



European Commission
Enterprise & Industry Directorate General

European Union Support Programmes for SMEs

**An overview of the main funding opportunities
available to European SMEs**

October 2009

Introduction

The European Union provides **support to European small and medium-sized enterprises** (SMEs). This is available in **different forms** such as grants, loans and, in some cases, guarantees. Support is available either directly or through programmes managed at national or regional level, such as the European Union's Structural Funds. SMEs can also benefit from a series of non-financial assistance measures in the form of programmes and business support services.

This guide aims to present the European programmes available to SMEs and contains brief information as well as the main web sites for each programme. Please note that the guide is not exhaustive.

The assistance schemes have been divided into the following **four categories**:

1. Thematic funding opportunities

This funding is mostly thematic with specific objectives - environment, research, education - designed and implemented by various Departments of the European Commission. SMEs or other organisations can usually apply directly for the programmes, generally on condition that they present sustainable, value-added and trans-national projects. Depending on the programme, applicants can also include industrial groupings, business associations, business support providers and/or consultants.

Co-funding is the general rule: the support of the European Union usually consists of subsidies which only cover part of the costs of a project.

2. Structural funds

The Structural Funds (European Regional Development Fund [ERDF] and European Social Fund [ESF]) are the largest Community funding instruments benefiting SMEs, through the different thematic programmes and community initiatives implemented in the regions. The beneficiaries of structural funds receive a direct contribution to finance their projects.

Note that the programmes are managed and the projects selected at national and regional level.

3. Financial instruments

Most of the financial instruments are only available indirectly, via national financial intermediaries. Many of them are managed by the European Investment Fund.

4. Support for the internationalisation of SMEs

These generally consist of assistance to intermediary organisations and/or public authorities in the field of internationalisation, in order to help SMEs to access markets outside the EU.

5. Where can I get help locally?

Information on the Enterprise Europe Network, which offers business support in the Member States.



= More information

1. Funding opportunities

Environment, energy and transport

✓ LIFE +

This programme is divided into three strands:

- Nature and Biodiversity
- Environment Policy and Governance
- Information and Communication

The budget foreseen for LIFE+ is €2.1 billion for the period 2007-2013. SMEs may be able to access LIFE+ funds, both from the part managed centrally by the European Commission and from that managed by national agencies.

Further details: <http://ec.europa.eu/environment/life/funding/lifeplus.htm>



For other environment-related sources of funding, please refer to the web pages of the Environment Directorate-General: http://ec.europa.eu/environment/funding/intro_en.htm

✓ Competitiveness and Innovation Framework Programme (CIP)

The “Competitiveness and Innovation Framework Programme” (CIP) is a coherent and integrated response to the objectives of the renewed Lisbon strategy for growth and jobs. Running from 2007 to 2013, it has a budget of approximately €3.6 billion.

As regards environment and energy concerns, the CIP comprises:

- a) an Entrepreneurship and Innovation Programme (EIP) with an eco-innovation part, to which approximately €430 million has been allocated. The aim is to tap the full potential of environmental technologies to protect the environment, while contributing to competitiveness and economic growth;
- b) an Intelligent Energy Europe Programme (IEE) to which approximately €727 million has been allocated. The Intelligent Energy-Europe Programme includes actions to increase the uptake and demand for energy efficiency, to promote renewable energy sources and energy diversification, and to stimulate the diversification of fuels and energy efficiency in transport.

Further details: http://ec.europa.eu/cip/index_en.htm

✓ **Marco Polo II (2007-2013)**

The Marco Polo Programme aims to reduce road congestion, to improve the environmental performance of the freight transport system within the Community and to enhance intermodality, thereby contributing to an efficient and sustainable transport system. To achieve this objective, the Programme support actions in freight transport, logistics and other relevant markets, including motorways of the sea and traffic avoidance measures. The programme has a budget of €450 million for the period 2007-2013.

