

Good afternoon

Ladies and Gentlemen

It is a great pleasure to welcome you here today. This reception has been organised by TAFTIE, EUROCHAMBRES, UEAPME, EVCA and EBAN and it is a great honour for me to have been invited to host this event.

This reception aims at bringing together people from across the European Parliament, Commission and various business, government and Financiers of SMEs to demonstrate the wide-base of support for H2020 and high-light the importance of ensuring a positive outcome for SMEs.

Last 28 November 2012, ITRE committee adopted almost by unanimity the Horizon 2020 package delivering a formal mandate to the EP to start the negotiations with the IRL PRES aiming at achieving a first reading agreement by June 2013.

Horizon 2020 represents considerable progress with regard to previous framework programmes and, in particular, it is simpler and more flexible whilst covering the whole cycle of research and innovation (from research to the commercialisation of results). Significantly, this is the first time that the research and innovation framework

programme will be as a tool to promote industrial competitiveness with special attention paid to SMEs.

In the current economic climate, it is essential that Europe's industrial base is strengthened. At the same time, industrial participation in Framework Programmes for Research has dropped significantly over the last few years. Similarly, Europe has difficulty in ensuring that research results are effectively converted into innovative products and services that reach the market. To counter these three difficulties, four areas have been amended: more incentives to industry participation in European projects, support covering the whole innovation cycle, facilitating the access

of SMEs through a dedicated instrument for small to medium sized enterprises and finally standardisation built into technological development projects.

EPP advocates that SMEs are key drivers of innovation thanks to their ability to quickly and efficiently transform new ideas in successful businesses. With one single set of clear rules of Horizon 2020, the SME's will benefit from an easier access, as participants and beneficiaries, of Horizon 2020 with simplified and shorter procedures (i.e reduction of time to grant/to pay).

The EPP succeeded in introducing a new specific "dedicated instrument" targeted at all

types of SMEs with an innovation potential, created under a single management body and implemented in a bottom-up manner (demand-driven) through open calls of participation.

Moreover, at least 20 % of the total combined budget (specific objective on "Leadership in enabling and industrial technologies" in pillar 2 and the priority "Societal challenges" in pillar 3) is earmarked for SMEs participants. In addition, 4.5% of the total budget of the Horizon is allocated to SME's instruments.