



# **EIPC**

## **Entrepreneurship & Innovation Programme Committee**

### **CIP 2011 Implementation Report**

### **EIPC of 14 June 2012**

**June 2012**



# CONTENTS

<b>1.</b>	<b>SUMMARY .....</b>	<b>2</b>
<b>2.</b>	<b>INTRODUCTION .....</b>	<b>4</b>
<b>3.</b>	<b>OVERVIEW OF CIP BUDGET EXECUTION IN 2011.....</b>	<b>5</b>
<b>4.</b>	<b>ACTIVITIES UNDER THE CIP SPECIFIC PROGRAMMES IN 2011.....</b>	<b>6</b>
4.1.	THE ENTREPRENEURSHIP AND INNOVATION PROGRAMME.....	6
4.2.	THE INFORMATION AND COMMUNICATIONS TECHNOLOGIES (ICT) POLICY SUPPORT PROGRAMME .....	14
4.3.	THE INTELLIGENT ENERGY–EUROPE PROGRAMME .....	20
<b>5.</b>	<b>OTHER ISSUES.....</b>	<b>34</b>
5.1.	FINAL EVALUATIONS OF THE PROGRAMMES EIP, ICT-PSP AND IEE. <b>ERROR! BOOKMARK NOT DEFINED.</b>	
5.2.	STRATEGIC ADVISORY BOARD ON COMPETITIVENESS AND INNOVATION .....	35
<b>6.</b>	<b>CONCLUSIONS.....</b>	<b>36</b>

## 1. SUMMARY

The Competitiveness and Innovation Framework Programme (CIP) is a key programme in addressing the challenges EU industry is facing now and in the years to come. Its objectives are broadly in line with the flagship initiatives of the EU 2020 Strategy, where smart and sustainable growth is a key priority for EU intervention to strengthen the EU economy. More than EUR 3.6 billion has been set aside for these goals over the period 2007 to 2013. For 2011, the budget allocated was EUR xxx.

In 2011, the CIP:

- Improved SME access to finance and provided personalised and professional services particularly oriented to SMEs:
  - In the period 2007–2011 the financial instruments guarantee scheme enabled 190,138 SMEs to receive loans.
  - Nearly 600 partners in the Enterprise Europe Network provide services all over Europe and beyond in support of business and innovation. Among other services, the Network provides information on EU matters. It has contacted more than 2.4 million SMEs via weekly newsletters and has organised local events where more than 850 000 SMEs have so far participated. In 2011, a number of Network partners teamed up to provide specialised environmental services to SMEs, one of the thematic priorities of the CIP.
- Reinforced support for innovation in SMEs:
  - Actions in this area, as set out in Article 13 of the CIP Decision, included fostering sector-specific innovation, clusters, networks, and the use of innovation management.
  - The EIP also supported national and regional programmes for business innovation, the take-up of innovative technologies and concepts, and the innovative application of existing technologies.
  - In addition, it supported actions for developing and exploring new types of innovation services.
  - Services for Intellectual Property Rights (IPR) are also provided to innovation and research companies and organisations. The objective of the EU Accessible Intellectual Property (EU Iporta) is to provide improved support services, expand the links with business support organisations, improve the website and its use, and build support capacity in national IP offices.
- Increased the number of pilot projects funded in the area of eco-innovation, one of the main CIP thematic priorities along with ICT-based services and sustainable energy:
  - The first application and market replication projects are concerned with the first application or market replication of eco-innovative techniques, products, services or practices of EU relevance, where these have already been technically demonstrated with success but, owing to residual risk, have not yet penetrated the market. Supporting such innovative eco-technologies should contribute to removing obstacles to the development and wide application of eco-innovation, creating or enlarging markets for related

products and improving the competitiveness of EU enterprises on world markets. The projects should also aim to reduce environmental impacts or improve the environmental performance of enterprises, in particular SMEs.

- Supported pilot actions to solve interoperability issues and validate innovative ICT-based services in real settings, along with networking actions to develop experience sharing and consensus building. Those actions were complemented by benchmarking of the development of the information society in Europe and support for policy development and coordination through analysis and awareness raising actions.
- Financed market replication projects in the field of sustainable energy, an integral part of the implementation of the IEE II programme.
- Tackled non-technological barriers to energy efficiency and renewable energy:
  - Under the Intelligent Energy–Europe Programme, new dissemination and information projects were recommended for funding in 2011, involving an impressive variety and number of market actors, including a high proportion of SMEs.
  - In December 2009, the European Local Energy Assistance (ELENA) facility was established in cooperation with the European Investment Bank to help local and regional public authorities to structure and implement bankable, sustainable energy projects. In 2011, about EUR 19 million were allocated to this facility as well as other actions.

Overall, in 2011, the execution rate for the total budget allocated to the three different programmes was above 99%. The report shows that the CIP instruments have successfully reached final beneficiaries and that the actions implemented so far have delivered encouraging results.

## 2. INTRODUCTION

The 2011 Implementation Report on the Competitiveness and Innovation Framework Programme (CIP) describes activities under the three CIP specific programmes during the fourth year of the programme's implementation:

- the Entrepreneurship and Innovation Programme (EIP);
- the Information and Communication Technology Policy Support Programme (ICT-PSP);
- the Intelligent Energy–Europe Programme (IEE).

These three programmes have their own specific implementation reports where more detailed information is provided<sup>1</sup> on the activities carried out. Some examples of the projects funded have been included in this document to illustrate the different initiatives. More examples can be found on the specific websites.

The actions listed in this report are those whose budget was committed during 2011. Some actions are multiannual, so results are only visible after several years. In other cases, measures start close to the end of the year and implementation is in the following year. Consequently, even though such actions are included in this document, results will only be known later on and cannot be reported here.

This report is based on Articles 8(1) and 8(5) of the Decision establishing the CIP.<sup>2</sup> Additional information on the Competitiveness and Innovation Framework Programme can be found on the CIP website: <http://ec.europa.eu/cip>.

---

<sup>1</sup> [http://ec.europa.eu/cip/documents/implementation-reports/index\\_en.htm](http://ec.europa.eu/cip/documents/implementation-reports/index_en.htm).

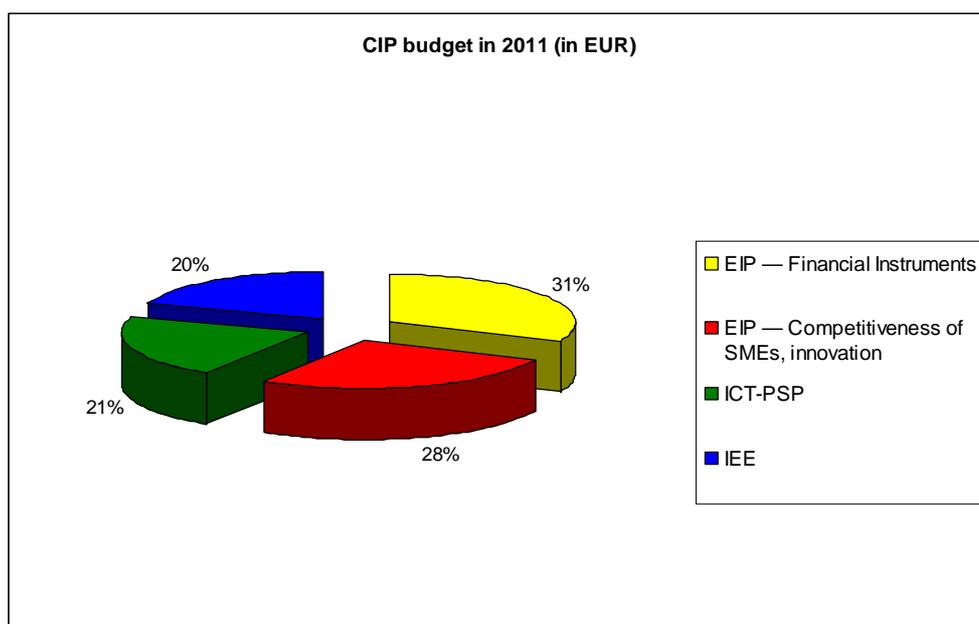
<sup>2</sup> Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (OJ L 310/15, 9.11.2006).

### 3. OVERVIEW OF CIP BUDGET EXECUTION IN 2011

The CIP Decision stipulates that the total budget for the CIP is EUR 3.6 billion for the period 2007-2013. The EIP represents the largest expenditure component of the CIP, with 60% of the budget allocation, of which approximately one-fifth is allocated to promoting eco-innovation. Each of the other two programmes, ICT-PSP and IEE, are allocated around 20%. The table below gives an overview of the budget allocated and the amount committed during 2011.

Budget lines	Concept	Amount (in '000 €) <sup>3</sup>	Budget committed (in '000 €)	Budget committed (%)
01 04 04	EIP — Financial Instruments (of which, eco-innovation)	188 047 37 610	188 047 37 610	100
02 02 01 and 02 01 04 04	EIP — Competitiveness of SMEs, innovation  (of which, eco-innovation market replication projects)	165 461  38 000	163 129  38 000	98.60
09 03 01	ICT-PSP	125 000	125 000	100
06 04 06	IEE	117 950	117 950	100
	<b>Total</b>	<b>596 458</b>	<b>594 126</b>	<b>99.60</b>

Figure 1: CIP budget in 2011



<sup>3</sup> These amounts include the contributions from non-EU countries participating in the programmes.

#### **4. ACTIVITIES UNDER THE CIP SPECIFIC PROGRAMMES IN 2011**

The main aim of the CIP is to encourage the competitiveness of European enterprises, in particular SMEs, by supporting innovation activities (including eco-innovation), providing better access to finance and delivering business support services in the regions. It encourages better take-up and use of information and communications technologies (ICT) and helps to develop the information society. It also promotes the increased use of renewable energies and energy efficiency.

The objectives of the CIP are pursued through three specific programmes. This section describes the main actions funded during 2011.

##### **4.1. The Entrepreneurship and Innovation Programme**

The main EIP objectives, as set out in Article 10 of the CIP Decision, are to support, improve, encourage and promote:

- (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 across borders;
- (c) all forms of innovation in enterprises;
- (d) eco-innovation;
- (e) entrepreneurship and innovation culture;
- (f) enterprise- and innovation-related economic and administrative reform.

Several instruments are used to achieve these objectives: CIP financial instruments for SMEs; services in support of business and innovation; eco-innovation first-application and market replication projects; policy analysis, development of policies and coordination of innovation policy actors. Other actions focus on promoting entrepreneurship and innovation culture or reducing administrative burden.

##### ***4.1.1. Better access to finance for SMEs***

The objective of the CIP financial instruments is to improve access to finance for the start-up and growth of SMEs, and to invest in innovation activities, including eco-innovation. Basically, these instruments work by increasing investment from risk capital funds and other investment vehicles, and by providing leverage to SME debt-financing instruments and thus increasing the supply of debt finance to SMEs.

