition the Member states’ case studies have allowed to identify a wide range of good practices available regarding approaches towards breaking down the barriers to SME access to public procurement: providing information, training and support, simplified pre-qualification requirements, e-Procurement systems, improved payment systems, debriefing arrangements, the use of smaller lots and framework agreements, and the adoption of economically advantageous criteria as part of the bid appraisal process. Finally, the analysis of the US federal public procurement market presented a number of strong and weak points of the US system informing a decision on whether the US approach is the right one for the EU to follow.

Did the approach substantially differ from the original plan as approved in the Work Programme?
The approach did not differ substantially from the original plan. However, the scope of the study was reduced. Namely it was chosen to look at the national public procurement markets only in a sample of Member States and to base these case studies only on already existing studies and reports.

What remains to be done after 2007?
The report issued several recommendations which would provide input for the part on public procurement in the Small Business Act due to be adopted in 2008.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
249,700 €

Unit: ENTR/E.4
Desk Officer: Simeon Chenev

\(^2\) The full report and annex is available at: [http://ec.europa.eu/enterprise/entrepreneurship/public_procurement.htm](http://ec.europa.eu/enterprise/entrepreneurship/public_procurement.htm)
E.3. ENHANCED COMPETITIVENESS OF SMES IN THE EU FOREST BASED INDUSTRIES (CANCELLED)

IMPLEMENTING MEASURE NO

ENT/CIP/07/E/N03S00

After reviewing the project, it was considered that as this type of work has been undertaken previously by industry it was therefore not relevant in the framework of Commission SME policies, and the measure was subsequently cancelled.
E.4. DISSEMINATION OF AGRO-FOOD INDUSTRY INNOVATION

IMPLEMENTING MEASURE NO

ENT/CIP/07/E/N04S00

Short description of the measure (main activities & objectives)
Disseminate to the agro-food SMEs within the 27 Member States the necessary information for innovation in their field of activities by way of appropriate regional conferences.

RESULTS:
The framework contract was signed in October 2007 and the kick-off meeting to organize the general logistics and the prior survey took place in November 2007.

First contacts with the view to organize a conference in Slovenia were taken in the course of December 2007.

What remains to be done after 2007?
Completion of the prior Survey and three conferences should be organized in 2008

Calendar
– Call for tender published 05/06/2007,
– Framework contract signed 23/10/2007 for 2 years - 2 specific contracts signed (prior survey and 1st conference in Slovenia) to be executed during 1st semester 2008.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
172,500 €

Unit: ENTR/F4
Desk Officer: Louis Bouthoros
F. ENTERPRISE AND INNOVATION RELATED ECONOMIC AND ADMINISTRATIVE REFORM

F.1. CONFERENCE ON STREAMLINING THE IMPLEMENTATION OF ENVIRONMENT-RELATED REGULATORY REQUIREMENTS

IMPLEMENTING MEASURE NO

ENT/CIP/07/F/N01S00

Short description of the measure (main activities & objectives)
The conference on “Streamlining the implementation of environment-related regulatory requirements” enabled stock to be taken of the implementation of recommendations formulated in the Best Report on ”Streamlining and simplification of environment-related regulatory requirements for companies” (June 2006 - follow-up of the project MAP 3.4/4)

RESULTS:
The conference was attended by some 90 experts. Member States updated delegates on progress made with initiatives described in the BEST report and presented new concrete examples of successful streamlining measures and the reasons for their success.

Overall, the use of the examples presented at the conference will improve the cost-effectiveness, proportionality and coherence of transposition of EU legislation at the Member State level.

Feedback of participants: The conference met its objectives and feedback from participants consisted of a number of useful suggestions for pursuing the administrative burden reduction exercise, both at Community and Member State level.

Calendar
Implementation start date (preparatory work): 03/2007
Implementation end date (conference): 06/2007
There was no major slippage in the timing.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007
60,000 €

Unit: ENTR/B1
Desk Officer: Julio Cardoso

3 http://ec.europa.eu/enterprise/environment/events/events_bestconference.htm
F.2. PEER REVIEWS BY THE OECD ON BETTER REGULATION PRACTICES

IMPLEMENTING MEASURE NO

ENT/CIP/07/F/N02S00

The implementing measure aims at extending to the "old" EU 15 Member States the analysis recently completed in the 10 "new" Member States under the SIGMA/OECD programme. The measure should lead to an improved understanding of Better Regulation practices and making recommendations for promoting best practices in the area of Better Regulation, covering their recent Better Regulation developments and situation. The implementing measure sets a baseline, based on the OECD regulatory reform standards of best practices, against which to assess the country regulatory management capacities. The project consists of peer reviews identifying, strengths and weaknesses in the national legal/institutional and regulatory management frameworks, the capacities of the responsible institutions, the state of introduction, development and practical use of Better Regulation practices regarding new and existing legislation. A series of individual country specific reports, destined to the Commission and the Member State concerned will be produced. After completion of the 15 individual reports, an aggregated synthesis report will be produced looking at the overall regulatory policy outcomes of the 15 reviews. The work will contribute to substantially improve the knowledge on this topic to better focus Member States National Reform Programmes under the Lisbon agenda.

RESULTS:
The measure was implemented by a grant to the OECD, concluded in 2007. All Member States concerned have agreed to participate. Peer reviews will take place in three successive batches of five countries over the period 2008/2009. The baseline will be defined in early 2008 and the first batch of reviews launched (including UK, ND, DK, Lux, PT).