Further details: http://ec.europa.eu/transport/marcopolo/index_en.htm



For more information on European Energy and Transport policy, please consult the web site of the Energy and Transport Directorate-General:

http://ec.europa.eu/dgs/energy_transport/index_en.html

Innovation and Research

✓ The Seventh Framework Programme for Research and Technological Development (2007-2013)

The 7th Framework Programme for research and technological development (FP7) pays special attention to the SMEs through its different programmes: “Co-operation” (circa €32.3 billion), “Ideas” (circa €7.5 billion), “People” (circa €4.7 billion) and “Capacities” (circa €4 billion).

Promoting SME participation in the “Co-operation” programme	SMEs are actively encouraged to participate in all research actions. The involvement of SMEs in Joint Technology Initiatives (JTIs) is also encouraged wherever such activity is considered appropriate.
"Ideas" programme open to SMEs	Just like any other organisation, research teams from SMEs can compete on the basis of excellence.
Human potential in research and technology in the “People” programme	Greater attention is directed towards encouraging increased SME participation under “Industry-academia partnerships and pathways”.
“Research for the benefit of SMEs” in the “Capacities” programme	“Research for the benefit of SMEs” aims to strengthen the innovative capacity of European SMEs and their contribution to the development of new technology-based products and markets. The indicative budget for the SME specific actions is circa €1.3 billion.

Further details: <http://cordis.europa.eu/fp7>



For more information on European Research and Development policy, please consult the web site of the Research and Development Directorate-General:
http://ec.europa.eu/research/index_en.cfm

Community Research and Development Information Service, **CORDIS:** <http://cordis.europa.eu>

SME Techweb is the European Commission’ research portal for SMEs , providing information and resources for technology-oriented SMEs wanting to apply for research funding through the European Union’s 7th Research Framework Programme: http://ec.europa.eu/research/sme-techweb/index_en.cfm.

The Research and Development Directorate-General’s research enquiry service:
<http://ec.europa.eu/research/index.cfm?pg=enquiries>



A list of **SME National Contact Points** (NCPs) for FP7 is available. The European Commission supports this network to provide practical information, assistance and training to potential participants and contractors.

Further details: http://ec.europa.eu/research/sme-techweb/index_en.cfm?pg=support

✓ **Competitiveness and Innovation Framework Programme (CIP)**

The “Competitiveness and Innovation Framework Programme” (CIP) is a coherent and integrated response to the objectives of the renewed Lisbon strategy for growth and jobs. Running from 2007 to 2013, it has a budget of approximately €3.6 billion.

As regards innovation and information technologies, the CIP comprises two main strands:

a) the Entrepreneurship and Innovation Programme (EIP) aims to improve the conditions for innovation, such as exchanges of best practices between Member States and actions to improve, encourage and promote innovation in enterprises. It supports actions fostering sector-specific innovation, clusters, public-private innovation partnerships and the application of innovation management.

b) the ICT Policy Support Programme to which approximately €728 million has been allocated. The ICT programme aims to stimulate the new converging markets for electronic networks and services, media content and digital technologies. It also supports the modernisation of public sector services that will raise productivity and improve services.

Further details: http://ec.europa.eu/cip/index_en.htm



For information on other programmes and initiatives contributing to the development of the Information Society, please consult the web site of the Directorate-General for the Information Society: http://ec.europa.eu/information_society/index_en.htm



EUREKA – A Network for market oriented R&D

Eureka is a pan-European network for market-oriented, industrial R&D organisations, which supports the competitiveness of European companies by creating links and networks of innovation throughout 36 countries. EUREKA offers project partners rapid access to a wealth of knowledge, skills and expertise across Europe and facilitates access to national public and private funding schemes.

Further details: <http://www.eureka.be>

Education and training

✓ Integrated Action Programme in Lifelong Learning

The Integrated Action Programme in Lifelong Learning for the 2007-2013 period covers four specific programmes: COMENIUS for general education activities concerning schools up to the end of the upper secondary level; ERASMUS for education and advanced training activities at a higher education level; LEONARDO DA VINCI for all other aspects of vocational education and training; and GRUNDTVIG for adult education. The LEONARDO DA VINCI programme is of most direct relevance to enterprises, since it supports innovative trans-national initiatives for promoting the knowledge, aptitudes and skills necessary for successful integration into working life and the full exercise of citizenship.