The financial instruments, operated by the European Investment Fund (EIF), comprise the following:

- The High Growth and Innovative SME Facility (GIF) has been operational since November 2007 and is implemented by the European Investment Fund (EIF) on behalf of the Commission. By the end of 2011, 31 GIF transactions with venture capital funds targeting investments in 19 participating countries had been approved, of which 8 in 2011, with EU commitments amounting to EUR 383.4 million (including eligible costs for financial intermediaries). Four of these venture capital funds are investing fully in eco-innovation across Europe and, in addition, two funds are investing at least 30% in eco-innovation, supported by EU commitments of about EUR 72.7 million.
- The SME Guarantee Facility (SMEG) has been operational since September 2007 and, by the end of 2011, 38 transactions with financial intermediaries from 19 countries had been approved, of which 17 in 2011, including extensions of existing contracts. The EU commitments amount to EUR 395.08 million (including eligible costs for financial intermediaries). Most of the SMEG 07 deals are under the Loan Guarantee window. There are 10 deals under the Microcredit window (in France, Ireland, Spain, Norway, Poland, Serbia, Montenegro, Croatia and Turkey — two deals) and one Equity window deal (Spain).

By the end of 2011, the number of SMEs receiving new financing under GIF amounted to 194 (37 in the eco-innovation sector) and 170545 SMEs had received financing supported by SMEG 07, through 190138 loans.

*Some examples of SMEs supported are:*

*SMEG — Microloans:*

*Microloans have transformed lives. Manuela Voigt was able to set up her speech therapy clinic in Thale, Germany, following a EUR 25000 loan from German lender KfW (Kreditanstalt für Wiederaufbau), which was guaranteed by SMEG. Banks had previously shown no interest in lending her money after she graduated with a diploma in speech therapy. Her clinic, which provides support to children, teenagers and adults, has gone from strength to strength and she expects to recruit another two members of staff in the next few years.*

*Similarly, a microloan of EUR 20000 from the First-Step Microfinance Institution helped Almaz Abdiez provide healthy eating canteen facilities to schools in Ireland, once he realised that banks were reluctant to lend to small businesses. Happy Foods has since gone on to enjoy huge success and support from students and parents.*

*SMEG — Loans:*

*Guarantees for bigger loans have helped European SMEs to realise their growth potential. For example, Biotech is a key player in the Hungarian medical market, producing and trading orthopaedic, trauma and spine implants and providing mobility solutions for patients. It recently became clear, however, that the firm needed additional space if it was to develop and grow. In 2010, the company received a loan of nearly EUR 500000 supported by SMEG to buy a new factory, warehouse and office in Diósd near Budapest. An R&D centre was also created and, thanks to this recent expansion, the firm has increased production and research and had the capacity to take on another 28 employees during 2011.*

*GIF:*

*Innovative SMEs in their early stages, such as Danish natural dietary supplements firm Fluxome, have benefited from these EU-supported investments: EUR 5 million enabled the firm to apply its technology and know-how to bring a new product to market. Resveratrol, a compound found in grapes and berries, has been reported in several studies as having anti-ageing, anti-inflammatory, cardiovascular and cancer-protective properties. 'With the help of CIP funding, Fluxome has, within a short time, developed from a start-up company to a product- and sales-oriented organisation,' says Fluxome's President and CEO Steen Andersen.*



*EU-supported venture capital has also enabled other SMEs, such as Latvian business directory company Interinfo, to expand and fulfil their potential. With the support of an EU-backed venture capital fund, the company was able to develop a fast web-based service complete with new mobile applications. As a result, Interinfo is now one of the largest professional sales organisations in the Baltics.*

- The Capacity Building Scheme (CBS) was set up under the CIP legal basis. However, it has seen no response from the market. Therefore, the Commission has been using the budget originally earmarked for the CBS to support mainly eco-innovation and technology transfer under the GIF.

With a view to raising awareness of these financial instruments among SMEs, a website has been developed (<http://www.access2finance.eu>) to help SMEs identify financial intermediaries cooperating within the CIP in their country.

For additional information on the financial instruments, see the following website: <http://ec.europa.eu/enterprise/policies/finance>.

#### ***4.1.2. Enterprise Europe Network: business support in the regions***

The second main instrument of the EIP is the Enterprise Europe Network, a network of partner organisations providing services in support of business and innovation. The Network is the key action under the objective of creating a favourable environment for SME cooperation, particularly in across borders.

The Enterprise Europe Network now covers the EU-27 countries, EEA countries and major economic powers like the USA, Russia, South Korea, Japan and China. Morocco, Brazil, Argentina, India, Australia and Canada have also expressed their interest in joining the Network. Additionally, associated and affiliated membership agreements have been signed with 11 (+2) and 9 organisations, respectively, along with technological partnership agreements with JRC, EUREKA (in 2011), CERN and ESA. Partner organisations are typically chambers of commerce and industry, technology centres, universities or development agencies.

The Network offers support and advice to businesses across Europe and helps them make the most of the opportunities offered by the Internal Market. The Network's partners offer services specifically designed for SMEs. They provide information and practical advice on market opportunities, European legislation and policies relevant to individual companies or sectors. They help SMEs find suitable business partners by using either business or technology transfer cooperation databases, and provide information on EU funding opportunities and international networking.

The Network's main policy priorities for 2011 were: Tourism, Chemicals (Reach), Space and Business & Innovation support in the services sector, Health and Safety at Work, Corporate Social Responsibility, Skills, and Consumer Protection.

During 2011, more than 250 000 SMEs were involved in local promotion and information activities (with more than 6 400 events organised), 2.4 million SMEs were contacted via

newsletters and other means, and about 127 000 SMEs were helped with queries on EU matters.

The fourth annual conference was organised in Warsaw in liaison with the Polish Presidency, where about 900 Network partners took stock of activities in 2011 and discussed the main directions for 2012.

The results of the 'Benefits' survey show that the three services most appreciated by clients are the opportunity to make contact / meet with potential foreign partners, the possibility to participate in company missions or other brokerage services that are difficult or impossible without the Network, and the availability of good databases with many partnership possibilities. More than 10 000 SMEs were consulted on forthcoming legislation, for example on the European working time directive or European contract law.

About 4 000 companies were involved in 6 SME Panels on subjects such as e-signature & e-identification, patent exploitation, alternative dispute resolution, business obstacles in the Internal Market, or SBA implementation in the Balkan countries.

*Some success stories from the Enterprise Europe Network in 2011:*

*The Berlin firm Horatio has invented an eco-efficient locking system for office and hotel doors, called GreenAccess. The Enterprise Europe Network helped the firm to obtain EU funding for eco-innovation.*

*Silver Angel Publishing produces charmingly illustrated children's books on environmental issues. The Cork-based company was looking for publishing partners abroad for its eco-friendly children's titles. Through the Enterprise Europe Network, it found an interesting business lead in Bookoobook, a German portal aimed at publishers who want to sell their book rights in other countries.*

*The use of 3D in digital signage gives advertisers a more eye-catching way to showcase their products. Italian software firm Edisonweb used the Enterprise Europe Network to tap into this new technology through German company 3D International. A 10-person company based in Mirabella Imbaccari, Edisonweb was looking to expand its flagship project, Web Signage, a system for retailers, public authorities and the entertainment industry to control the schedule and content of displayed signage.*

For additional information on the Network, see the following website: <http://www.enterprise-europe-network.ec.europa.eu>.

#### ***4.1.3. Supporting eco-innovation from different angles: funding the testing of innovative solutions, facilitating access to finance, networking and analytical activities***

The Entrepreneurship and Innovation Programme contains a number of tools to support eco-innovation, with a budget of EUR 75.6 million in 2011. This includes EUR 37.6 million under financial instruments for investment in eco-innovation. Eco-innovation activities included networking and actions aimed at finding technological and non-technological innovation measures to reduce carbon intensity which can be implemented in the short term for a wide range of sectors and do not require a further demonstration programme before industrial implementation

Eco-innovation first-application and market replication projects are clearly oriented towards SMEs and aim to close the gap between research and market up-take as well as allow for broader market penetration of eco-innovation. A call for proposals was launched in 2011 with

a committed budget of EUR 37.4 million. The call focused on areas such as cleaner production processes, innovative environmentally friendly products and services, and support for enterprises in greening their business, products and management methods. Among the priority areas, ‘green business’ and ‘recycling’ are the sectors attracting the most proposals, followed by ‘buildings’ and ‘food and drink’.

280 proposals had been submitted by the deadline. This is a similar number to the 287 proposals submitted for the 2010 call. Only one of the submitted proposals was considered ineligible. A total of 860 participants from 34 countries took part. The total funding requested is roughly EUR 200 million.<sup>4</sup>

Almost 67% of the participants in the call were SMEs. Approximately half (48%) of the proposals submitted involved participants from different countries.

‘Green business’ (29%) and ‘recycling’ (21%) were the sectors with the highest number of proposals, followed by ‘buildings’, ‘food and drink’ and ‘others’ (encompassing various different sectors — about 14% each). Almost 7% of proposals concerned the new priority area ‘water’. Of the ‘green business’ proposals, 7.5% were for ‘clean production’.

*One of the projects approved, though still under negotiation, is the first real-scale application of the Blueveyor luggage handling system at Heathrow and Schiphol. Blueveyor saves around 60% in material and energy during production and operation compared to conventional solutions. The aim is to introduce closed-loop recycling for conveyor belts that are subject to wear and have to be replaced after three to five years.*

More eco-innovation projects are presented at: <http://ec.europa.eu/ecoinnovation>.

#### **4.1.4. Improved innovation policy in the EU**

The CIP aims to accelerate innovation processes and thus facilitate the commercialisation of innovative products and services. In 2011, it provided support to the European Creative Industries Alliance (ECIA). This is a 3-year integrated policy initiative that combines policy learning with eight concrete actions for innovation vouchers, better access to finance, and cluster excellence and cooperation. It is an open platform that brings together policy-makers and business support practitioners from 28 partner organisations and 12 countries. Its overall aim is to shape a community in Europe that actively supports creative industries as a driver for competitiveness, job creation and structural change by developing and testing better policies and tools for creative industries.

The resulting projects were launched in December 2011.

*The Policy Learning Platform of the European Creative Industries Alliance (ECIAP) is a European partnership which brings together regional and national policy-makers to engage in mutual policy learning and to develop ‘better policies’ to support creative industries and spill-overs into other industries. Amsterdam Innovation Motor from the Netherlands is the coordinator, while the Province of Milan from Italy, the Berlin Senate from Germany, the Catalan Institute for Cultural Industries (ICIC)*

<sup>4</sup> Nine proposals did not request any EU funding but are included in the calculations. The same goes for those that requested more than 50% per project.

from Spain, the City of Tampere from Finland and Nantes Métropole from France are the other partners selected to drive the work of the Policy Learning Platform as founding members. The Policy Learning Platform will prepare policy recommendations with concrete master plans and roadmaps for implementing future actions on how to better support creative industries based on the experience and input of the Alliance's eight concrete actions. Furthermore, it will inform SMEs about existing and new support measures for creative industry enterprises. The Province of Milan will chair the working group on better business support through innovation vouchers.

