Eurostars Joint Programme: participation by the Community in a research and development programme aimed at supporting research and development performing SMEs undertaken by several Member States

2007/0188(COD) - 09/07/2008 - Final act

PURPOSE: to enable a financial contributuion to SME's under the Eurostars joint programme.

LEGISLATIVE ACT: Decision No 743/2008/EC of the European Parliament and of the Council on the Community's participation in a research and development programme undertaken by several Member States aimed at supporting research and development performing small and medium-sized enterprises.

CONTENT: this Decision provides that, in implementing the Seventh Framework Programme the Community shall make a financial contribution to the Eurostars Joint Programme undertaken jointly by Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom (the participating Member States), and Iceland, Israel, Norway, Switzerland and Turkey (the other participating countries).

The Community will pay a **financial contribution** amounting to the equivalent of a maximum of one third of the effective contributions of the participating Member States and the other participating countries, within a **ceiling of EUR 100 million** for the duration of the Seventh Framework Programme. The Community financial contribution will be paid from the general budget of the EU allocated to the "Research for the benefit of SMEs" part of the Specific Programme "Capacities". Further financing options may be available, inter alia, from the European Investment Bank (EIB), in particular through the Risk-Sharing Finance Facility developed jointly with the EIB and the Commission pursuant to Annex III to Decision 2006/974/EC.

The Community financial contribution is conditional upon, inter alia, demonstration by the participating Member States and the other participating countries that the **Eurostars Joint Programme** as described in the text has been set up efficiently. It is also conditional upon the formal establishment or designation by the participating Member States and the other participating countries, of a **dedicated implementation structure** with legal personality. This strucutre will be responsible for the implementation of the Eurostars Joint Programme and for receiving, allocating and monitoring the Community financial contribution.

Knowledge-intensive and innovative SMEs play a key role for the achievement of the Lisbon objectives, but face serious challenges, particularly due to intensified global competition. The Eurostars programme is targeted at SMEs that develop cutting-edge technology, production processes and services in their field, as well as SMEs that carry out market-oriented research in transnational projects. Thus, the programme will contribute to:

- boosting the innovative capacity of the economy;
- remedying the lack of coordination of national research policies;
- furthering the development of the European Research Area;

- attaining the common EU objective of raising investment in research and development to 3% of GDP by 2010.

The Eurostars programme, put forward by EUREKA, is the second of four initiatives based on article 169 of the EC treaty that are planned during the course of the EC's 7th research framework programme.

Reports: the annual report on the Seventh Framework Programme must include a summary of the activities of the Eurostars Joint Programme based on the annual report to be provided by the dedicated implementation structure to the Commission. An interim evaluation of the Eurostars Joint Programme will be carried out by the Commission two years after the start of the Eurostars Joint Programme and shall cover progress towards the objectives set out in the text. The evaluation will also include recommendations on the most appropriate ways to further enhance scientific, management and financial integration and assess the ability, of R&D performing SMEs in particular, to access the Eurostars Joint Programme and the quality and efficiency of its implementation. At the end of the Eurostars Joint Programme, the Commission shall conduct a final evaluation of the Programme.

ENTRY INTO FORCE: 02/08/2008.