

Focusing and Integrating Community Research

9. Horizontal Research Activities involving SMEs

Work Programme

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9.1 INTRODUCTION

The main route for SMEs to participate in the Sixth Framework Programme in the activities implemented under the Priority Thematic Areas will be through Integrated Projects (IP), Specific Targeted Research Projects and possibly also through Networks of Excellence (NoE). In addition, FP6 contains specific schemes for SMEs in the form of Horizontal Research Activities: Co-operative Research and Collective Research. These will address primarily the large community of SMEs with capacity to innovate but with limited research capabilities. The budget available for these Horizontal Research Activities is 430 M€ of which at least two-thirds will be allocated to Co-operative Research Projects.

An eligible SME is a legal entity that complies with the SME definition set out in the Commission Recommendation 96/280/EC (OJ L107 of 30/04/1996 p.4-9)¹ and is not a research centre, research institute, contract research organisation or consultancy firm. This definition may be revised during the course of FP6. If so, the Commission will modify the Work Programme and the future calls for proposals as appropriate, though this will not have a retroactive effect.

9.2 CO-OPERATIVE RESEARCH (“CRAFT”)

9.2.1 Specific objective

Co-operative Research is a scheme whereby a number of SMEs from different countries, having specific problems or needs, assign a significant part of the required scientific and technological research to RTD performers. In all cases the SMEs retain the ownership of the results. These activities may also be carried out by innovative and high-tech SMEs in co-operation with research centres and universities.

Co-operative Research contributes to the objectives of the Sixth Framework Programme as regards the SMEs and, in particular:

- supports SMEs to respond to the pressures for continuous innovation and technological adaptations that are exacerbated by the completion of the European internal market and the intensification of competition;
- facilitates transnational co-operation in research between SMEs, research institutions and other organisations, which is essential to SMEs’ competitiveness and internationalisation strategy, and
- facilitates co-operative relations in research activities between SMEs, research institutions and other organisations and enables SMEs to benefit from the many advantages of networking for innovation.

Projects are relatively short term: duration must be at least one year and with a maximum of two years.

¹ SME definition can be consulted on Eur-Lex (<http://europa.eu.int/eur-lex/>)

9.2.2 Implementation

9.2.2.1 Research fields

Co-operative Research Projects may address any research topic across the whole field of science and technology.

9.2.2.2 Participants

In a Co-operative Research Project, there must be at least:

- three independent **SME participants**, established in two different Member States or Associated States, of which at least one shall be established in a Member State or Associated Candidate Country,
- and*
- two **RTD performers**, independent from any other participant and established in two different Member States or Associated States, of which at least one shall be established in a Member State or Associated Candidate Country.

In addition, some **other enterprises and end-users** who have a particular interest in solving specific problems or needs of the SMEs involved may participate in the project by making a contribution to its costs, under conditions ensuring they do not assume a dominant role. These enterprises and end-users must be independent from any SME participant or RTD performer.

Overall nationality balance: within the consortium overall, participants must be established in at least three different Member States or Associated States, of which at least two must be Member States or Associated Candidate Countries.

RTD performers are organisations with RTD means adequate to carry out research at the request of the SME participants. Examples of RTD performers are universities, research organisations, industrial companies, etc.

It should be noted that in FP6 RTD performers are participants and not subcontractors as they were in FP5.

The co-ordinator of a Co-operative Research Project must be one of the SME participants or one of the RTD performers.

9.2.2.3 Beneficiaries

The Co-operative Research scheme aims to support SMEs in need of specific scientific and technological research, and not the RTD performers or the other enterprises and end-users involved. Therefore, the Intellectual Property Rights belong exclusively to the SME participants. The RTD performers and the other enterprises and end-users will not have any ownership of the Intellectual Property Rights derived from the project but may benefit

from early access to and preferential use of the results, in accordance with the Rules for Participation².

9.2.2.4 Type of activities and allowed budget

Co-operative Research Projects will include two types of activities:

- Research and innovation-related activities
- Consortium management

Costs chargeable to a project should be between 0.5 and 2 M€

The costs chargeable to a project will be calculated by the participants taking into consideration their individual cost models.