Some actions for better business support through innovation vouchers:

'Redefining Basque Innovation Performance through Excellent Creative Industry Services' (+ Innova Creativity). This innovation voucher pilot scheme will allow companies in traditional industries to access innovative services from creative industries. It is implemented in Spain's Basque Country by the Basque Government's Department for Industry, Innovation, Commerce and Tourism. +Innova Creativity will promote the excellence of Basque creative industries and help strengthen Basque industrial innovation and results through innovative creative services. The budget for the action is EUR 271973, to which the European Commission will contribute up to EUR 203750. The Basque Government is in addition allocating an extra EUR 100 000 for non-eligible costs under the project so as to top up each voucher with EUR 5000. Thus, each creative industry service provider will be granted a voucher worth at least EUR 10 000.

The aim of the +Innova Creativity voucher scheme is to progressively extend the creative dynamism and innovative approach of creative industries to sectors that are not directly related to the creative industries but which could benefit from creative inputs and spill-over effects. The pilot action will establish close collaboration between traditional industries in the Basque region with businesses from other European creative hubs. The expected impacts include improved creative capacity and competitiveness in around 20 enterprises and improved capacity in the region to devise better creativity support programmes with voucher scheme support. For more information on the +Innova Creativity voucher scheme, see <http://www.howtogrow.eu/ecia/project/project-2/>.

Vouchers In Creative Industries (VINCI). The VINCI project will issue vouchers to SMEs in the Salzburg region of Austria to implement innovation projects in cooperation with creative industries. Business service providers from creative industries in the Salzburg region and from other European countries will participate in this pilot. VINCI vouchers will be issued by Austria Wirtschaftsservice (aws), the Austrian business promotion bank. Agencies and partners supporting the project are: MFG Baden-Württemberg (DE), Bayern design GmbH (DE), the Autonomous Province of Bozen (IT), the Slovenian Ministry of the Economy (SL), NESTA (UK), the Austrian Federal Ministry of Economy, Family and Youth (AT), the Innovation and Technology Transfer Agency Salzburg (AT), and creativ wirtschaft austria (AT). At least 20 companies will receive a voucher worth EUR 5000 and an on-line inventory of at least 200 creative providers will be established. A further aim is to leverage the results to set up a national voucher scheme for creative industries.

Fashion Audiovisual Design Industries Innovation Schemes — FAD-INS. The FAD-INS project implemented by the Barcelona Chamber of Commerce in Spain aims to demonstrate the viability and efficiency of innovation vouchers as key elements in innovation financing for small enterprises. The objective of FADS-IN is to implement a transnational innovation voucher scheme where specific needs, such as globalisation, capacity building and internationalisation of creative industries, will be addressed. FAD-INS will award 25 vouchers worth EUR 4000 to SMEs from creative industries in sub-sectors such as fashion, audiovisual and industrial design in a non-bureaucratic manner to encourage innovation.

Some actions for better access to finance:

Bringing creative businesses together with investment (C-I Factor). This cross-border European partnership for better access to finance brings together four experienced partners in financing and promoting companies in the creative industries: European Design Centre (EDC) as the coordinator from Hertogenbosch in the Netherlands, Angel Capital Innovations (ACI) from London in the UK, the Cultuur-Ondernemen Foundation (CO) from Amsterdam in the Netherlands, and St'art SA (Start) from Mons in Belgium. The C-I Factor partnership will work towards improving conditions for access to finance by creative industry companies across Europe with a special focus on ways to improve the leverage of crowd funding. With guidance from a 'Creative Industries Finance Acceleration Advisory Board', the partnership will implement a pilot action to link informal forms of crowd funding with professional investors like venture capitalists, business angels and the European Investment Fund. C-I Factor will raise investor awareness of the economic potential of creative industries, test new

investment readiness coaching and customise support services specifically for entrepreneurs in the creative industries.

*Facilitating Access & Mobilisation of European finance for creative industry growth (FAME). This cross-border European partnership for better access to finance brings together four experienced partners in financing and promoting companies in the creative industries: Filas from Rome in Italy as the coordinator, BWConnect from Stuttgart in Germany, CAT Innovation and the Centre for Culture and Experience Economy (CKO), both from Roskilde, Denmark. The FAME partnership will work towards improving conditions for access to finance by creative industry companies across Europe. It aims to mobilise additional funding for the creative industries by setting up a new dedicated FAME Pan-European Fund for the Creative Industries. This will make use of existing funding under the Structural Funds, the European Investment Bank and the European Investment Fund and combine it with private funds from loans, venture capital, business angels and guarantees. Furthermore, FAME will test new investment readiness coaching and customised support services for entrepreneurs in the creative industries and raise investor awareness of the economic potential of creative industries.*

*Some actions for cluster excellence & cooperation:*

*European Creative Cluster Lab (ECCL). This cluster partnership for cluster excellence & cooperation is coordinated by MFG media and film agency Baden-Württemberg from Stuttgart in Germany with the Region of Puglia from Italy, Lille Métropole from France, Fundaciaó Barcelona Media from Spain and the City of Warsaw from Poland. The European Creative Cluster Lab will develop and test new approaches for better cluster management in the creative industries in order to professionalise the support offered to SMEs in these industries. This will include developing and testing customised support and training for incubation, innovation and creativity, SME internalisation, and new collaboration approaches within creative industries and with other industries. This cluster partnership aims to link 50 clusters all over Europe and to reach out to 25000 SMEs in the creative industries. It has already succeeded in linking up with 50 organisations among creative and traditional cluster initiatives, regional support institutions, European projects and the like.*

*Cluster 2020 is a cluster partnership for cluster excellence & cooperation (coordinated by Coventry University Enterprises from the UK with the European Business and Innovation Centre Network (EBN) based in Brussels/Belgium, the Garching Technology and Entrepreneur Centre (gate) in Germany, South West Screen (SWS) based in Bristol/UK, and the European Centre of Companies and Innovation (CEEI) based in Aix-en-Provence/France). The Cluster 2020 partnership will develop and test a blueprint for creative cluster excellence in order help cluster organisations provide better tailored, meaningful and effective support to creative industry businesses. This will include trials and tests to optimise co-working and incubation spaces as well as support services and approaches to foster cross-sectoral linkages, start-ups and internationalisation activities. In order to better inform creative industry businesses, Cluster 2020 will provide an open data and information service and test software tools to identify and signpost relevant services on, for example, new markets and sector trends. The project will engage directly with at least 700 businesses across 11 clusters.*

*More information can be found on the website <http://www.howtogrow.eu/ecia/project>*

#### **4.1.5. Support for entrepreneurship and SMEs**

In 2011, several actions focused on supporting entrepreneurship and innovation culture.

##### **Reaching SMEs all around the EU and beyond: 1500 events under the European SME week**

One very successful action attracting an impressive number of citizens and businesses is the European SME Week. In 2011, 1476 events and activities took place across the 37 participating countries. The events addressed a wide range of topics regarding SMEs. More information can be found on the website <http://ec.europa.eu/sme-week>.

### Boosting entrepreneur culture among women

The CIP supports the establishment of a mentoring scheme in at least ten countries to promote and support female entrepreneurship. Mentors are expected to assist women entrepreneurs by providing advice and support on starting up, running and expanding their businesses.

In 17 participating countries, they have been selected from among successful and well-known business entrepreneurs by the contractors responsible for the action, after consulting the members of the European Network to Promote Women Entrepreneurship (WES) and relevant stakeholders.

The European Network of Mentors for Women Entrepreneurs was inaugurated in Warsaw on 15 November 2011 at a Polish Presidency event on 'Female Entrepreneurship in Europe'.

[http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/women/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sme/promoting-entrepreneurship/women/index_en.htm)

#### ***4.1.6. Analytical work for better EU policies***

Surveys and studies with a European dimension are funded to guide policy-making on SMEs and innovation. To this end, the CIP funded the SME Performance Review in 2011. Its general objective is to provide an empirical and analytical foundation for SME policy measures and enable the Commission to effectively monitor the implementation of the SBA and the SME policy elements of the EU 2020 strategy (following up the Lisbon partnership for growth and jobs). In 2011, the SME Annual Report, SBA fact sheets and a Eurobarometer business survey on 'SMEs and the Environment' were published.

The Innobarometer is an instrument developed by the Commission to capture innovation at firm or citizen level. It is a poll based on the Eurobarometer methodology with interviews using a questionnaire developed by the Commission. The 2011 edition included the EU-27 countries, Iceland, Norway, Croatia, Former Yugoslav Republic of Macedonia, Turkey and Switzerland. The survey for the 2011 Innobarometer aimed to support implementation of the Innovation Union: the development of the future European Public Sector Innovation Scoreboard (EPSIS). It sought to analyse the views of companies on 'Innovation in the public sector: its perception in and impact on businesses

Additional information on the EIP programme can be found in the 2011 EIP Implementation report on the following website: [http://ec.europa.eu/cip/documents/implementation-reports/index\\_en.htm](http://ec.europa.eu/cip/documents/implementation-reports/index_en.htm).

## **4.2. The Information and Communications Technologies (ICT) Policy Support Programme**

### ***4.2.1. Approach and priorities for 2011***

The ICT PSP aims to stimulate innovation and competitiveness and accelerate the development of a sustainable, competitive, innovative and inclusive information society. It supports activities to accelerate innovation and implementation of ICT-based services and systems through wider uptake and better use of ICT and exploitation of digital content by citizens, governments and businesses.

The uptake of ICT in businesses is in general addressed by the private sector, where public policies focus on creating optimum conditions for business development and raising awareness of the benefits of technology innovation, in particular for SMEs.

The uptake of ICT and the exploitation of digital content in areas of public interest like health, inclusion, cultural heritage, public sector information, learning, public administration and energy efficiency require more proactive policies. The major hurdles for wider and better use of ICT in those areas include the lack of ICT-based services, the poor interoperability of solutions across Member States, and market fragmentation affecting the information space and ICT-based solutions.

The ICT PSP helps overcome these obstacles to the development of an information society for all in support of EU policy goals. It helps develop markets for innovative ICT-based solutions and digital content, notably in areas of public interest. This opens up a wide range of new business opportunities, in particular for innovative SMEs that provide such solutions.

The ICT PSP mainly supports pilot actions aimed at solving interoperability issues and validating innovative ICT-based services in real settings. It also supports networking to develop experience sharing and consensus building. These actions are complemented by benchmarking of the development of the information society in Europe and support for policy development and coordination through analysis and awareness raising actions.