Further details: http://ec.europa.eu/education/lifelong-learning-programme/doc78_en.htm

✓ Erasmus for young entrepreneurs

This programme is a pilot project initiated by the EU in 2009. It provides practical and financial assistance for new entrepreneurs who wish to spend some time in an enterprise in another EU country and thus learn from experienced entrepreneurs. The objectives are to exchange ideas, experience and information between entrepreneurs, to enhance market access and to identify potential partners for new businesses in other EU countries. The programme is co-financed by the EU, with a total budget of €4.3 million, and it covers the travel and accommodation expenses during the stay.

Further details:

http://ec.europa.eu/enterprise/entrepreneurship/support_measures/erasmus/index.htm

<http://www.erasmus-entrepreneurs.eu>

Culture and media

✓ CULTURE 2007-2013

The programme CULTURE 2007-2013 provides grants to cultural co-operation projects in all artistic and cultural fields (performing arts, plastic and visual arts, literature, heritage, cultural history, etc.). It has a budget of €400 million for projects and initiatives to celebrate Europe's cultural diversity and shared cultural heritage through the development of cross-border co-operation between cultural operators and institutions. It has three main objectives: to promote cross-border mobility of those working in the cultural sector; encourage the transnational circulation of cultural and artistic output; and foster intercultural dialogue.

Further details: http://ec.europa.eu/culture/our-programmes-and-actions/doc411_en.htm



The “Funding Programmes” page on the website of the Directorate-General for Education and Culture’s offers an overview of all current calls for proposals:

http://ec.europa.eu/education/programmes/calls/callg_en.html

✓ **MEDIA 2007-2013**

This programme has a budget of €755 million over the period 2007-2013 and deals with the training of media professionals; the development of production projects and companies; the distribution and promotion of cinematographic works and audiovisual programmes and the support for cinematographic festivals. It provides grants to SMEs which are active in these areas.

Further details: http://ec.europa.eu/information_society/media/index_en.htm

Employment issues

✓ **Information, consultation and social dialogue**

A specific annual budget heading is foreseen for the co-funding of measures that promote European work councils, employee involvement in both the European Company and European Cooperative Society, informing and consulting employees in the European Community, and cross-border mergers of limited liability companies. In 2009 the budget was €7.3 million and priority was given to transnational cooperation projects between workers and employers and to the implementation of information and observation points.

Further details:

<http://ec.europa.eu/social/main.jsp?catId=329&langId=en><http://ec.europa.eu/social/main.jsp?catId=329&langId=en&callId=195&furtherCalls=yes>

✓ **Health and safety at work**

The **European Agency for Safety and Health at Work** supports actions to help SMEs raise their health and safety standards.

Further details: <http://osha.europa.eu/en>

2. Structural Funds

Structural Funds are designed to help reduce disparities in the development of regions, and to promote economic and social cohesion within the European Union. The European Commission therefore co-finances regional projects in the Member States. Nevertheless, it is important to stress the fact that direct aid to SMEs to co-finance their investments is only possible in the economically less developed regions (the co-called “convergence” regions). In other regions, priority has been given to actions having a high leverage effect (e.g. entrepreneurship training, support services, business incubators, technology transfer mechanisms, networking, etc.), as opposed to direct aid to individual SMEs.



Please note that the programmes are managed and the projects selected at national and/or regional level.

For the period 2007-2013 the strategy and resources of cohesion policy (European Regional Development Fund [ERDF], European Social Fund [ESF] and European Cohesion Fund) are grouped into three priority objectives, with a total allocation of € **347.41** billion:

- Convergence: to speed up the economic convergence of the less developed regions (81.54% of the budget);
- Regional competitiveness and employment: to strengthen regional competitiveness and attractiveness and help workers and companies to adapt themselves to economic changes (15.94% of the budget);
- European territorial co-operation: to strengthen cross-border, transnational and interregional co-operation (2.52% of the budget).