9.2.2.5 Conditions applicable to the costs of the RTD performers

The RTD performers must account for at least 40% of the total eligible costs for research and innovation-related activities of the project. Furthermore, they should receive 100% of their total eligible costs for the research and innovation-related activities incurred during the project within a ceiling to be agreed by the consortium.

9.3 COLLECTIVE RESEARCH

9.3.1 Specific objective

Collective Research is a scheme where RTD performers undertake scientific and technological research activities on behalf of Industrial³ Associations or Groupings in order to expand the knowledge base of large communities of SMEs and thus improve their general standard of competitiveness. In all cases the Industrial Associations/Groupings retain the ownership of the results.

Collective Research Projects may address pre-normative research issues, technological problems related to the development and implementation of legislation, and technological problems of whole industrial sectors that could not possibly be addressed by Co-operative Research Projects. The dissemination of results to large communities of SMEs and the training of staff from SMEs and Industrial Associations/Groupings will be expected to be major components of these projects.

Collective Research Projects will be substantial projects of 2 to 3 years duration conducted on a European basis. A project of longer duration could be accepted if it is necessary to deliver its objectives and when duly justified.

² Regulation of the European Parliament and of the Council concerning the rules for the participation of undertakings, research centres and universities in, and for the dissemination of research results for the implementation of the European Community sixth framework programme 2002-2006 (OJ)

³ The term *industrial association or grouping* refers to associations or groupings within the enterprise sector

9.3.2 Implementation

9.3.2.1 Research fields

Collective Research Projects can address any subject across the whole field of science and technology and must be of interest to large communities of SMEs. They aim at achieving concrete results in terms of applicable new knowledge either to improve or develop new products, processes or services or to meet other needs of SMEs, and could cover, for example:

- *research aimed at reinforcing the technological basis of particular sector(s);*
- *development of “technological tools” (e.g. diagnosis, safety equipment);*
- *pre-normative research (research to provide a scientific base for European norms and standards);*
- *research aimed at addressing common problems/challenges (e.g. to meet regulatory requirements, such as health & safety at work legislation, environmental performance).*

9.3.2.2 Participants

In a Collective Research Project there must be at least:

- two independent **Industrial Associations/Groupings** established in two different Member States or Associated States, of which at least one shall be established in a Member State or Associated Candidate Country,

or

- one **European Industrial Association/Grouping** established in a Member State or Associated State according to its national law and which is made up of a minimum of two independent legal entities, established in two different Member States or Associated States, of which at least one shall be established in a Member State or Associated Candidate Country.

Industrial Associations/Groupings are enterprise groupings, meaning any legal entity made up, directly or indirectly, for the most part of SMEs and representing their interests. Examples of these are sectoral industrial associations, regional industrial associations, chambers of commerce, etc.

In addition, there must be the following:

- at least two **RTD performers** from different Member States or Associated States, of which at least one shall be established in a Member State or Associated Candidate Country. They are organisations with RTD means adequate to carry out research at the request of the Industrial Associations/Groupings and must be independent from them. Examples of RTD performers are universities, research organisations, industrial companies, etc.,

and

- a “**SME core group**” of at least two eligible SMEs from two different Member States or Associated States, of which at least one shall be established in a Member State or Associated Candidate Country. The group should contribute to the project from its definition phase to the dissemination of the results obtained.

Overall nationality balance: within the consortium overall, participants must be established in at least three different Member States or Associated States, of which at least two must be Member States or Associated Candidate Countries.

The co-ordinator of a Collective Research Project must be one of the Industrial Association/Groupings or one of the RTD performers.

9.3.2.3 Beneficiaries

Collective Research Projects aim to support SMEs through the Industrial Associations/Groupings to which they belong. The Intellectual Property Rights will be owned exclusively by the Industrial Associations/Groupings. The RTD performers and the SME core group will not have any ownership of the Intellectual Property Rights derived from the project but may benefit from early access to and preferential use of the results, in accordance with the Rules for Participation⁴.

9.3.2.4 Type of activities and allowed budget

Collective Research Projects will include three types of activities:

- Research and innovation-related activities
- Consortium management
- Training activities

Costs chargeable to a project will typically be between 2 and 5 M€ Exceptionally, a higher budget can be accepted, if it is duly justified.