The total budget available for the ICT PSP work programme in 2011 was EUR 125 million.<sup>5</sup>

The ICT PSP work programme for 2011 was based on the following five priority themes:

- Theme 1: ICT for a low-carbon economy and smart mobility
- Theme 2: Digital content
- Theme 3: ICT for health, ageing well, and inclusion
- Theme 4: ICT for innovative government and public services
- Theme 5: Open innovation for internet-enabled services

Those themes have taken up the bulk of the budget. They have been addressed through specific objectives supported by a limited number of high-impact pilot projects and thematic networks.

---

<sup>5</sup> This amount includes additional contributions from third countries (Croatia, Montenegro, Serbia, Turkey in 2011).

The pilots and thematic networks were selected through one open call for proposals for a total indicative budget of EUR 115.5 million. The call — ICT PSP Call 5 — was open from 28 February to 1 June 2011.<sup>6</sup>

### Implementation measures for the call for proposals

Two types of pilot actions are supported:

- Pilot type A: pilot building on existing national initiatives and aiming to develop interoperability and prepare for EU-wide implementation of ICT-based services,
- Pilot type B: pilot showcasing and testing innovative ICT-based solutions at real scale to demonstrate technical, organisational and legal feasibility.

In both cases, particular attention is paid to facilitating the scalability, further integration, replication or wider adoption of the piloted solutions.

Thematic networks gather relevant stakeholders in relevant areas for sharing experience, building consensus and preparing for further deployment of ICT-based services in those areas.

A fourth implementation measure — Best Practice Network (BPN) — concerned just Theme 2 ‘Digital Content’. Best practice networks promote the adoption of standards and specifications for making European digital libraries more accessible and usable. They combine ‘consensus building and awareness raising’ with the large-scale implementation in real-life contexts of one or more concrete specifications or standards.

### Other measures

Other implementation measures concern benchmarking, studies, and support for conferences and events. They have received a total amount of EUR 9.5 million through calls for tenders or the award of grants without calls for proposals.

#### ***4.2.2. Projects resulting from the Call for Proposals in 2011***

The pilots, best practice networks and thematic networks selected through the call for proposals (Call 5) were the result of 44 proposals<sup>7</sup> (out of 187 proposals received). The overall acceptance rate for this call was 23 % of proposals (and 25.6 % in funding terms).

The portfolio reflects excellent coverage of the five themes with all the objectives addressed.

It comprises high-quality projects supported by consortia bringing together public authorities, private companies — including SMEs — and other organisations.

Overall, public bodies represent 43 % of participants in the selected proposals. SMEs represent 22 % of participants, while 35 % are large enterprises or other private organisations such as user associations.

---

<sup>6</sup> The ICT PSP Work Programme 2011 and information on ICT PSP Call 5 for proposals are available at: [http://ec.europa.eu/information\\_society/activities/ict\\_psp/participating/calls/call\\_proposals\\_11/index\\_en.htm](http://ec.europa.eu/information_society/activities/ict_psp/participating/calls/call_proposals_11/index_en.htm)

<sup>7</sup> One proposal was cancelled during negotiations, two other proposals were taken from the reserve list for negotiation and contracting as projects.



The selected projects were launched by the end of 2011 or during the first half of 2012 after negotiations. They address the various themes as follows:

- For *'Theme 1: ICT for a low-carbon economy and smart mobility'*, 10 pilots (type B) are supported, including:

*Illuminate aims to overcome obstacles to the use of Solid State Lighting (SSL) in buildings and cities in Europe.*

*LED 4 ART aims to demonstrate and prove that both superior light quality and high energy efficiency can be obtained by replacing the existing illumination system for the Sistine Chapel.*

*SMARTSPACES aims to reduce peak and overall demand for energy and water in public buildings.*

*SmartBuild will deploy the FarEcho ICT intelligent energy management system in three countries.*

*EDISON will demonstrate the energy savings that can be achieved by replacing installed AC lighting with an integrated system including SSL, ambient lighting and building occupant sensors, together with a central power monitoring and control system.*

*VERYSchool will develop energy optimisation scenarios for school needs in Genoa, Lisbon, Lesa, and Plovdiv.*

*GREEN@Hospital will pilot web-based energy management control in four hospitals with consumption-optimising algorithms.*

*SmartCEM will pilot ICT solutions to facilitate and enhance the use of electric vehicles in Barcelona, San Sebastian, Newcastle and Turin;*

*MOLECULES will promote the full integration of ICT applications for electro-mobility in Spain, Germany and France, while MOBI.Europe will build upon ongoing initiatives to this end in Portugal, Ireland, the Netherlands and Spain (Galicia).*

- For *'Theme 2: Digital Content'*, 7 best practice networks and 3 pilots (type B) have been selected:

*Six best practice networks support more aggregation of content on Europeana:*

*- APEX aims to widen, deepen, improve and sustain the efforts of national archival institutions from 14 European countries to enhance, in terms of both quality and quantity, the supply of digital archival content to Europeana.*

*- Europeana Newspapers is devoted to the aggregation and refinement of newspapers for Europeana, addressing specific issues linked to digitised newspapers.*

*- EUROPEANA INSIDE aims to achieve a lasting transformation in the quantity, scope and usability of the content available to Europeana from European cultural institutions, supplying a further 960 000 records from 15 cultural heritage institutions and 5 aggregators.*

*- DMD2 aims to enable as many content providers as possible to integrate their content within Europeana by converting a diverse range of formats and metadata to conform to the Europeana Data Model.*

*- Europeana Fashion involves 23 partners from 12 European countries, representing the leading European institutions and collections in the fashion domain, with the aim of aggregating on Europeana outstanding and rich material on the history of European fashion, including more than 700 000 fashion-related digital objects.*

*- Through a 48-partner consortium, Europeana Awareness will publicise Europeana among users, policy-makers, politicians and cultural heritage organisations in every Member State so as to encourage the use and contribution of content, raise awareness of cultural heritage as an economic driver and promote knowledge transfer. It will promote the use of Europeana by a broad public for a variety of purposes, including recreation and hobbies, research, learning, genealogy and tourism.*

*Targeted digitisation will be carried out by four B pilots, including the following:*

*3D-ICONS will digitise a series of architectural and archaeological masterpieces of world and European cultural significance and provide 3D models and related digital content to Europeana.*

*Partage Plus will digitise Art Nouveau material to increase the amount on Europeana.*

*EFG1914 will digitise and make available 654 hours of film and 5600 film-related items held by 20 European archives in 15 countries on the theme of World War I.*

*Regarding eLearning, Open Discovery Space aims to serve as an accelerator for the sharing, adoption, use, and re-purposing of an already rich existing educational content base. It will demonstrate ways to involve school communities in innovative teaching and learning practices through the effective use of eLearning resources. It will promote community building between numerous schools in Europe.*

- For ‘*Theme 3: ICT for health, ageing well, and inclusion*’, 6 B pilots and 2 thematic networks are supported:

*I-DON'T-FALL will integrate tele-care, tele-assistance services and in-home training for a wide range of user groups that may be susceptible to falls as a result of disease, cognitive or behavioural factors or socioeconomic factors.*

*FATE will pilot solutions to detect falls at home and outside (using interconnected fall detectors, bed presence sensors and a robotic rollator).*

*Care+ will provide EU care workers with digital competences in order to support older people in their use of ICT and assistive technologies.*

*DISCOVER aims to increase digital competences and engagement among social inclusion actors (carers), stimulate the use of ICT solutions for delivering social support and care, and raise the profile of social inclusion work.*

*PALANTE aims to empower patients to take an active role in their health care and collaborate effectively with care teams through ICT solutions.*

*SUSTAINS will pilot online access for citizens to their health records.*

*AgeingWell (TN) aims to promote ICT solutions for Ageing Well.*

*MOMENTUM (TN) aims to create an EU-wide multi-stakeholder platform for telemedicine.*

- For ‘*Theme 4: ICT for innovative government and public services*’, 6 B pilots and 1 A pilot have been selected.

*Five B pilots concern the ‘cloud of public services’:*

*- SEED aims to utilise a ‘cloud computing’ approach to provide cost-effective networks for Interactive public service advertising, in an effort to remodel ‘citizen-centric’ e-Government services and to promote reuse of public sector information (PSI). Open-DAI will test the efficiency and added value of a service-oriented architecture (SOA) and cloud-based architecture for public authorities.*

*- EENVIPER focuses on testing an existing multi-purpose cloud platform based on SOA to provide digital services for ‘environmental permitting’ in five European countries.*

*- InGEOClouds aims to provide seamless access to geospatial public sector information through a cloud-based infrastructure. Focusing on the geological, geophysical and other geo-scientific information sector, it seeks to migrate existing geo-spatial services and related software tools to a new distribution environment.*

*- OASIS will facilitate access to information and more efficient provision of public services through a unified portal with a user-centred and federated-services approach.*

- Building on the results from STORK, STORK 2.0 (an A pilot) will pilot a single European electronic identification and authentication facility in eLearning & Academic Qualifications, eBanking, Public Services for Business, and eHealth, including more than 60 partners from many different sectors (ministries, public authorities, academia and the private sector).

GEN6 (B pilot) aims to prepare administrations for the move to IPv6.

- For ‘Theme 5: Open innovation for internet-enabled services’, 6 B pilots have been selected:

Commons4EU brings together Amsterdam, Barcelona, Berlin, Helsinki, Manchester, Rome and a network of cities in the UK to validate and promote (i) the development of collaborative web projects through a common methodology and (ii) common approaches for broadband.

LiveCity will involve 3000 end-users in five cities (Dublin, Luxembourg, Athens, Tübingen and Valladolid) to pilot the use of an interactive high-quality video-to-video platform for emergency services, e-Health/diabetes patient tele-monitoring, education, and tourism.

CitySDK will pilot in eight countries (including the cities of Amsterdam, Helsinki, Lamia, Lisbon and Rome), a Service Development Kit and an innovation eco-system to address business and individual demand for participation, mobility and tourism.

I-SCOPE aims to deliver an open platform for ‘smart city’ services and will test it for inclusion and personal mobility of ageing citizens, for energy consumption optimisation and for environmental monitoring.

CITADEL aims to facilitate the use of open data by application developers and to create innovative mobile applications for citizens in the cities of Ghent, Issy-les-Moulineaux, Manchester and Athens.

iCity will pilot the design of services of public interest through user-driven ecosystems and their delivery through an Open Apps Store in Barcelona, Bologna, Genoa and London. All pilots under this objective are to collaborate in a joint working group.

Activities such as dissemination and experience sharing are particularly important for the above pilot and networking actions, with a view to stimulating wider adoption, replication or deployment of such innovative ICT-based services across Europe.

- For ‘Theme 1: ICT for a low-carbon economy and smart mobility’, 4 B pilots address innovative services for resource-use awareness and resources management, aiming to reduce peak and overall demand for energy and water in social housing.

