

SME Intergroup

2004 - 2009

Abstract of the SME Intergroup 2004-2009 Meeting

“CIP Competitiveness and Innovation Programme”

Chaired by President Vice-President Edit Herczog (PSE)

Speakers:

- **Günter VERHEUGEN**, Commissioner for Enterprise and Industry
- **Jorgo CHATZIMARKAKIS MEP**, Rapporteur on CIP, Committee on Industry, Research and Energy
- **Jerzy BUZEK MEP**, Rapporteur on the 7th Framework Programme, Committee on Industry, Research and Energy

Strasbourg, Wednesday, 18th January 2006
16.30 – 17.30 h

List of MEPs participating the Meeting

Edit	Herczog	PSE
Sharon	Bowles	ALDE
Philip	Bushill-Matthews	EPP-ED
Juan	Calabuig Rull	PSE
Dorette	Corbey	PSE
Brigitte	Douay	PSE
Panayoitis	Dwemetriou	EPP-ED
Elisa	Ferreira	PSE
Jan	Hudacky	EPP-ED
Miroslav	Mikolášik	EPP-ED
Herbert	Reul	EPP-ED
Nikos	Vakalis	EPP-ED
Lambert	van Nistelrooij	EPP-ED
Dominique	Vlasto	EPP-ED
Corien	Wortmann-Kool	EPP-ED
Othmar	Karas	EPP-ED

Assistants of MEPs

Elaine	Cordina	Ass: Busuttil
Davide	Damiani	Ass: Toia
Helo	Lehtonen	Ass: Stubb
Eghan	Murphy	Ass: Coveney
Beate	Reisinger	Ass: Karas

Observers

Jacques	Avergne	
Andrew	Cave	Federation of Small Businesses
Daniela	Ciot	SME UNION
Anne	Kuchto	Stagiaire
Patrice	Llazu	European Investment Fund
Michel	Mattoug	Lobbyist
Andre Luc	Molinier	MEDEF
Andrea	Strasser	EPP-ED administration
Patrick	Voller	SME UNION

Members of the SME Intergroup

Karas	Othmar	EPP/ED	Langendries	Raymond	EPP/ED
Herczog	Edit	PSE	Lehideux	Bernard	ALDE
Klinz	Wolf	ALDE	Leinen	Jo	PSE
Andrikiene	Laima	EPP/ED	Liese	Peter	EPP/ED
Ashworth	Richard J.	EPP/ED	Locatelli	Pia-Elda	PSE
Barsi-Pataky	Etelka	EPP/ED	López-Istúriz White	Antonio	EPP/ED
Bauer	Edit	EPP/ED	Lulling	Astrid	EPP/ED
Brejč	Mihael	EPP/ED	Lynne	Elizabeth	ALDE
Brepöls	Frederika	EPP/ED	Matsis	Yannakis	EPP/ED
Brezina	Jan	EPP/ED	Mayer	Hans-P.	EPP/ED
Brunetta	Renato	EPP/ED	McCarthy	Arlene	PSE
Bushill-Matthews	Philip	EPP/ED	McDonald	Mary Lou	GUE/NGL
Buzek	Jerzy	EPP/ED	Mikolasik	Miroslav	EPP/ED
Calabuig Rull	Joan	PSE	Mitchell	Gay	EPP/ED
Caspary	Daniel	EPP/ED	Muscat	Joseph	PSE
Chichester	Giles	EPP/ED	Paleckis	Justas V.	PSE
Corbey	Dorette	PSE	Pálfi	István	EPP/ED
del Castillo Vera	Pilcy	EPP/ED	Panayotopoulos	Marie	EPP/ED
Didziokas	Gintaras	UEN	Peterle	Alojz	EPP/ED
Dombrovskis	Valdis	EPP/ED	Pittella	Giovanni	PSE
Doorn	Bert	EPP/ED	Podkanski	Zdzislav	EPP/ED
Douay	Brigitte	PSE	Purvis	John	EPP/ED
Doyle	Avril	EPP/ED	Radwan	Alexander	EPP/ED
Ebner	Michl	EPP/ED	Reul	Herbert	EPP/ED
Ehler	Christian	EPP/ED	Rübig	Paul	EPP/ED
Ek	Lena	ALDE	Sartori	Amalia	EPP/ED
Evans	Jonathan	EPP/ED	Seeber	Richard	EPP/ED
Fourtou	Janelly	ALDE	Silva Peneda	José A.	EPP/ED
Geringer de			Spautz	Jean	EPP/ED
Ödenberg	Lidia J.	PSE	Stastný	Peter	EPP/ED
Gierek	Adam	PSE	Sturdy	Robert	EPP/ED
Gill	Neena	PSE	Thomsen	Britta	PSE
Griesbeck	Nathalie	ALDE	Titely	Gary	PSE
Guy-Quint	Catherine	PSE	Toubon	Jacques	EPP/ED
Harbour	Malcolm	EPP/ED	Ulmer	Thomas	EPP/ED
Hennicot-Schöppges	Erna	EPP/ED	Vakalis	Nikolaos	EPP/ED
Hökmark	Gunnar	EPP/ED	van den Burg	Ileke	PSE
Honeyball	Mary	PSE	van Nistelrooij	Lambert	EPP/ED
Hudacky	Jan	EPP/ED	Weiler	Barbara	PSE
Itälä	Ville	EPP/ED	Weisgerber	Anja	EPP/ED
Jäättäänmäki	Anneli	ALDE	Wortmann-Kool	Corien	EPP/ED
Jeggle	Elisabeth	EPP/ED	Wuermeling	Joachim	EPP/ED
Jordan-Cizelj	Romana	EPP/ED			
Kaczmarek	Filip A.	EPP/ED			
Kauppi	Piia-N.	EPP/ED			