The costs chargeable to a project will be calculated by the participants taking into consideration their individual cost models.

9.3.2.5 Conditions applicable to the costs of the RTD performers

The RTD performers must account for at least 40% of the total eligible costs for the research and innovation-related activities of the project. Furthermore, they should receive 100% of their total eligible cost for the research and innovation-related activities incurred during the project within a ceiling to be agreed by the consortium.

⁴ Regulation of the European Parliament and of the Council concerning the rules for the participation of undertakings, research centres and universities in, and for the dissemination of research results for the implementation of the European Community sixth framework programme 2002-2006 (OJ)

9.3.2.6 Two stage proposal submission

The evaluation of Collective Research proposals will be done in two stages in order to strengthen the evaluation, better target the projects and achieve more ambitious goals. For the proposers, this will simplify the process and limit the costs of preparing full proposals. In the first stage, an outline proposal providing the essential aspects of the proposed project will be submitted and evaluated with the help of external experts. In the second stage, the submitters of outline proposals retained after the first stage will be invited to submit a full proposal that will also be evaluated with the help of external experts.

9.4 EXTERNAL IMPLEMENTATION SUPPORT

In order to complement the above activities, external support towards these Horizontal Research Activities, for example SMEs Single Entry Point, Helpline, training of coordinators, monitoring of projects, etc., will be sought via calls for tenders and Specific Support Actions.

9.5 CALL INFORMATION

9.5.1 Co-operative Research Projects (CRAFT)

- 1) **Specific programme**: Integrating and strengthening the foundations of the European Research Area
- 2) **Thematic priority/Domain**: Horizontal research activities involving SMEs
- 3) **Call title**: Co-operative research projects
- 4) **Call identifier**: FP6-COOPERATIVE-1
- 5) **Date of publication**⁵: 17 December 02
- 6) **Closure dates**⁶: 29. 04.2003 and 27.11.2003, at 17:00 (Brussels local time)
- 7) **Total indicative budget**: 155 Million € with 95 Million € for the first closure date and 60 Million € for the second.
- 8) **Area & instruments**:

<u>Area</u>	<u>Instrument</u>	<u>Indicative Budget</u>
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⁵ The Director-General responsible for the call may publish it up to one month prior to or after the envisaged date of publication.

⁶ Where the envisaged date of publication is advanced or delayed (see previous footnote), closure date(s) will be adjusted accordingly in the published call for proposals.

Any subject across the whole field of science and technology covered by Article 163 of the EC Treaty	Specific research project for SMEs (Co-operative research projects)	155 M €
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9) **Minimum number of participants**⁷:

<u>Instrument</u>	<u>Minimum number</u>
Specific research project for SMEs (Co-operative research projects)	5 independent legal entities from 3 different MS or AS, with at least 2 MS or ACC

10) **Restriction to participation**:

- 3 participants must be independent SMEs⁸ established in at least 2 MS or AS, with at least 1 MS or ACC. Research centres, research institutes, contract research organisations and consultancy firms are excluded.
- 2 participants, known as RTD performers (having the capacity to carry out research at the request of the SMEs), independent from any other participant, must be established in 2 MS or AS, with at least 1 MS or ACC.
- other legal entities, such as enterprises or end-users that have a particular interest in solving specific problems or needs of the SMEs involved, may participate in the project by making a contribution to its costs, under conditions ensuring they do not assume a dominant role. These enterprises and end-users must be independent from the SME participants and the RTD performers.

11) **Consortium agreement**: Participants in RTD actions resulting from this call are required to conclude a consortium agreement.

⁷ MS = Member States of the EU; AS (incl. ACC) = Associated States ; ACC = Associated candidate countries.

Any legal entity established in a Member State or Associated State and which is made up of the requested number of participants may be the sole participant in an indirect action.

⁸ Article 2.17 of the Regulation of the European Parliament and of the Council concerning the rules for the participation of undertakings, research centres and universities in, and for the dissemination of research results for the implementation of the European Community sixth framework programme 2002-2006 (OJ) refers, for this definition, to the Commission Recommendation 96/280/EC (OJ L107 of 30/04/1996 p.4-9).

12) **Evaluation procedure** :

- the evaluation shall follow a single stage procedure.
- proposals will not be evaluated anonymously.