The BECA pilot will involve 5000 end-users at 7 different pilot sites; SHOWE-IT will test solutions at 3 different pilot sites; ICE-WISH will involve 300 social houses from 10 European countries; and EnergyTIC, supported by 20 partners from 20 countries, will pilot solutions in real settings.

The thematic network @QUA brings together partners from the water sector to prepare a roadmap and build consensus on the wider deployment of ICT solutions in water management.

For smart mobility, CO CITIES (B pilot) will scale up and test traveller information services in a number of European regions and cities, while COSMO (B pilot) will target energy efficiency through improved traffic management and control systems.

HeERO (A pilot) involves 40 different partners from ten countries in testing and promoting the deployment of the pan-European eCall service.

Other measures, including annual benchmarking of the European information society, studies and conferences, are also supported with a total of EUR 9.5 million. Those measures have been implemented through calls for tenders or grants without calls for proposals.

#### ***4.2.3. Participation***

Overall, public bodies represent 43% of the participants in the proposals selected under the Call. SMEs represent 22% of participants, while 35% are large enterprises or other private organisations such as user associations.

Additional information on the ICT-PSP programme can be found at:  
[http://ec.europa.eu/ict\\_psp](http://ec.europa.eu/ict_psp).

### **4.3. The Intelligent Energy–Europe Programme**

#### ***4.3.1. Objectives and thematic priorities***

With the participation of more than 3 000 public and private organisations across the EU, this programme has become the main EU instrument in the field of energy efficiency and the use of new and renewable energy sources. It supports the development and implementation of policies and Directives, helps create favourable market conditions, prepares the ground for investments, builds capacities and skills, and keeps the key stakeholders informed and engaged.

The main objective of the IEE II Programme as set out in Article 37 of the CIP Decision is to contribute to secure, sustainable and competitively priced energy for Europe, through action to:

- foster energy efficiency and the rational use of energy resources;
- promote new and renewable energy sources and support energy diversification;
- promote energy efficiency and the use of new and renewable energy sources in transport.

These objectives apply to the entire period of the programme, i.e. from 2007 to 2013. Each annual work programme, including the one adopted for 2011, sets a number of more specific, action-related objectives.

Most of the IEE II budget is implemented through the competitive allocation of financial support to independent parties submitting proposals in line with the Programme's priorities (grants for projects). IEE II provides most of its financial support to projects on the basis of annual calls for proposals. Projects funded under the IEE II programme are of a "soft" nature: they aim to work in a catalytic way, by triggering market mechanisms or inducing third parties to take action in line with the Programme's objectives. Communication and dissemination of the results are an inherent part of IEE II projects and are at the core of the management of the programme. The impact of IEE II projects thus extends far beyond the results of each individual project.

The operational budget of the IEE II Programme for 2011, not including contributions from third countries, amounted to EUR 114 499 000.00 in commitment appropriations. Contributions from EFTA countries to the operational budget totalled EUR 2 487 076.00, Croatia's<sup>8</sup> contribution came to EUR 707 600.000 and the contribution from the Former Yugoslav Republic of Macedonia was EUR 256 331.00.

The 2011 Call for Proposals was published on the IEE website on 18 January 2011. The deadlines for submission of proposals were 12 May and 15 June. The Call was promoted at a well attended information day in Brussels and at more than 20 national information days. More than 200 pre-proposal check requests were answered by the EACI, with an average response time of less than a week. 377 eligible proposals were received. Nearly a hundred independent experts supported the evaluation, about half of them taking part for the first time.

---

<sup>8</sup> The Memorandum of Understanding with Croatia was signed in October 2007 and ratified by the Croatian Parliament on 19 October 2007.

75 projects (plus 8 reserve list proposals) were recommended for funding. Most project negotiations were completed by the end of March 2012 and most contracts were signed by the end of April 2012. The main IEE II fields of action are presented below.

Highlights are provided for each field, describing specific projects or activities which were particularly noteworthy in 2011. Many of the highlights which occurred in 2011 resulted from projects which had started in earlier years. Further highlights can be found in the IEE II Performance Report (2007-2011)<sup>9</sup>.

More information is also available at <http://ec.europa.eu/energy/intelligent/>

### Energy efficiency and rational use of energy (SAVE)

*Industrial excellence in energy:* for action empowering European Industries, in particular SME's, to save energy.

Seven proposals (plus two on a reserve list) were selected for funding in 2011. Of these, five aim at improving energy efficiency in particular sectors of industry: leather and tanning, clothing, food and drink, sawmill and fishery industry. Two proposals champion large scale energy audit schemes aimed at SMEs. One proposal describes a different type of large scale scheme: energy efficiency and waste heat recovery in industrial parks. Finally, one proposal aims at promoting cogeneration of heat and power developing country-specific roadmaps for large scale deployment of cogeneration technology.

*The EuPlastVoltage project,<sup>10</sup> which was completed in May 2011, led to the signing of a European Voluntary Agreement to save energy in the plastic converting industry. The objective of the project was to prepare and launch the agreement, leading to a firm commitment by the sector to achieve energy efficiency targets at European level. The parties to the agreement aimed for average energy efficiency improvements of 20% in the period from 2007 to 2020, to be achieved by implementing energy efficiency measures in production processes.*

*Energy-efficient products:* for action to help transform the market towards more energy-efficient products and systems, supporting and complementing the legislation in this area.

Five proposals were selected for funding in 2011: two aim at making market surveillance activities more effective by sharing between countries the results of some products testing or by developing a standardised way of controlling products compliance at the EU level and make enforcement easier for market surveillance authorities; one proposal should increase the penetration of energy-efficient appliances by actively engaging retailers and informing consumers about the energy costs of running these appliances; one should consolidate and mainstream green procurement of energy related technologies in seven participating countries and transfer the know-how to eight other participating countries where green procurement is still at an early stage; and one should support further the penetration rate of energy efficient lamps by improving consumers and retailers' perception at the point of sale.

---

<sup>9</sup> [http://ec.europa.eu/cip/documents/implementation-reports/index\\_en.htm](http://ec.europa.eu/cip/documents/implementation-reports/index_en.htm)

<sup>10</sup> [www.euplastvoltage.eu](http://www.euplastvoltage.eu).

*ATLETE, a market surveillance project<sup>11</sup> which was completed in July 2011, using refrigerators and freezers as a test case, was one of the first of its kind supported by IEE II Programme. As the manufacturer is responsible for the energy label, there needs to be surveillance to make sure that a product labelled as A is not in fact B or C. Although there is market surveillance in the participating countries, it is still patchy. Surveillance authorities act as a network and meet with the European Commission, but many suffer from a lack of resources. The main barriers are well known: product testing is considered expensive, excellent laboratories are difficult to find, and surveillance authorities lack resources.*

*However, ATLETE showed that market surveillance is important, technically possible and cost-effective. One of the main project outputs was a common methodology for carrying out surveillance of the Energy Labelling and Eco-Design Directives. The project partners engaged effectively with industry by putting together a 'voluntary protocol' (signed by 27 manufacturers) giving fridge suppliers a chance to take remedial action in cases of non-compliance. Eighty-two fridge models from 40 manufacturers were tested (including appliances imported from Korea, Turkey, and China), and 80% passed the energy consumption tests, although less than half passed all five test parameters. All the results of the compliance tests were made public and widely disseminated, e.g. via consumer associations.*

*Despite the relatively small size of the consortium (five partners), the project saw wide media coverage, with numerous publications in the major national and European press and TV media. Similar market surveillance activities (focusing on other categories of products) are currently in the pipeline, as a specific funding priority was published in the IEE 2011 and 2012 Calls for Proposals.*

**Consumer behaviour:** for action to help consumers adopt an energy-efficient behaviour and choose the most energy-efficient products among those covered by the Eco-Design Directive.

*The EER CAMPAIGN project<sup>12</sup> was completed in March 2011. The project aimed to launch radio campaigns in order to promote knowledge and best practices in sourcing and consuming energy, to encourage the use of new technologies and to raise public awareness. The project was based around a series of 210 talk shows broadcast by a radio network in 7 EU countries. Overall, the broadcasts reached over 8000000 listeners, well above the initial target of 4000000. The quality of the broadcasts was excellent. The consortium developed a very informative and attractive format, and involved different personalities, providing variety and prestige to the programmes. The consortium has also expressed interest in using the radio network to promote other EU initiatives.*

**Energy services:** for actions to improve the market conditions for energy efficiency services and energy performance contracts.

*The development of the energy services market in Europe is hindered by several barriers such as a lack of awareness, a lack of trust in the supply side, a lack of harmonized procedures, difficulty to access financing or the inadequacy of some public procurement and budgeting rules.*

*IEE II has been active in addressing these barriers. In total, 17 projects have been funded in this field, involving more than 175 partners from 25 participating countries. Through their activities, they have succeeded in moving the market forward by transferring best practices, by developing model contracts, procurement guidelines and measurement protocols, by raising awareness and confidence, by supporting the development of new business models and pilot projects, by analysing the market barriers and opportunities and by providing direct training and capacity building. Most market actors have been able to benefit from these various projects whether they supply, purchase or finance energy services. In 2011 for instance, the FRESH project has resulted in the signature of the first Energy Performance Contract (EPC) with third-party investment in social housing in France. It has*

---

<sup>11</sup> <http://www.atlete.eu>.

<sup>12</sup> <http://eercampaign.org>.

also resulted in the dissemination of 50,000 detailed EPC handbooks throughout "Le Moniteur", the largest French construction industry magazine. Similarly, in 2011, the 40 partners of the ChangeBest project have been developing 49 new Energy Efficiency Services products to realise energy savings in private households, industry, commerce and public buildings.

In February 2011, the EACI decided to organise a specific IEE contractors' meeting to establish synergies between the on-going projects in this field and feed back information to the European Commission on the main project findings and latest market developments. Thanks to the quality of the discussions and the experiences and know-how of the participants, this workshop has elicited useful information and recommendations that have been used by DG ENER for the preparation of the new Energy Efficiency Directive (EED) proposal adopted in June 2011. The fact that eight different IEE II projects are mentioned in the EED impact assessment study is a good example of how IEE II projects support the policy making process by sharing expertise and practical market experience.

### New and renewable energy resources (ALTENER)

*Electricity from renewable energy sources (RES-e)*, for action to increase the share of renewable electricity in Europe's final energy consumption.

Grid development is a key factor for any further expansion of renewable electricity production, both large- and small-scale. One of the greatest challenges to the grid infrastructure is connecting the offshore potential, mainly wind, in the northern seas of Europe to the electricity network both off- and on-shore. From 2007 to 2011, seven projects were supported under the 'grid issues' priority.

*OFFSHOREGRID*,<sup>13</sup> was completed in 2011, was a strategic project to develop designs for the offshore grid in Northern Europe along with a regulatory framework to address technical, economic, policy and regulatory aspects. This project provided inputs for the preparation of the Commission's 'Communication on energy infrastructure priorities for 2020 and beyond — A blueprint for an integrated European energy network'- COM(2010) 677 final. OffshoreGrid is referred to both in the Communication itself and in its Impact Assessment, and the project's achievements have been commended by high-level representatives of DG ENER and by the Commissioner for Energy, as well as by ENTSO-E, national TSOs and companies working in the sector.