✓ European Regional Development Fund

The ERDF is the largest Community financial instrument benefiting SMEs. Its aim is to reduce disparities in the development of regions and to support social and economic cohesion within the European Union. In order to strengthen the creation and competitiveness of SMEs, the ERDF co-finances activities in a broad range of areas:

1. entrepreneurship, innovation and competitiveness of SME (for example entrepreneurial mentoring, innovative technologies and management systems in SMEs, eco-innovation, better use of ICT);
2. improving the regional and local environment for SMEs (for example access to capital for SMEs in the start-up and growth phase, business infrastructure and support services for SMEs, regional and local RTD and innovation capacities, business co-operation and innovation capacities);
3. interregional and cross-border co-operation of SMEs;
4. investment in human resources (along with funding from the European Social Fund).

Unlike many other EU funding sources, ERDF programmes are not directly managed by the Commission but by national and regional authorities. These are also contact points for funding applications and project selection.

Further details: http://ec.europa.eu/regional_policy/funds/feder/index_en.htm



The web site of the Directorate-General for Regional Policy provides information on the European Union's action in support of regional development:

http://ec.europa.eu/regional_policy/index_en.htm

This includes:

- a list of the managing authorities of structural funds in every region:

http://ec.europa.eu/regional_policy/manage/authority/authority_en.cfm

- a summary of the programmes available in every region:

http://ec.europa.eu/regional_policy/country/prordn/index_en.cfm

✓ **European Social Fund**

For the period 2007-2013, the European Social Fund provides support for anticipating and managing economic and social change, with a number of opportunities for supporting SMEs. The four key areas for action under the “Regional competitiveness and employment” objective are:

1. increasing adaptability of workers and enterprises;
2. enhancing access to employment and participation in the labour market;
3. reinforcing social inclusion by combating discrimination and facilitating access to the labour market for disadvantaged people;
4. promoting partnership for reform in the fields of employment and inclusion.

In the least prosperous regions, the Fund concentrates on promoting structural adjustment, growth and job creation. To this end, under the “Convergence” objective, the ESF also supports:

1. efforts to expand and improve investment in human capital, in particular by improving education and training systems;
2. actions aimed at developing institutional capacity and the efficiency of public administrations, at national, regional and local level.

Further details: http://ec.europa.eu/employment_social/esf

✓ **Rural Development Fund**

The Rural Development Fund for the period 2007-2013 focuses on three thematic axes: improving competitiveness for farming and forestry; environment and countryside; improving quality of life and diversification of the rural economy. A fourth axis also introduces possibilities for locally based bottom-up approaches to rural development.

For each set of priorities, Member States prepare national rural development strategies on the basis of the following six community strategic guidelines:

1. improving the competitiveness of the agricultural and forestry sectors;
2. improving the environment and the countryside;
3. improving the quality of life in rural areas and encouraging diversification;
4. building Local Capacity for Employment and Diversification;
5. translating priorities into programmes;
6. complementarity between Community Instruments.

Further details: http://ec.europa.eu/agriculture/rurdev/index_en.htm

✓ **Joint European Resources for Micro and Medium Enterprises (JEREMIE)**

JEREMIE is a joint initiative of the European Commission and the European Investment Fund with the European Investment Bank. It aims improve access to finance for micro to medium-sized enterprises and in particular the supply of micro-credit, venture capital finance or guarantees and other forms of innovative financing. Special emphasis is given to supporting start-ups, technology transfer, technology and innovation funds and micro-credit. JEREMIE is managed as an integral part of European Regional Development Fund programmes, and projects are selected at the relevant national and regional level. JEREMIE operations have now been launched in nine EU Member States/regions. Further actions are currently under negotiation (Canary Islands in Spain, several Italian regions and Malta).

Further details:

<http://eif.europa.eu/jeremie/>

http://ec.europa.eu/regional_policy/funds/2007/jji/jeremie_en.htm

✓ **Joint Action to Support Micro-finance Institutions in Europe - JASMINE**

JASMINE is a joint initiative of the European Commission and the European Investment Fund together with the European Investment Bank, and complements the JEREMIE initiative. It aims to develop the supply of micro-credit in Europe by means of two main actions: by providing technical assistance to micro-finance institutions in order to help them to be credible financial intermediaries and to obtain capital more easily; and by financing the activities of non-bank financial institutions to enable them to make a higher number of loans. The aim of the programme is to improve the access to finance of small businesses, unemployed people, or people not currently in employment who would like to become self-employed but who are unable to access traditional banking services. This programme was launched in 2009 with a three-year pilot phase, with an initial capital of €50 million.

