

# Research and development programme aimed at supporting research performing small and medium-sized enterprises: participation of the Union

2013/0232(COD) - 15/04/2014 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 646 votes to 19 with 7 abstentions, a legislative resolution on the proposal for a decision of the European Parliament and of the Council on the participation of the Union in a Research and Development Programme jointly undertaken by several Member States aimed at supporting research performing small and medium-sized enterprises (Eurostars-2).

Parliament adopted its position at first reading under the ordinary legislative procedure. The amendments adopted in plenary were the result of a compromise between Parliament and Council. They amend the Commission's proposal as follows:

**Programme approach:** as required by Members, the text stressed that it was essential to **keep the bottom-up nature and the business-driven agenda with its main focus on market potential** from the previous Eurostars programme, which was key to the success of Eurostars-2.

**Union's financial contribution:** the maximum Union financial contribution, including EFTA appropriations, to Eurostars-2, including central administrative costs and operational costs, shall be **EUR 287 million**. The contribution shall be paid from appropriations allocated to the relevant parts of the Specific Programme implementing the [Horizon 2020](#) Framework Programme and in particular from appropriations under the heading "innovation in SMEs" under pillar II.

As a rule, the Union's contribution should be equal to **one third** of the contributions of the participating states and should cover operational costs, including the costs of the evaluation of proposals, and administrative costs. In the event that during the lifetime of the programme the rate of Union's contribution needed to be adapted, the Union's contribution could go up to a **maximum of half** of the contribution of the participating states.

The maximum proportion of the Union's financial contribution that may be used to contribute to the administrative and project evaluation costs of Eurostars-2 **shall be 4%**.

In order to take into account the duration of Horizon 2020, calls for proposals under Eurostars-2 should be launched **at the latest by 31 December 2020**.

**SMEs concerned:** it was specified that the Programme would cover SMEs **having at least five full-time equivalents** (for SME with no more than 100 full-time equivalents) or 10 full-time equivalents (for SME with over 100 full-time equivalents) for research and development activities.

**Participation:** any Eureka Members or Associated country that was not associated with Horizon 2020 may become a Eurostars-2 partner country, so long as it met the requirements. Those partner states may not, however, be eligible for the Union's financial contribution under Eurostars-2.

**Delegation agreement:** this should set out provisions for the publication of calls for proposals by Eurostars-2, in particular on the **single portal for participants**, as well as through other Horizon 2020 electronic means of dissemination managed by the Commission.

**Audits:** administrative burdens should be reduced for all parties. Double audits and disproportionate documentation and reporting should be avoided.

**Evaluation:** the Commission must organise an **independent interim evaluation of Eurostars-2 by 30 June 2017** and send that report to the European Parliament and to the Council by 31 December 2017. The result of the interim evaluation of Eurostars-2 will be taken into account in the interim evaluation of Horizon 2020.