

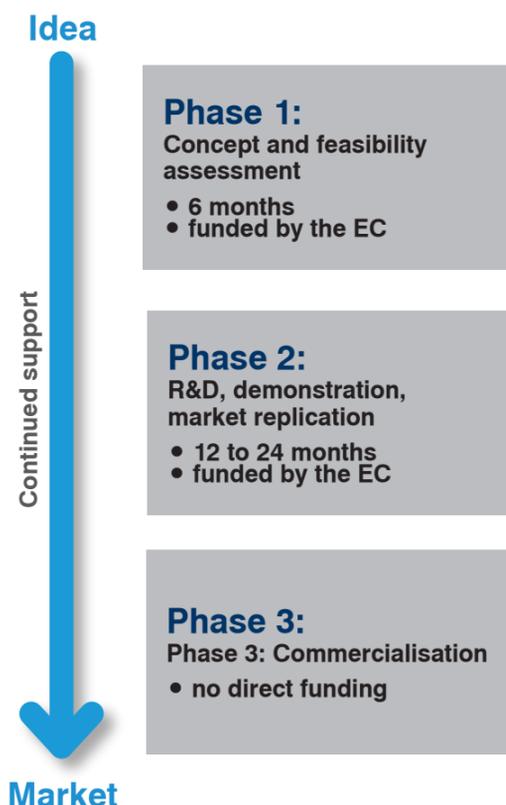


## The main features of the SME instrument

The new dedicated SME instrument, which has been designed based on the US SBIR model aims to fill gaps in funding for early-stage, high-risk research. It should allow for innovative solutions to specific high-tech, research driven, social and service driven challenges.

Main features of this new instrument can be summarized as follows:

- All types of innovative SMEs are targeted
- Company-focused (only SMEs allowed to apply for funding; single company support possible)
- Competitive, market-oriented, EU dimension
- Bottom-up while addressing societal challenges and/or key enabling technologies
- Simple rules and fast procedures
- Grant-based staged funding



## Operation of the new SME instrument

The new dedicated SME instrument provides support in 3 different stages during the whole innovation cycle. The transition from one phase to the next one is seamless and each phase will be open to all SMEs at the same time.

Within the first part, the potential of a project in terms of technology and commercialisation is assessed. The main part specialises on research and development, with focus on demonstration and market replication. An indirect follow-up support through help in accessing debt and equity finance or IPR- protection is given in the commercialisation phase.

### Financial instruments to support SMEs

Financial instrument facilities together with additional measures will be available for SMEs:

**Debt facility:** loans, guarantees and other forms of debt finance will be provided in cooperation with financial intermediaries at national and regional level. The SME window under the debt facility will target R&I driven SMEs and small mid-caps

**Equity facility** will provide finance for early- and growth-stage investments. Early-stage SMEs, expected as high-potentials for innovation and for fast growing are mainly addressed with this finance instrument, providing venture capital and / or mezzanine capital.

**A network of 27 partners from 22 countries is there to assist you free of charge.**

Project coordinator:  
Ines Haberl, ines.haberl@ffg.at

**Interested?**  
Contact your national expert now!



# HORIZON 2020

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# HORIZON 2020

THE FRAMEWORK PROGRAMME FOR RESEARCH AND INNOVATION

## What is Horizon 2020?

Horizon 2020, the new EU Framework programme for Research and Innovation, is the financial instrument implementing the Innovation Union, a Europe 2020 flagship initiative aimed at securing Europe's global competitiveness. Horizon 2020 is planned to start in the beginning of 2014, and an estimated amount of €80 billion has been budgeted for its 7 years duration. This new programme for research and innovation should substantially contribute to create new growth and jobs in Europe. It is expected to address people's concerns about their livelihoods, safety and environment, strengthen the EU's global position in research, innovation and technology and respond to the economic crisis to invest in future jobs and growth.

## What are the main general characteristics?

Horizon 2020 combines three separate programmes: the Research Framework Programme (FP), innovation aspects of the Competitiveness and Innovation Framework Programme (CIP) and the EU contribution to the European Institute of Innovation and Technology (EIT). Horizon 2020 has a number of key novelties that make it fit for purpose to promote growth and tackle societal challenges.