Further details:

http://ec.europa.eu/regional_policy/funds/2007/jji/micro_en.htm

<http://eif.europa.eu/jasmine/activity/index.htm>

3. Financial instruments



Note that these schemes do not provide direct funding to SMEs, but are usually processed through financial intermediaries such as banks, credit institutions or investment funds. They are intended to increase the volume of credit available to SMEs and to encourage these intermediaries to develop their SME lending capacity.

✓ Competitiveness and Innovation Framework Programme (CIP)

Under the Competitiveness and Innovation Framework Programme (CIP), €1130 million has been allocated for **financial instruments** for the period 2007-2013. These are organised under three schemes, which are managed on behalf of the European Commission by the European Investment Fund (EIF):

1. The High Growth and Innovative SME Facility (GIF) aims to increase the supply of equity for innovative SMEs both in their early stages (GIF1) and in the expansion phase (GIF2). GIF shares risk and reward with private equity investors, providing important leverage for the supply of equity to innovative companies.
2. The SME Guarantee Facility provides additional guarantees to guarantee schemes, in order to increase the supply of debt finance to SMEs. It concentrates on addressing market failures in four areas:
 - (i) access to loans (or loan substitutes such as leasing) by SMEs with growth potential;
 - (ii) provision of microcredit;
 - (iii) access to equity or quasi-equity;
 - (iv) securitisation.
3. A Capacity Building Scheme supports the capacity of financial intermediaries in some Member States.

Further details:

http://ec.europa.eu/cip/index_en.htm

http://ec.europa.eu/enterprise/policies/finance/cip-financial-instruments/index_en.htm

<http://eif.europa.eu/>



To know if an SME is eligible to apply for a loan, or to look for a source of CIP loan finance in your country: <http://access2finance.eu>

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Further details:

<http://eif.europa.eu/jeremie/>

http://ec.europa.eu/regional_policy/funds/2007/jjj/jeremie_en.htm

✓ **Joint Action to Support Micro-finance Institutions in Europe - JASMINE**

JASMINE is a joint initiative of the European Commission and the European Investment Fund together with the European Investment Bank, and complements the JEREMIE initiative. It aims to develop the supply of micro-credit in Europe by means of two main actions: by providing technical assistance to micro-finance institutions in order to help them to be credible financial intermediaries and to obtain capital more easily; and by financing the activities of non-bank financial institutions to enable them to make a higher number of loans. The aim of the programme is to improve the access to finance of small businesses, unemployed people, or people not currently in employment who would like to become self-employed but who are unable to access traditional banking services. This programme was launched in 2009 with a three-year pilot phase, with an initial capital of €50 million.

Further details:

http://ec.europa.eu/regional_policy/funds/2007/jjj/micro_en.htm

<http://eif.europa.eu/jasmine/activity/index.htm>

✓ **European Investment Fund (EIF) own investments**

The EIF's activity is based on two instruments:

- EIF's **venture capital instruments** consist of capital investments in venture capital funds and business incubators that support SMEs, particularly those that are newly created and technology-oriented.
- EIF's **guarantee instruments** consist of providing guarantees to financial institutions that cover credits to SMEs.

Further details:

http://eif.europa.eu/you_are/small_business/index.htm

✓ **European Investment Bank (EIB) loans**

For the period of 2008-2009, the EIB reserved €15 billion for loans to SMEs, as part of an overall package of €30 billion for the period 2008-2011.

These loans will be delivered via intermediaries such as commercial banks. They are targeted at tangible or intangible investments by SMEs. EIB loans may also help to provide a stable working capital base to SME's, i.e. loans granted to finance liabilities associated with the SME's trading cycle and reflecting the SME long-term funding needs in that respect may also be eligible for EIB financing. The duration of the loans will be between 2 and 12 years, with a maximum amount of €12.5 million per loan.