What remains to be done after 2007?
This is a two years project for which the final comprehensive results will only be available in 2009. Partial country reports for the first batch should be available by the end of 2008.

Calendar
Implementation start date (signature of the contribution agreement): 28/6/2007
Implementation end date (final consolidate report and OECD conference): planned for end of 2009
No changes as compared to the original planning.

FINANCIAL IMPLEMENTATION
Total amount committed in 2007: 1,000,000 €

Unit: ENTR.B.5
Desk Officer: Manuel Santiago dos Santos
F.3. COMMUNITY PROGRAMME FOR THE REDUCTION OF REGULATORY ADMINISTRATIVE COSTS

IMPLEMENTING MEASURE NO

ENT/CIP/07/F/N03S00

Short description of the measure (main activities & objectives)
Carry out a major measurement exercise of administrative costs stemming from 13 specific EU policy areas. The measurement is destined to identify cost reduction proposals as described by the Commission in its January 2007 two years Action Programme for the reduction of administrative burdens, which was subsequently endorsed by the 2007 Spring European Council. The implementing measure aims to:
(1) map and measure burdens in the identified areas and comparing the cost estimates related to EU legislation across the 27 Member States;
(2) distinguishing between policy areas where administrative burdens are attributable to national/regional regulations on the one hand and EU legislation on the other.

The origins of the administrative burdens identified will be analysed on the basis of Information Obligations (IOs) and in particular the costs linked to transposition and implementation will be recorded with the aim of addressing problematic legislation. The most burdensome policy areas will be analysed and recommendations will be made as to their capability for reducing administrative costs. This will provide an important contribution to the common administrative cost reduction target of 25% set at EU-level for 2012.

RESULTS:
The programme was launched as planned. The open call for tenders for the provision of services via a framework contract was launched in early 2007 and the contract concluded in July with a consortium. A first set of 3 specific contracts covering the mapping phase and the measurement of Company Law legislation was concluded. Work started during the summer period and the mapping phase will be concluded by January 2008.

What remains to be done after 2007?
This is a two year programme planned to be completed by the end of 2008. Following the completion of the mapping phase, measurements will start in early 2008 to be concluded during the third quarter of 2008. Reduction proposals will then be analysed by the end of the year.

Calendar
Implementation start date (call for tenders): 01/2007
Framework contract signed: 07/2007
Implementation end date: end 2008

FINANCIAL IMPLEMENTATION
Total amount committed in 2007: 9,996,214 €

Unit: ENTR/B.5
Desk Officer: Eric Philippart
F.4. OVERVIEW OF FAMILY BUSINESS RELEVANT ISSUES: RESEARCH, NETWORKS, POLICY MEASURES AND EXISTING STUDIES

IMPLEMENTING MEASURE NO

ENT/CIP/07/F/N04S00

Short description of the measure (main activities & objectives)
Main objectives:

– Provide an overview of relevant research, networks, policies, and existing studies on best practices in the field of family business.
– Analysis of the need for and the shape of possible future policy initiatives in favour of family business, of which the small and medium sized businesses had so far been included in the Commission’s overall SME policy.

Main activities:

– Creation of an expert group to discuss the main problems for family firms in the single market and to give their input to the Commission on family business relevant issues.
– Launch of a call for tenders for the production of a study “Overview of family business relevant issues” to identify existing family business related research, good practices in the area of family business (SME related policies), and family business organisations (networks)

RESULTS:
Two Expert Group meetings took place in 2007 (25/05/07 and 08/10/07), bringing together experts nominated by the Member States and some experts from the field

After the Evaluation of the bids received for the open call for tenders ENTR/2007/043 the service contract for the study “Overview of family business relevant issues” was awarded. The final report will be available at the end of 2008.

What remains to be done after 2007?
A 3rd meeting of the Expert Group is planned for the 2nd half of 2008 to discuss on the interim results of the study. Two more meetings are planned in 2009.
After the presentation of the final report, the Commission will draw conclusions on possible future actions.

Calendar

1st Expert Group Meeting: 25/05/2007
Launch of the open call for tenders (publication): 11/08/2007
2nd Expert Group Meeting: 08/10/2007

Final results: to be compiled after the 3rd meeting or the Expert Group (2nd half of 2008) and taking into account the results of the study.

Fourth and fifth Expert Group meeting in 2009.

FINANCIAL IMPLEMENTATION

Total amount committed in 2007

Two Expert Group Meetings: 60,000 €
Service contract for the study: 119,786 €

Unit: ENTR/E.3
Desk Officer: Jorge Bastino
G. SUPPORT MEASURES

In accordance with Article 24 of the decision establishing the Competitiveness and Innovation Framework Programme (2007 - 2013) (No 1639/2006/EC), the Commission shall regularly undertake the following:

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

These objectives are accomplished through support measures which, as stated in Article 25 of Decision 1639/2006, are not covered by the annual work programme and do not involve the procedure referred to in Article 46(2) of Decision 1639/2006. In 2007, this included five types of support measures:

– Sectoral studies in several areas of European Industry such as ceramics, pressure equipment, glass etc.;
– dissemination activities on SMEs such as promoting entrepreneurship to specific target groups;
– competitiveness and cross-sectoral studies, such as the annual competitiveness report;
– conferences, study groups and technical support such as the High-level Group on Chemicals;
– communication and information activities, such as web portals and newsletters.

One of the major events financed under the support measures was the award ceremony for the European Enterprise Awards and Conference on SMEs and entrepreneurship which took place in Porto on 6 and 7 December 2007.

A total of 5.3 million € was spent on such activities in 2007.