*RE-SHAPING*,<sup>14</sup> which ended in December 2011 assisted Member States in implementing the RES Directive through best practices, policy scenario modelling and innovative instruments. The goal was to assess the effectiveness and efficiency of RES support schemes, to explore RES target flexibility, and to study the compatibility of RES policies with the Internal Market, emissions trading, innovation policy, and financial market practices.

*Renewable energy heating/cooling (RES-H/C)*, for action to promote the use of RES for heating and cooling applications.

Renewable heating and cooling projects have an impact at three levels. At EU level, they have contributed to the development and implementation of EU-wide legislation. At national level, they have assisted in addressing the non-technological barriers that impede the uptake of RES H/C technologies. At local level, the programme has supported local actors by providing them with the knowledge needed to use best-practice RES H/C systems in towns and cities.

<sup>13</sup> OffshoreGrid 'Regulatory Framework for Offshore Grids and Power Markets in Europe: Techno-economic Assessment of Different Design Options', <http://www.offshoregrid.eu/>.

<sup>14</sup> RE-SHAPING 'Shaping an effective and efficient European renewable energy market', <http://www.reshaping-res-policy.eu/>.



*RES-H Policy,<sup>15</sup> which was completed in 2011, supported policy development to improve RES H/C penetration at EU level by assisting six Member State governments in setting RES H/C targets as required by the RES Directive. The project provided tailored recommendations for the development of supporting policies, including qualitative and quantitative assessments of such policies in the selected countries, and proposed options to harmonise national RES H/C policies, including an analysis of the costs and benefits of such policy strategies.*

*QAiST,<sup>16</sup> scheduled for completion in May 2012, is a successful example of an initiative driven by industry associations aimed at creating a more favourable market for solar thermal products. It has contributed to increasing the share of recognised quality products in the solar thermal market, by improving the quality assurance framework so that ultimately the European solar thermal heating and cooling industry can sustainably contribute to the 2020 targets and become a technological world leader. To date, over 1400 models of solar thermal collectors and 150 solar thermal systems have been certified under the Solar Keymark Certification scheme.*

*SEPEMO-Build,<sup>17</sup> scheduled for completion in April 2012, addresses market barriers in the heat pump sector by providing and implementing a methodology for making field measurements of heat pump systems that will inform the development of European standards. As a result of the project, the number of certified heat pumps on the market is expected to increase by 25 %.*

**RES in Buildings**, action to expand the integration of renewable energy systems in buildings and to support implementation of the ‘RES in buildings’ component of the RES Directive.

*QUALICERT,<sup>18</sup> which was completed in December 2011, mobilised relevant stakeholders in five countries (Austria, Italy, Greece, France and Poland) and facilitated dialogue between them, with the aim of developing common success criteria for certification (or equivalent qualification) schemes for installers of biomass stoves and boilers, shallow geothermal energy systems, heat pumps, photovoltaics and solar thermal systems, with a view to achieving mutual recognition across the EU, in line with Article 14 of the RES Directive.*

*The ongoing action PATRES,<sup>19</sup> which is scheduled for completion in April 2013, successfully supports heads of department and technical officers working in local authorities, public utilities and social housing bodies through customised training + coaching + field visits, which help them to introduce effective RES policies for public and private buildings under their responsibility. In 2011, more than 160 participants (more than half from new EU Member States or candidate countries) took the PATRES training courses. By the end of the project, it is expected that 40 new (or improved) regulations (e.g. public procurement rules) will have been introduced to support renewable energies in municipalities.*

---

<sup>15</sup> RES-H POLICY ‘Policy development for improving RES-H/C penetration in European Member States’, <http://www.res-h-policy.eu>.

<sup>16</sup> QAiST ‘Quality assurance in solar thermal heating and cooling technology: keeping track with recent and upcoming developments’, <http://www.qaist.org>.

<sup>17</sup> SEPEMO-Build ‘SEasonal PErformance factor and MOnitoring for heat pump systems in the building sector’, <http://www.sepemo.eu>.

<sup>18</sup> <http://www.qualicert-project.eu/>.

<sup>19</sup> PATRES ‘Public Administration Training and Coaching on RES in their building regulations and codes’, <http://www.patres.net>.

*EnergiZair,<sup>20</sup> which is scheduled for completion in March 2013, is introducing Renewable Energy Weather Forecasts on TV and radio and in newspapers in 5 European countries, based on an initiative already successfully running on RTBF-Belgium (French-speaking). Thanks to the innovative indicators presented together with regular weather forecasts, households are easily able to understand how much energy can be supplied by RES installations. In 2011, the consortium concluded agreements to launch Renewable Energy Weather Forecasts in 2012 on TV and radio and in newspapers in Belgium, France, Slovenia, and Portugal. In Italy, the project is further advanced with renewable energy weather forecasts already running in 2011 on two regional TV stations and two radio stations.*

**Bioenergy**, for action to promote the increased production and use of biomass, bio-liquids and biogas in energy markets.

Bioenergy will play a crucial role in achieving the 2020 targets: it currently provides more than two thirds of the renewable energy in the EU, and is expected — based on the National Renewable Energy Action Plans — to account for more than half the EU's renewable energy in 2020 and for about 11 % of total EU energy consumption.

*Trade barriers are still a crucial issue to be solved in order to facilitate the development of a mature bioenergy market. In order to boost sustainable and transparent international biomass fuel trade, Eubionet III<sup>21</sup>, which was completed in 2011, has helped Eurostat with the development of Combined Nomenclature codes for wood pellets and it has successfully contributed to the development of price indexes for industrial wood pellets and wood chips and of the CEN standards for solid biofuels. The implementation of these CEN standards will continue to be supported by SolidStandards<sup>22</sup>, which started in 2011 and will run until 2014. This project, which is organising 35 training events in 11 countries, is expected to involve 700 solid biofuel producers and other industry players. It is also helping with standards implementation in 7 selected companies, followed by at least 120 other companies. PellCert<sup>23</sup> which also started in 2011 and is scheduled for completion in 2014, is support the development of a European certification system for pellets (ENplus) and its implementation in Austria, Germany, Spain, Italy and Finland. The project is expected to result in more than 20% of the pellet production in these countries being certified, and in the development of new procedures to certify the sustainability of pellet production and trade.*

*Several Bioenergy projects are facilitating investments in local and regional supply chains. UrbanBiogas,<sup>24</sup> which started in 2011, will help five European cities to introduce separate collection of organic urban waste and its use for biomethane production. The initiative is expected to trigger investment totalling EUR 17 million and savings of 90 000 t CO<sub>2</sub>eq/yr. Both agricultural biogas and waste treatment are addressed by the Bio-Methane Regions<sup>25</sup> (2011-2014) project, which also started in 2011. Based on the successful predecessor project 'Biogas Regions', which secured investment of more than EUR 40 million in new biogas plants in 7 regions, leading to savings of 60 000 t CO<sub>2</sub>eq/yr,*

---

<sup>20</sup> 'EnergiZair — The sky is the limit', <http://www.energizair.eu>.

<sup>21</sup> Eubionet III "Solutions for biomass fuel market barriers and raw material availability", <http://www.eubionet.net>

<sup>22</sup> SolidStandards "Enhancing the Implementation of Quality and Sustainability Standards and Certification Schemes for Solid Biofuels", <http://www.solidstandards.eu/>

<sup>23</sup> PellCert "European Pellet Quality Certification", <http://www.pelletcouncil.eu>

<sup>24</sup> UrbanBiogas 'Urban Waste for Biomethane Grid Injection and Transport in Urban Areas', <http://www.urbanbiogas.eu/>.

<sup>25</sup> Bio-methane Regions 'Promotion of Bio-Methane and its Market Development through Local and Regional Partnerships', <http://www.bio-methaneregions.eu/>.

*Bio-Methane Regions will accompany 20 new biogas and biomethane projects from the initial project idea to the realisation of infrastructure, with an expected impact of more than EUR 50 million in investment and more than 25 000 toe/year biogas produced.*

### Energy in transport (STEER) to promote energy efficiency and the use of new and renewable energies sources in transport

*Energy-efficient transport:* for action to reduce the demand for car travel and transport by road freight, and to shift travel and transport to more efficient transport modes.

Of the five proposals recommended for funding in 2011, one is promoting the uptake of Sustainable Urban Mobility Plans through a participative approach in polycentric regions, thus providing an interesting approach to addressing a key barrier to the development of those plans: engaging stakeholders and neighbouring institutions. Another proposal will work with small to medium sized historic towns on greening their urban freight distribution. Two proposals aim at increasing the energy efficiency of travelling to and within touristic destinations (including very well known sites such as the Balearic Islands, the Canary Islands, Madeira or Kos in Greece) by working closely with local stakeholders. One proposal in the leisure travel area covers city leisure trips with a focus on cycling and families. It engages families in an innovative track-the-bike "lottery" to motivate them to shift from car to bike use.

*The EU-25 population aged 50+ is expected to increase from 35% to 49% between 2005 and 2050. While in the past walking and public transport have been the most important modes among older people, there is currently a strong shift towards the use of private cars, and this is expected to increase. This will have significant negative impacts on energy efficiency in urban transport, but ultimately also on the independent mobility and social inclusion of older Europeans.*

*At the same time, whilst not all of the barriers are vehicle or infrastructure related, sustainable travel options are not well suited to older people's needs.*

*Alternatives to the car are perceived as unattractive, or people don't know how to use them. Furthermore, mobility providers need to become more aware of the market potential and consider older people as a relevant consumer group.*

*The AENEAS project<sup>26</sup>, which was completed in 2011, assessed the mobility needs and expectations of older people and implemented targeted soft measures (such as guided tours or training sessions on how to consult online public transport options) in 5 cities: Donostia-San Sebastián, Kraków, Munich, Odense, and Salzburg. About 2,700 older persons were trained and 40,000 people were involved through workshops, individualised marketing campaigns and events. Many more were reached via media advertisement. Of the 2700 participants, 17% stated at the end of the training sessions that they would use a car less often, 30% wanted to ride on public transport more frequently, 27% planned to walk more, and 30% intended to increase cycling.*

*An important added value of AENEAS' was to raise awareness about the ageing challenge amongst transport professionals. Five workshops were held with 220 attendees from 18 countries. Moreover, 600 bus drivers were trained on older people's needs.*

*AENEAS activities are continuing beyond the project lifetime e.g. the cycling and public transport training schemes in Munich, the guided cycling trips in Odense and the passenger and driver training in Salzburg and San Sebastian will continue in 2012. In addition, AENEAS-type activities are being promoted through the 2012 European Year for Active Ageing and Solidarity between Generations.*

---

<sup>26</sup> [www.aeneas-project.eu](http://www.aeneas-project.eu)

*Clean and energy-efficient vehicles:* for action to help transform the market towards more energy-efficient vehicles, supporting and complementing the recent legislation in this area:

The two proposals, which were selected from Call 2011, will promote the procurement or the efficient driving of clean vehicles. One of them will support the implementation of the Clean Vehicle Directive and increase the visibility of the Clean Vehicle Portal by reaching a large number of stakeholders through events, training and online support. The other will develop driver training in safe and energy efficient driving specifically for clean public transport vehicles.