COMPETITIVENESS AND INNOVATION PROGRAMME (CIP)

Edit HERCZOG MEP, Vice-President of the SME Intergroup welcomed the participants of the intergroup and opened the meeting.

Günter VERHEUGEN, Vice-President European Commission started his speech assuring that SME policy will continue to be a high priority on the Commission's agenda and he particularly welcomed the focus put on business environment and SMEs, which is a priority for the Austrian Presidency as well.

The Commission was aware that the European SMEs had a strong potential of additional growth and employment and they were essential for the Lisbon Strategy's success.

Verheugen pointed out that the Commission created two other policy communications:

- Entrepreneurship, education and learning – which have a big role in fostering entrepreneurship; in order to have future entrepreneurs, specialised courses should be introduced in the national school curricula.
- Transfers of business – is a communication that the Commission will soon adopt along the creation of sixty action fields for SMEs.

As far as the Lisbon Strategy implementation at the national level was concerned, National Reform Programs were drafted by the Member States, half of them identifying SMEs and entrepreneurship as a priority.

Another focus of the speech was the European research programs. The EU intended to contribute to the creation of favourable conditions for SMEs through the CIP program and the FP7. He estimated that at least 89% of the CIP budget will have SMEs as direct beneficiaries!

Budgetary constraints might oppose CIP's direct impact on SME oriented activities. The inclusion of eco-innovation for example (for which no budget transfer has been made from the LIFE Environment Program to cover this) into CIP would have budgetary consequences: "I have eco-innovation program under my umbrella, but it entered the CIP with an empty envelope."

Even with a smaller budget for CIP, the EU had a number of resources to improve the SME competitiveness: The Commission would still encourage national authorities to identify and disseminate good practices relevant to SMEs. "I strongly support the idea that structural funds, social funds can contribute a lot to support innovation in the EU".

In his speech he also presented Ms. **Francoise Le Bail**, Vice-Director General of the DG Enterprise and Industry as the new **SME Envoy**. He stressed that she would work as a link between the institutions and SME representatives.

Jorgo CHATZIMARKAKIS MEP, Rapporteur on CIP, Committee on Industry, Research and Energy, underlined that SMEs and innovation could be more efficient for growth if connected. He appreciated that CIP was the only program really in favour of SMEs.

Furthermore, it would be a necessity to find a “critical mass” to let the CIP survive. “After having found this critical mass, we could search where in the budget we can find ideas and projects to contribute to innovation and to SME funds”. He suggested that the European Union should more and more have an unlimited budget conceived not as loans but as grants.

There were many facilities of the EIB (European Investment Bank) and the EIF (European Investment Fund). Therefore, the EU could use this base as additional budget for SMEs.

Jerzy BUZEK MEP, Rapporteur on the 7th Framework Programme, Committee on Industry, Research and Energy, remarked that Europe would cross the problem of the gap between knowledge production (research) and knowledge utilisation (innovation), between research policy and enterprise policy: “The two policies were divided and they must be brought back together”. He emphasized that the most important problem was that in the European Union there was no good start for SMEs, innovation and research.

He made two recommendations for FP7 success:

- ⇒ Small projects – in collaborative research;
- ⇒ Regional policy (“Self governments”) – it would be much easier to help SMEs from the regional level than from the national or European Union level.

In the field of financing resources for SMEs, he pointed out that the structural funds or agricultural ones could also support SMEs.

The need of innovative clusters was also underlined; In this context, he suggested that research policy should be cluster friendly for innovation, for wide range of local actors’ engagement and cross-border partnership.

He added that it would be necessary to build in a couple of years not just a European Research Area, but a *European Research and Innovation Area*. The two words would have to be put together in order to have the possibility to implement the research ideas.

Contact for the SME Intergroup

Othmar Karas MEP
60, Rue Wiertz, ASP 09E258,
B-1047 Brussels, Belgium
Tel +32 (0)2 283 7627; Fax: +32 (0)2 284 9627
Contact Person: Beate Reisinger
okaras@europarl.eu.int