13) **Evaluation criteria**: see Annex B of the work programme for the applicable criteria (including their individual weights and thresholds and the overall threshold) per instrument.

14) **Indicative evaluation and selection delays** :

- evaluation results: estimated to be available within 3 months after the closure date
- contract signature: it is estimated that the first contracts related to this call will come into force 8 months after the closure date.

9.5.2 Collective Research Projects

- 1) **Specific programme** : Integrating and strengthening the foundations of the European Research Area
- 2) **Thematic priority/Domain**: Horizontal research activities involving SMEs
- 3) **Call title**: Collective research projects
- 4) **Call identifier**: FP6-COLLECTIVE-1
- 5) **Date of publication**⁹: 17December 2002
- 6) **Closure dates**¹⁰: 06 March 2003 (first stage), at 17:00 (Brussels local time)
- 7) **Total indicative budget**: 40 Million €
- 8) **Area & instruments** :

<u>Area</u>	<u>Instrument</u>	<u>Indicative Budget</u>
Any subject across the whole field of science and technology covered by Article 163 of the EC Treaty	Specific research project for SMEs (Collective research projects)	40 M €

⁹ The Director-General responsible for the call may publish it up to one month prior to or after the envisaged date of publication.

¹⁰ Where the envisaged date of publication is advanced or delayed (see previous footnote), closure date(s) will be adjusted accordingly in the published call for proposals.

9) **Minimum number of participants**¹¹:

<u>Instrument</u>	<u>Minimum number</u>
Specific research project for SMEs (Collective research projects)	5 legal entities, of which 3 must be independent, from 3 different MS or AS, with at least 2 MS or ACC

10) **Restriction to participation**:

- 1 participant must be a European Industrial Association/Grouping¹² established in a MS or an AS. This Association/Grouping must be made up of a minimum of 2 independent legal entities established in 2 MS or AS, with at least 1 MS or ACC.

Instead of this European Industrial Association/Grouping, there may be 2 independent Industrial Association/Groupings established in 2 MS or AS, with at least 1 MS or ACC.

- 2 participants, known as RTD performers (having the capacity to carry out research at the request of the Association(s)/Grouping(s)), independent from the Association(s)/Grouping(s), must be established in 2 MS or AS, with at least 1 MS or ACC.
- 2 participants must be SMEs¹³ established in 2 MS or AS, with at least 1 MS or ACC. Research centres, research institutes, contract research organisations and consultancy firms are excluded.

- 11) **Consortium agreement**: Participants in RTD actions resulting from this call are required to conclude a consortium agreement.

12) **Evaluation procedure**:

- the evaluation shall follow a two stage procedure, as described in the guidelines adopted by the Commission. For the first stage, an outlined proposal providing the essential aspects of the proposed project shall be submitted. For proposals, which

¹¹ MS = Member States of the EU ; AS (incl. ACC) = Associated States ; ACC = Associated candidate countries.

Any legal entity established in a Member State or Associated State and which is made up of the requested number of participants may be the sole participant in an indirect action.

¹² An enterprise grouping as defined in Article 2.11 of the Regulation of the European Parliament and of the Council concerning the rules for the participation of undertakings, research centres and universities in, and for the dissemination of research results for the implementation of the European Community sixth framework programme 2002-2006 (OJ).

¹³ Article 2.17 of the Regulation of the European Parliament and of the Council concerning the rules for the participation of undertakings, research centres and universities in, and for the dissemination of research results for the implementation of the European Community sixth framework programme 2002-2006 (OJ) refers, for this definition, to Commission Recommendation 96/280/EC (OJ L107 of 30/04/1996 p.4-9).

successfully pass the first stage, co-ordinators shall be requested to provide a full proposal. The closure date for that second submission will be detailed in the request.

- proposals will not be evaluated anonymously
- 13) **Evaluation criteria**: see Annex B of the work programme for the applicable criteria (including their individual weights and thresholds and the overall threshold) per instrument.
- 14) **Indicative evaluation and selection delays**:
- first stage evaluation results: estimated to be available within 3 months after the closure date (first stage).
 - contract signature: it is estimated that the first contracts related to this call will come into force 12 months after the closure date.