*The ECORAILS<sup>27</sup> project which ended in 2011 was one of the few IEE projects targeting the railway sector. The project developed legally secure guidelines for administrations on how to integrate and evaluate energy-efficiency and environmental criteria in the regional procurement of rolling stock for railway operators. These guidelines are based on two core documents. The first core document provides a comprehensive overview of technological (e.g. control and comfort functions in parked trains, braking energy recovery, automatic coupling systems...) and operational measures (e.g. eco-driving, energy meters, LCC driven procurement...) and their potential in terms of energy savings and pollutants savings in relation to the economic costs for their implementation. The second core document consists of an analysis of existing procurement procedures and how to include energy-efficiency and environmental criteria in them. The guidelines were tested in four pilot sites (Berlin, Lombardy, Timisoara and Øresund). In addition, one real life procuremet took place during the project's lifetime at Øresund.*

*An ECORails User Platform at European level and Site Stakeholder Groups at local level helped with the assessment of the guidelines. The website has a "Campus ECORails section as a central learning tool for the use of the Guidelines. Application of the "Guidelines for Public Transport Administrations in Europe" is expected to reduce energy consumption and CO2 emissions by 8-12% in comparison to current procedure and 10-15% with regard to the currently used rolling stock. An unexpected success was the fact that the Romanian partner was asked by its national authorities to rewrite current procurement legislation to take into account environmental and energy-efficiency criteria.*

**IV. Integrated initiatives,**<sup>28</sup> Action combining several of the specific fields (SAVE, ALTENER and STEER) or relating to specific EU priorities, which may include:

- (a) integrating energy efficiency and renewable energy sources within several sectors of the economy;
- (b) combining various instruments, tools and actors within the same action or project.

*Local energy leadership:* action to foster the integration of sustainable energy policies in the work of public authorities and to facilitate cooperation between public authorities and other local actors.

Of the four proposals that were recommended for funding in 2011, three aim at sharing experiences across the EU through a concrete and targeted twinning approach, with well-planned training of "learning local authorities". They foresee the development of new Sustainable Energy Action Plans by the "learning authorities" and the start of the implementation of these plans before the end of the project. The last proposal aims at

---

<sup>27</sup> [www.ecorails.eu](http://www.ecorails.eu)

<sup>28</sup> CIP Decision, Article 42.

facilitating access to energy consumption data by local authorities in order to produce a sound baseline emissions inventory, and to monitor the energy impacts of their efforts.

*The activities of the ENERGY FOR MAYORS' project<sup>29</sup>, which is scheduled for completion in 2013, support the EC's "Covenant of Mayors" initiative through strengthening the network of its Covenant Supporters and Coordinators, and helping selected municipalities with the development and implementation of their Sustainable Energy Action Plans (SEAPs).*

*The project aims to enlarge the network of organisations signing up as supporting structures to the Covenant of Mayors by at least one in each EU country not partnering in the project and by at least 2 new in each project country. In 2011 at the interim stage of the project, results were already looking promising with many capacity building activities for supporting structures organised and well attended in the 10 partner regions. According to the survey which was carried out by the project team, supporting structures are in real need of support. A detailed assessment of their needs was performed in order to maximise the impacts of the capacity building activities. An online toolbox, gathering more than 530 resources, was created in order to support these supporting structures in delivering correct advice and information to the local authorities in their territory. This toolbox contains many useful methodologies, case studies and real life examples on the SEAP topic.*

*In addition, a total of 165 other municipalities have been supported in their SEAP development. Thirty SEAPs have already been developed and out of these, sixteen have been approved by the city councils. So far, 105 municipalities have signed the Covenant of Mayors as a direct result of the project activities and many more signatories are expected by the end of the project.*

*Mobilising local energy investments:* project development assistance for the preparation of local investments in energy efficiency and/or renewable energy. This new funding area was opened for the first time in 2011.

Building on the experience of ELENA (see below), the MLEI was introduced in the IEE Call 2011, with the aim to support project development assistance for local or regional public authorities to prepare, mobilise financing for, and launch investments in sustainable energy projects. A strict requirement is that at the end of the project, evidence must be provided to show that the investments have been launched unconditionally. The first MLEI Call attracted 25 proposals from 7 countries, for a total investment of EUR 0.8 billion. The average size of the requested investments was EUR 32 million and the average size of the proposed project development assistance was EUR 1.4 million. Three main types of MLEI project have been identified namely, (a) classical investment projects, with innovative means of implementation, (b) bundling of small projects, led by one or more public authorities, and (c) innovative schemes for triggering sustainable energy investments. The lessons learned from these projects will help to guide the use of Structural Funds for energy efficiency and renewable energy in the 2014-2020 cohesion policy.

*Energy efficiency and renewable energy in buildings:* to promote the integration of energy efficiency measures and renewable energy consumption in new and existing buildings (e.g. nearly-zero energy buildings). This new funding area was opened in 2011 for the first time.

The seven (plus two on a reserve list) proposals recommended for funding meet the objective of supporting all actors along the sector value chain in the face of the transition towards nearly zero-energy buildings in the coming years. Local authorities, developers, financiers, owners, users, designers, engineers, contractors and suppliers will all be either direct, or indirect beneficiaries of these actions. Additionally, from stakeholder forums, networking activities and broad awareness resulting from the recommended proposals, the entire value

<sup>29</sup> <http://www.energyformayors.eu/>

chain will benefit, as will the regulatory authorities which are setting the framework for the market transformation. During the period 2012 to 2015, these projects are expected to trigger accelerated progress towards nearly zero-energy buildings in national action plans, and will continue to inform the sector throughout that period.

*Mobilising local energy investments (MLEI):* project development assistance for the preparation of local investments in energy efficiency and/or renewable energy (new funding area open in 2011).

Building on the experience of ELENA (see below), MLEI was introduced in the IEE Call 2011, with the aim of providing project development assistance for local or regional public authorities to prepare, mobilise financing for, and launch investments in sustainable energy projects. A strict requirement is that evidence must be provided by the end of the project to show that the investments have actually been launched. The first MLEI Call attracted 25 proposals from 7 countries, for a total investment of EUR 0.8 billion. The average amount of investment was EUR 32 million and the average amount of project development assistance applied for was EUR 1.4 million. Six projects were recommended for immediate negotiation and three others were put on the reserve list. Three main types of MLEI project have been identified: (a) classical investment projects, with innovative means of implementation, (b) bundling of small projects, led by one or more public authorities, and (c) innovative schemes for triggering sustainable energy investments. The lessons learned from these projects will help to guide the use of the Structural Funds for energy efficiency and renewable energy under Cohesion Policy for the period 2014-2020.

*Energy efficiency and renewable energy in buildings:* to promote the integration of energy efficiency measures and renewable energy consumption in new and existing buildings (e.g. nearly-zero-energy buildings). New funding area open in 2011.

*Building Workforce Training and Qualification Initiative in the field of energy efficiency and renewable energy (BUILD UP Skills):* for the continuing education and training of ‘blue-collar’ workers in the construction sector. This new funding area opened in 2011 for the first time.

Although this new initiative was only launched in 2011 following the Commission’s adoption of the new Energy Efficiency Plan, the response was outstanding, with 41 proposals received from 27 countries, and 21 national projects selected and contracted. These projects, which started in November 2011, aim to develop national qualification platforms and roadmaps for the continuing education of craftsmen and other on-site workers in each country. During the first 6 months, the projects will produce an analysis of the state of play in the building sector and its workforce. They will analyse skill needs and gaps for various professions, in both quantitative and qualitative terms. All relevant stakeholders will be invited to join the national discussion platforms to establish a roadmap for training the building workforce by 2020.

In November 2011, the first EU exchange meeting was held in Brussels, bringing together for two days representatives of the 21 contracted projects and relevant market stakeholders, totalling around 100 people.

### **4.3.2. Market Replication Projects**

Introduced in the 2009 work programme, market replication projects are an integral part of the IEE II programme. Article 44 of the CIP Decision sets out the category of projects for which EU funding can be provided for implementing actions under Market Replication Projects: 'The Community shall provide support to projects concerned with the market replication of innovative techniques, processes, products or practices of Community relevance, which have already been technically demonstrated with success. These shall be designated to promote broader utilisation of such techniques, processes, products or practices within the participating countries and facilitate their market uptake.'

A major feature of market replication projects (MRP) is the focus on replication effects, as measured by the leverage (multiplication) factor (leverage effect of each euro provided from the IEE-MRP programme to the total of the sustainable energy investment mobilised). The IEE-MRP is implemented with the ELENA Facility.

The ELENA (European Local Energy Assistance) Facility was launched with the 2009 WP, in cooperation with the European Investment Bank (EIB). It provides grant financing for project development services needed by local and regional authorities and bodies acting on their behalf to develop and launch sustainable energy investments. Support from the IEE is conditional upon the investments being launched, with a minimum leverage factor of 1:25 (in 2009 and 2010) and 1:20 (in 2011 and 2012).

The Facility has been implemented (under the respective Contribution Agreements) by the EIB (since 2009), KfW and CEB (since 2011). An additional window is under negotiation with the EBRD (2012). The Facility is overseen by DG ECFIN and DG ENER.

Unlike the standard promotion and dissemination projects, the ELENA Facility is implemented under the regime of open calls, on a first come - first served basis.

The cumulated ELENA contribution for the 16 signed and approved projects reached €28 million up to end 2011. According to the information available at this stage, these projects should generate approximately €1.5 billion worth of investment. The leverage factor for current projects is situated at 54, i.e. more than the double of the requested level.

The planned investment related to these projects shows an increase in the number of district heating projects; however a third of these investments are focused on improving energy efficiency in the building sector, whereas a quarter will be related to energy efficiency and renewable energy in the transport sector. Overall, the signed projects target over 800 municipalities.

The current (2011) pipeline of projects contains 18 eligible projects. This pipeline will be subject to changes during discussions with the applicants; however it currently represents a potential use of ELENA funds of approximately €34 million. The investment that could be leveraged through this support could amount to €2.2 billion. Further, discussions have been initiated with another 14 potential applicants.