Further details:

<http://eib.europa.eu>

<http://eib.europa.eu/projects/topics/sme/index.htm>

<http://eib.europa.eu/about/news/eib-loan-for-smes.htm>

For a list of the financial intermediaries in each country:

<http://eib.europa.eu/about/news/the-intermediary-banks-and-financing-institutions-for-credit-lines.htm>

4. Support for the internationalisation of SMEs



Note that a number of these schemes do not provide direct funding to SMEs, but are directed at intermediaries and/or public authorities. Support is therefore often indirect.

LATIN AMERICA

✓ AL-Invest IV

The objective of this programme is to support the internationalisation of SMEs in Latin America through a network of operators from Europe and Latin America which co-operate on organising meetings between companies active in the same sector on both sides of the Atlantic. Participants receive a programme of face-to-face meetings specially arranged for them according to their profiles and products.

Funding is for non-profit organisations such as chambers of commerce to hold matching events to facilitate co-operation. AL-Invest IV (2009-2012) is implemented through 3 Latin-American business organisations: NAFIN, CAINCO and CNI. Companies may benefit from participating directly in events. Organisation costs are covered by the Commission, which contributes to the programme with a budget of €50 Million.

Further information:

http://ec.europa.eu/europeaid/where/latin-america/regional-cooperation/al-invest/index_en.htm

AFRICA, CARIBBEAN AND PACIFIC

✓ PROINVEST

PROINVEST facilitates investment and technology transfer in enterprises from key economic growth sectors in ACP (African, Caribbean and Pacific) countries. This programme aims to support intermediary organisations and professional associations and to develop North-South and South-South partnerships between enterprises.

It provides both direct and indirect funding to SMEs: indirect support by organising matching-events to facilitate co-operation between enterprises as well as direct grants and technical assistance to ACP/EU companies. With a budget of €110 Million, the programme is set to end in March 2011.

Further information:

<http://www.proinvest-eu.org/page.asp?id=378>

JAPAN AND SOUTH KOREA

✓ EU Gateway Programme

The aim of this programme (2008-2015) is to promote the introduction of European products onto the Japanese and South Korean markets, complementing and adding value to export promotion activities undertaken by individual EU Member States in the EU industrial sectors that are considered to have high potential in Japan and/or South Korea (healthcare & medical technologies, construction & building technologies, information and communication technologies, environmental and energy-related technologies, interior design, fashion design).

Participating SMEs receive indirect support through the organisation of trade missions in order to facilitate co-operation, as well as financial and specific logistic assistance.

Further information:

<http://www.eu-gateway.eu>

✓ EU-Japan Industrial Cooperation Programmes

These are annual programmes which are opened to companies of all sizes, included SMEs. Indirect support is given through the organisation of the training programmes, which is free and includes a scholarship for participants from SMEs. There are currently 4 on-going programmes:

- The **H RTP** programme aims to help managers of European SMEs closely involved in their companies' relations with Japan to approach the Japanese market. The five-week period spent in Japan includes a study of Japanese language and culture, targeted lectures and seminars, and company visits.

- The **DBP** (Distribution & Business Practices) programme is a 5/8-day mission in Japan helping European companies to gain a practical understanding of the Japanese distribution system.

- The **FDI** (Foreign Direct Investment) programme is a 5-day mission in Japan providing EU participants with a hands-on understanding of how EU firms can benefit from Japan's FDI policy for starting or growing business in Japan by acquiring local assets.

- The **WCM** is an intensive 5/8-day mission in Japan about improvement of productivity and reduction of costs in the manufacturing sector and includes visits to some of the world's most advanced factories.

Further information:

<http://www.eu-japan.eu/global/business-training.html>

✓ Executive Training Programme (ETP): Japan and South Korea

The aim of the ETP is to help European company managers to approach the Japanese and South Korean markets. The training programme, which takes place in the country, is a combination of language courses, seminars on the business environment and first-hand experience of working in local companies. Any EU company active in or exporting to Japan/South Korea, or with a clear and demonstrable export or investment strategy towards those countries, can sponsor a candidate.

