



Flanders' contribution to the public consultation on the possible successor programme of the CIP

Main priorities for the new programme

Further simplification as announced in the Flagship Innovation Union and better visibility of the programme

In view of the Europe 2020 strategy, Flanders is in favour of a continuation based on the main priorities of the current CIP: eco-innovation, SMEs, ICT as a key enabling technology and intelligent energy as one of the grand challenges. It remains crucial to focus on a certain stability of the existing programme architecture.

Some flexibility in budget allocations should be provided in the framework design. This can be realized by translating the objectives into correct indicators that measure the performance of the support schemes at the benefit of the SME and the final impact on the European SMEs. Based on this, some flexible and transparent annual **budget monitoring** should be allowed in the sense of increasing budgets to the most successful support schemes. Regular feedback on geographic and sector coverage of the instruments should also be used for these monitoring purposes in the CIP governance structure (programme committees,...).

Strengthen the focus on SMEs through enhancing the success rates of their participation

Future CIP instruments should be geared more towards final -both direct and indirect- SME participation as too few SMEs are really taking advantage of participation to European programmes at the benefit of their growth.

In addition, more SME friendly measures (e.g. use of innovation vouchers in E.E.N.) can improve the participation of SMEs in EU programmes and boost transnational cooperation.

Further streamlining of innovation instruments

Flanders subscribes the point of view of many actors to obtain more synergies and parallels between the various European programmes (SME theme in the FP7 on RTD, EFRD and Interreg in the Structural Funds) and initiatives (JTI, PPP, LMI, EUREKA, etc). For example, a consortium that has finalized a successful project within the Framework Programme for RTD, should be able to easily continue its (innovation) trajectory to the market by entering into a follow-up project in the CIP and thus apply its successful research results into business and society. In addition, initial applications for a FP project could already include a valorisation trajectory. In these follow-up cases, equal rules for submitting projects for example can reduce the administrative burden.

Focus more on high added-value support services at the benefit of SMEs and potential entrepreneurs to improve access to finance and funding

For example, the demonstration and market replication projects on eco-innovation have been proved very successful with the highest participation rate from SMEs in the CIP. Given the importance of addressing the societal challenges towards greening the economy, more focus and budget should go to eco-innovation demonstration and market replication projects so enterprises are enabled to bring more and faster innovations to the market.

Broaden regional visibility and the geographical scope of the Enterprise Europe Network

The Enterprise Europe Network has been operational for three years now and it is too early yet to draw valid conclusions on its value and impact. E.E.N has played an important role as interface towards the SMEs and should certainly maintain its key role in the further realization of this objective. There is a desire to integrate NCP activities into the network. It could be considered to broaden involvement of more regional players close to SMEs into the network (Regional development agencies, regional cluster organisations, sector organisations, incubators,...) e.g. by subcontracting. E.E.N. could play for example an important role to enhance the skills for enterprise advisors and enterprises to access the benefits of the various EU funding mechanisms as well as the goals of the EU2020 Strategy and its various flagship initiatives. More involvement of intermediaries could increase the visibility of the network and the programme as a whole and enhance the target group of companies being aware of the added value of cooperation and European initiatives. In order to get access to new global markets, opening the E.E.N. beyond the EU (through stronger involvement of third countries) might significantly increase added value for internationally active SMEs, on condition that screening, monitoring and quality requirements is equally applied to all network partners. Next to brokerage activities, that are considered the core activities of the E.E.N. network, also other of their activities (easy access to information on finance, tender support, specialized advisory services like IPR) should remain in focus as they are of vital importance especially for those small businesses that start their international activities. It would also be more cost effective if SME programmes like e.g.. the Erasmus for Young Entrepreneurs programme are fully integrated into the core business of the E.E.N. to let these valuable initiatives benefit from the 'acquis' of brokerage and partnership setting that the network already has.

Financing instruments must remain a major concern for the programme.

Risk capital and guarantee schemes are considered highly relevant for the fast growing innovative SMEs to strengthen competitiveness in global markets and to remedy the lack of financing capital availability. Europe is still lagging behind in the VC market compared the US. To create a single European VC market, there still remain important market failures. In view of tackling the societal challenges which are at the core in the Europe 2020 Strategy, these instruments can be further strengthened by leveraging (for example ELENA facility). The mechanisms could play an important role in the deployment of the announced partnerships under the Flagship Initiatives.

Better and more transparent communication strategies

There is demand for better communication to demonstrate to eligible target groups and policy makers the potential impact of the initiatives. This can also contribute to an enhanced visibility of the programme. Each of the eligible target groups should be convinced of the (in)direct SME benefits when implementing the next generation programme. In order to better complement the various programmes and instruments, more attention should be devoted to the guidance in possible follow-up trajectories (from FP7 project to demonstration project, exit strategies in the VC market,...). Flanders subscribes the point of view of many actors to obtain more synergies and parallels between the various European programmes.

More focus on recent important developments, such as social and societal innovations, more demand pull innovation policy and societal challenges

Instruments for transnational cooperation in the areas of **innovative procurement, user centered innovation, open innovation, new business models (e.g. living labs)**, are becoming increasingly important issues for policy learning projects. The European Union should assist Member States in the multi-governance system by creating leverages of European schemes in addition to the new regional support schemes. This also improves the framework conditions for the creation and growth of innovative enterprises in these new markets. Continued attention to simplification and lowering administrative burden might here also certainly contribute to a better governance. Also, a possible revision of the current state aid framework might contribute to this end.

The Intelligent Energy programme provides a real added value to the development and implementation of the European energy policy. Given the ambitious 2020 targets related to energy and climate policy, the Intelligent Energy programme should be prolonged and if possible strengthened so as to contribute in a substantial way to the realisation of these targets by the Member States.