For more information, see the following websites:

[http://www.eib.org/products/technical\\_assistance/elena/index.htm](http://www.eib.org/products/technical_assistance/elena/index.htm) (EIB),

[http://www.kfw.de/kfw/en/KfW\\_Group/About\\_KfW/Mission/Special\\_Tasks/ELENA\\_-\\_European\\_Local\\_ENergy\\_Assistance.jsp](http://www.kfw.de/kfw/en/KfW_Group/About_KfW/Mission/Special_Tasks/ELENA_-_European_Local_ENergy_Assistance.jsp) (KfW)

### **4.3.3. Grants to specific target groups**

#### Concerted Actions (CAs)

**CA EPDB III** — Properly implemented, the Energy Performance of Buildings Directive (EPBD) could result in as much as 96 Mtoe/yr in energy savings by 2020, or 6.5% of the EU's final energy demand, without even taking account of the impact of its recast.

To help make that a reality, a Concerted Action (CA EPBD) was launched in 2005 as a joint initiative of the EU Member States and the Commission. With the launch of its third phase from 2011-2015, participation in the CA is going from strength to strength: in 2011, two cycles of collaborative work and two full meetings took place. Continuation of this work is an important step in order to maximise the impact of the recast, particularly in terms of market transformation towards nearly zero-energy buildings. It can help in reaching the additional estimated savings of 60-80 Mtoe/yr by 2020, or 5-6% of the EU's energy consumption.

Key outcomes of the CA were presented at its EUSEW 2011 stakeholder event in Brussels: 'Europe's Buildings: Energy Performance Today and Tomorrow'. A highlight of that event was the release of the book 'Implementing the Energy Performance of Buildings Directive (EPBD): Featuring Country Reports 2010', presented to the Director-General of DG Energy under the auspices of the Hungarian Presidency. It sets out the findings from the 112 technical sessions held in the period 2007-2010 and constitutes a definitive source of information on national implementation of the Directive. It has been widely distributed and is currently being translated into Chinese.

Participant surveys show that the CA is highly effective. Furthermore, in 2011 the Commission's proposal for cost-optimal regulation and the mandate to CEN for a second generation of EPBD standards also benefited from the CA's work.

**CA ESD I and II** — The Concerted Action on the Energy End-Use Efficiency and Energy Services Directive (CA ESD) continued enhancing and structuring the sharing of information and experiences relating to the implementation of the ESD Directive (2006/32/EC). It provided a forum for immediate and informal exchanges of experiences and involved all Member States' national authorities responsible for implementing the Directive, or those bodies appointed and entrusted by them to do so.

In June 2011, the first Concerted Action (2008-2011) came to an end. The conclusion was that it had been a successful platform for the exchange of information, experiences and good practices. Thanks to this action, many participating Member States gained a better understanding of the Energy Services Directive and were able to learn from other countries, avoid pitfalls and build on successful approaches when implementing the ESD in their country. The Concerted Action also succeeded in developing and animating a unique network of European experts on ESD, which has resulted in more long-term cooperation across Europe. There is clear evidence that Member States have benefited from and acted upon information received through the CA ESD.

Furthermore, the Concerted Action also helped the European Commission better understand the national barriers related to ESD implementation. Energy efficiency policy and markets in



Member States are indeed continuously evolving and there are still areas that despite the ESD are slow to take off and require for example capacity building, clear financing solutions or measurement and verification.

Based on the positive outputs and on the fact that participants have made it clear that a concerted action provides added value and supports decision-making in national administrations, the initiative was prolonged for a further 3-year term (in the form of CA-ESD II) commencing in June 2011.

**CA-RES:** — This Concerted Action on the Renewable Energy Directive (CA-RES)<sup>30</sup> aims to support the implementation of the 2009 RES Directive and achievement of its national targets. It involves only the organisations in charge of the national transposition and implementation of the Directive, which are the responsible ministries and the expert bodies they have appointed to this end. CA-RES provides a forum for confidential and structured discussions and cross-learning between these organisations in all EU Member States. This exchange of views, approaches and experiences concentrates on the key requirements of the Directive in line with the needs of the Member States and the European Commission.

CA-RES focuses on topics where the coordination of approaches would be beneficial, for example cooperation mechanisms, implementation of the national renewable action plans (NREAPs), methodologies for the calculation of renewable energy shares, integration of RES supplies within electricity and gas grids, removal of administrative barriers, incorporation of RES within planning processes, reducing information and training gaps, sustainability of biofuels, and biomass mobilisation. Intended to run for 3 years, CA-RES started in July 2010 and is coordinated by the Austrian Energy Agency

After 1.5 years, this Concerted Action is achieving its initial objectives. It involves 30 partners from 27 EU Member States plus Norway, Croatia, and Iceland.

Three successful 3-day CA-RES meetings have been organised (in Austria in autumn 2010, Lisbon in spring 2011, and Madrid in autumn 2011). Each meeting attracted around 200 participants from the EU Member State authorities responsible for implementation of the RES Directive.

During these meetings and in between meetings, these authorities work together to find the most effective ways to implement the EU Directive by identifying and disseminating good practices on RES policy implementation and by focusing on topics that require common approaches and coordination between the Member States. Ten working groups have been set up to address implementation issues relating to the Directive.

CA-RES has become a major platform for structured, confidential dialogue and exchange of experience and best practice between Member States on the implementation of the RES Directive. The confidentiality of this platform is a clear added value, which distinguishes it from other fora or conferences.

---

<sup>30</sup> CA-RES ‘Concerted Action on the Renewable Energy Directive’, <http://www.ca-res.eu/>.

#### ***4.3.4. Standards initiative***

The aim of the initiative is to develop the standards required for implementing energy efficiency and renewable energy legislation and related EU policies. These standards will be prepared by the relevant European standards bodies (CEN/CENELEC) under specific agreements.

On 14 December 2010, mandate M 480 was given to CEN/CENELEC and ETSI for the development and adoption of standards for a methodology to calculate the integrated energy performance of buildings and promote the energy efficiency of buildings, in accordance with the provisions of the recast Directive on the Energy Performance of Buildings (2010/31/EU). The specific grant agreement was signed in 2011.

#### ***4.3.5. Calls for tenders***

In 2011, the Commission<sup>31</sup> issued calls for tenders for projects under the Intelligent Energy–Europe Programme, in accordance with the requirements laid down in the relevant annual work programmes, in this case the IEE II 2010 and 2011 work programmes.

Each call for tenders and the attached specifications provided a full, clear and precise description of the subject, terms and conditions of the contract, together with a clear and precise description of the different criteria to be applied throughout the entire process, up to and including selection of the contractor.

The Commission is not legally bound by its choice of economic operator until the contract is signed. Up to the point of signature, the Commission may cancel the award procedure without the applicants or tenderers being entitled to claim any compensation.

In 2011, the Commission contributed to the International Partnership for Energy Efficiency Cooperation (IPEEC) and to the International Renewable Energy Agency (IRENA), in accordance with the requirements laid down in the relevant annual work programme.

---

<sup>31</sup> If management of the IEE II Programme is delegated to the Intelligent Energy Executive Agency, the Agency might be given a mandate to invite specific tenders agreed to be necessary for implementation of the IEE Programme.

## **5. OTHER ISSUES**

### **5.1. Final evaluations of the Programmes EIP, ICT-PSP and IEE**

The final evaluation of the Entrepreneurship and Innovation Framework Programme was completed in April 2011. In general, the findings are encouraging and confirm the relevance, effectiveness and efficiency of the programme. The EIP is going in the right direction: its objectives are highly relevant to business needs and in line with Europe 2020. The programme is effectively benefiting end-users, in particular SMEs. In particular, EIP measures such as financial instruments and eco-innovation have effectively created the conditions for genuine replication in the market.

However, some recommendations were made on how to further improve implementation of the EIP and design a possible successor programme. In particular, they called for a more systematic management process for pursuing cross-cutting objectives and making more explicit links with other elements of enterprise policy and for further development of the monitoring system and indicators.

The recommendations have been assessed and most of them have been taken into account in the preparation for the next generation of programmes in the MFF for 2014 - 2020.

The final Evaluation of the Intelligent Energy – Europe II Programme was finalised in June 2011. The evaluators found that the programme is relevant and useful as it replies to the evolving needs; problems and barriers related to sustainable energy issues that Europe is facing. The combination of the actions which covers a wide spectrum of priorities, the involvement of different type of actors which can clearly influence the uptake of sustainable energy solutions and in particular the combination of market solution oriented projects and projects targeting policy adaptation as well as the influence of the IEE II actions at different moment of the market cycle, contribute to the effectiveness of the programme.

Some recommendations were made on how to further improve the implementation of the IEE II, such as to consolidate programme-level communication for all programme components to ensure sufficient visibility and consistency, to further develop the training for National Contact Points (NCP) and continue to take into account the national specificities/needs when prioritizing projects.

The "final" evaluation (corresponding actually to a second interim evaluation) of the ICT Policy Support Programme was completed in July 2011. Overall, the report is very supportive of the programme and recognises the high added value of EU support to deployment of innovative ICT-based services in private and public sectors. A range of positive attributes was noted (a unique and pioneering innovation instrument, directly policy-related, complementary portfolio of instruments, wide stakeholder participation) that contributes to its strengths and differentiates it from research support programmes.

Recommendations were made on how to further improve implementation of the ICT PSP and design a possible successor programme. The evaluation of proposals should be tightened regarding the requirements concerning exploitation and dissemination plans, and follow-up sustainability strategies and the need to support more bottom-up schemes in the parallel of policy-driven and roadmap-based objectives.

## **5.2. Strategic Advisory Board on Competitiveness and Innovation**

The annual meeting of the CIP Strategic Advisory Board took place on 2 February 2011 in Brussels.

This Board is composed of 20 representatives of industry and business associations, including those representing SMEs. The expertise of its members is in the sectors and issues addressed by the Framework Programme, including financing, ICT, energy and eco-innovation.

At the 2011 meeting, the discussion focused on the main political developments shaping the future programme and on the state of play with CIP implementation, final evaluations and ongoing work for preparing future programmes.

## 6. CONCLUSIONS

In 2011 all CIP instruments and actions were fully operational showing encouraging results. The execution rate of the total budget allocated to the three different programmes was above 99%.

During the fifth year of implementation, some CIP measures extended the coverage of their actions and then the number of possible beneficiaries. This was the case of the financial instruments (more than 170,000 SMEs benefited from their support by the end of 2011).

Other actions, such as the European Enterprise Network increased the number of SMEs reached. By the end of 2011, and among other services, the partners of the Network contacted more than 2.3 million SMEs via newsletters every week. They have also involved more than 250,000 SMEs in local promotion and information events.

New initiatives were prepared which will have an important impact on small and medium size enterprises, for instance the *Build Up Skills* initiative under the Intelligent Energy Europe programme, which aims to train the building workforce in sustainable energy matters.

The response from the market to the grants published was very positive. Actions such as the pilot and market replication projects on ICT-based services and eco-innovation or the dissemination and information actions on sustainable energy had an increased number of applications and, in most cases, the number of projects funded during 2011 was higher than in previous years.