Indirect support is given through the organisation of the training programme, which is free and includes a scholarship for participants (€24,000 during the 2009-2010 training cycle), which can be completed by additional contributions from sponsoring companies.

Further information:
<http://www.etp.org/>



For information on opportunities in other geographical areas and countries, see the website of EuropeAid, the co-operation Office of the European Union:

http://ec.europa.eu/europeaid/index_en.htm



Calls for proposals

EuropeAid, the Co operation Office of the European Union, publishes **tender and calls for proposals** on its web site for external relations programmes, for some of which SMEs may apply: <https://webgate.ec.europa.eu/europeaid/online-services/index.cfm?do=publi.welcome>

NEIGHBOURHOOD COUNTRIES



For the following programmes, the European Commission provides indirect funding to SMEs by facilitating access to loans, leasing and equity operations, through cooperation with international financial institutions (the EIB and EBRD). Financial intermediaries in the candidate countries must be committed to develop SMEs' operations as a significant part of their business.

For information on local intermediaries in the Neighbourhood Countries, see the websites of the EBRD and the EIB:

<http://www.ebrd.com/apply/small/index.htm>

<http://eib.europa.eu/products/loans/intermediated/index.htm>

✓ **The instrument of Pre-Accession Assistance (IPA)**

From January 2007 onwards, the Instrument of Pre-Accession Assistance (IPA) replaces a series of instruments for candidate countries (PHARE, ISPA, SAPARD...). It is made up of five different components: assistance for transition and institution building; cross-border cooperation; regional development; human resources; rural development.

The beneficiary countries are divided into two categories:

- EU candidate countries, which are eligible for all five components of IPA;
- potential candidate countries in the Western Balkans, which are only eligible for the first two components.

Further details and information on the national contact points for each country:

http://ec.europa.eu/regional_policy/funds/ipa/index_en.htm

✓ **The European Neighbourhood policy**

The aim of the European Neighbourhood policy, launched in 2004, is to establish a privileged collaboration with the EU neighbours through a deeper political relationship and economic integration. A total of sixteen neighbour countries benefit from this policy. Its actions are financed through the ENPI (European Neighbourhood Policy Instrument). For the period 2007-2013 the total budget for this policy €12 billion, allocated to individual country programmes depending on their needs, their absorption capacity and the implementation of agreed reforms.

Under this framework, there are several initiatives addressed to SMEs:

- The Neighbourhood investment facility (NIF)

The Facility supports, among others, the private sector particularly through risk capital operations targeting SMEs.

For the 2007-2013 period, the total budget for this initiative is of €700 million, which are complemented by direct contributions from Member States and a trust fund managed by the European Investment bank.

To benefit from the facility, the project has to be submitted by a European Public Finance Institution recognised by the NIF board as eligible (for instance, the European Investment Bank or the European Bank for reconstruction and development).

Further information:

http://ec.europa.eu/world/enp/index_en.htm

http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/irc/investment_en.htm

-“East-investment” programme

With a total budget of €7 million for the period 2009-2012, the objective of this project is to support the economic development of the region (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine) and the improvement of its business environment. The programme

supports SMEs in their internationalization process, improving their networking and encouraging their trade development.

Further information:

http://ec.europa.eu/europeaid/work/ap/aap/2009_en.htm

<http://www.enpi-info.eu/>

http://www.enpi-info.eu/maineast.php?id=315&id_type=10

✓ **European Bank for Reconstruction and Development programmes**

- Financial support: EU/EBRD SME Finance facility:

It provides financing to SMEs in 11 countries in central Europe, including EU accession states and new member states. This finance is processed through local banks, leasing companies and equity funds. The funding available is of €847 million from the EBRD, with a contribution from the European Commission of €130 million.