These include:

- Market-driven approach providing seamless and coherent funding from idea to market
- Major simplification through a simpler programme architecture
- Single set of rules with a simplified reimbursement procedure
- Less paperwork in preparing proposals, fewer controls and audits, with the overall aim to reduce the average time to grant by 100 days
- Single point of access for participants

## What is the architecture of Horizon 2020?

Horizon 2020 will be composed of three pillars, yet mutually reinforcing priorities, where there is clear European Union added value. These are Excellent Science, Societal Challenges and Industrial Leadership

### 1. Excellent Science:

As world class science is considered to stimulate and establish a basis for upcoming technologies, jobs and wellbeing the need to develop, attract and retain highly talented researchers is essential. Conditions for allowing researchers access to best infrastructures are of outstanding importance.

Characteristics of this pillar are:

- Most talented and creative researchers and their teams will be supported to carry out high-level frontier research. Those measures are building on the success of the European Research Council (ERC)
- With the so called Future and Emerging Technologies (FET) collaborative research of new and promising fields of research and innovation will be funded
- Researchers will be provided with excellent training and career development opportunities through the Marie Skłodowska-Curie actions ('Marie Curie actions')
- All researchers in Europe (and beyond) will get access to world-class research infrastructure facilities (including e-infrastructures)

### 2. Industrial Leadership:

This pillar will address "innovation goals" and funding opportunities for industry and SMEs to facilitate the transition from research into marketable products and services. Strategic investment in key technologies supports innovation in both existing and emerging sectors. Moreover, this programme aims to foster private investment in research and innovation, and to encourage and pave the way for innovative SMEs all over Europe.

This pillar comprises the following characteristics:

- Strong focus is put on developing European industrial capabilities in so called "Key Enabling Technologies" (KETs). These include:
    - Micro- and nano-electronics; photonics
    - Nanotechnologies
    - Advanced materials
    - Biotechnology
    - Advanced manufacturing and processing
- Development of these technologies requires a multi-disciplinary, knowledge and capital-intensive approach
- Access to risk finance is facilitated by leveraging private finance and venture capital for research and innovation
  - European Union wide support for innovation in SMEs is provided through fostering all forms of innovation in all types of SMEs

### 3. Societal Challenges:

This pillar deals with concerns shared by citizens in Europe and reflects the policy priorities of the Europe 2020 strategy that cannot be achieved without innovation. Resources and knowledge across various fields will be brought together by a challenge-based approach, and solutions will result from multidisciplinary collaborations. Activities from research to market with a new focus on innovation-related aspects will be covered. Promising solutions will be tested and verified by demonstration activities and scale-up studies.

Funding will be focused on the following challenges:

- Health, demographic change and wellbeing
- Food security, sustainable agriculture, marine and maritime research and the bio-economy
- Secure, clean and efficient energy
- Smart, green and integrated transport
- Climate action, resource efficiency and raw materials
- Inclusive, innovative and reflective societies
- Secure societies

## SMEs in Horizon 2020

Horizon 2020 aims to enhance the participation of SMEs (also micro-SMEs), addressing all forms of R&D and types of innovation (non-technological & service innovations), towards exploitation and commercialization. SMEs should get access to international networks, new markets and customers and qualified staff. Better conditions for SME participation are envisaged.

## The concept of SMEs in Horizon 2020

Whereas mainstreaming SME support is offered via the new SME instrument (see below) that will be implemented in the societal challenges as well as in the enabling and industrial technologies, specific support is provided via different measures. Research intensive SMEs are tackled by Eurostars 2 (Article 185 initiative), targeting market oriented innovation of R&D performing SMEs with a bottom-up approach. The innovation capacity of SMEs will be enhanced by awareness raising, information and dissemination training and mobility activities, networking and exchange of best practice. In addition, specialised innovation support on IP-exploitation, networks of procurers, tech transfer offices and strategy design is completing this specific support. For getting an overview on the strategic positioning for SMEs in Horizon 2020, three main opportunities are listed, ranging from more "R&D driven" projects to more "market driven" projects.