Further information:

<http://www.ebrd.com/country/sector/fi/debt/euebrd/sme.htm>

- Non financial support: TAM and BAS programmes

Through TAM (Turn Around Management) and BAS (Business Advisory Services) programmes, the EBRD helps private enterprises to adapt to the demands of market economy and contributes to the development of small and medium-size enterprises. The first programme focuses on managerial and structural changes within companies, providing advice from experienced executives, whereas the second one supports short-term initiatives and develops a sustainable infrastructure for local business advisory services.

To apply, companies can directly send TAM/BAS an application form, which is submitted to the management team, who decides whether the project can go ahead and decides the terms of the cooperation.

Further information:

<http://www.ebrd.com/country/index.htm>

<http://www.ebrd.com/apply/tambas/index.htm>

http://www.ebrd.com/apply/tambas/apply/TAM_Company_Guide.pdf

✓ **EIB loans for SMEs in Eastern Neighbourhood countries**

In the framework of the Eastern partnership, the EIB is launching at the end of 2009/2010 SME loans in Eastern Neighbourhood countries, thus expanding geographic coverage beyond the European Union, Western Balkans and pre-accession countries.

Further information:

<http://www.eib.europa.eu/about/press/2009/2009-184-eib-launches-sme-loans-for-eus-eastern-neighbours.htm>

For information on local intermediaries in the Neighbourhood Countries, see the websites of the EIB:

<http://eib.europa.eu/products/loans/intermediated/index.htm>

5. Where to find help locally



✓ Enterprise Europe Network

The Enterprise Europe Network is the largest European business support and innovation network providing integrated high quality services for the benefit of SMEs. The network's mission is to provide integrated information, business co-operation, innovation and technology transfer services in support of small businesses and innovative SMEs.

One of the network's core activities is informing enterprises about EU matters and providing feedback from SMEs to the Commission to ensure that future legislation responds to SME needs. Network members have expertise in areas of specific interest to companies such as: public procurement, business co-operation, financing, innovation, technology transfer, market research and European legislation. Network members also help companies to apply for Commission projects and fulfil administrative formalities. They have direct access to the European Commission and are supported by dedicated staff in the Executive Agency for Competitiveness and Innovation in Brussels, assisting them in answering the most complex questions.

Information is also provided to companies through awareness-raising activities (participation in fairs, organisation of seminars, lectures, workshops...) and a range of publications offered in local languages (guides, newsletters, websites...).

The Enterprise Europe Network also supports innovation by providing brokerage services for technology and knowledge transfer. It also supports partnership-building activities between all kinds of innovation actors and it is engaged in disseminating information related to innovation issues and in exploiting research-based technologies.

Regardless of what stage of a business cycle a company is in or what level of familiarity it has with European affairs, the Enterprise Europe Network can help. It helps companies to take advantage of business opportunities and can expose them to European and international markets through its partners in more than 40 countries. The Enterprise Europe network has over 500 offices spread across Europe and in Third Countries. These include all EU Member States, Candidate Countries, Associated Countries to the Competitiveness and Innovation Programme, members of the European Economic Area, and European Neighbourhood Policy countries. etc

Further details: <http://ec.europa.eu/enterprise-europe-network>

✓ EU External business centres

India

A European Business and Technology Center New Dehli, co-financed by the European Commission, opened in January 2009. Lead by Eurochambres, in partnership with 16 business and research organisations from 4 sectors (biotech, energy, environment and transport), its objective is to become the point of reference for European companies and research entities that wish to enter the Indian Market. The activities carried out by the centre cover a wide range of actions: information and intelligence services, assisting services and specific sector activities.

Further information:

<http://ebtc.in/index.html>



Other sources of information

Directorate-General Enterprise and Industry – European Commission:

http://ec.europa.eu/enterprise/index_en.htm

SME portal: <http://ec.europa.eu/small-business>

The “**grants and loans**” database on the “*Europa*” website gives an overview of all EU programs and instruments: http://ec.europa.eu/grants/index_en.htm

TED, tenders electronic daily: database of public tenders published in the Official Journal of the European Union: <http://ted.europa.eu/>

Your Europe: this portal gives individuals and businesses practical information on their rights and opportunities in the EU as a whole and in the individual Member States: <http://ec.europa.eu/youreurope>

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