

# “Relief” for SMEs: how to enhance business, funding access and skills

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The commentator of the EU Cluster Talks is **Chris Burns**.

## Agenda



1. News from the European Cluster Collaboration Platform
2. Perspectives from the European Commission  
**Bonifacio García Porras**, Head of Unit SMEs, DG GROW, European Commission
3. Panel debate: Support for SMEs  
**Véronique Willems**, Secretary General, SMEunited  
**Montserrat Daban**, Cluster Director of Science Policy and Internationalisation, Biocat  
**Ola Svedin**, President, Clusters of Sweden  
**Jorge Guillén**, Export Manager, Agrovenco Group
4. Funding opportunities



Nina Hoppmann starts with ECCP news.

## Consultation on European research and innovation programmes 2014-2027



- Share views on the performance of Horizon 2020 and Horizon Europe, as well as shaping the strategic orientations for the Horizon Europe Strategic Plan 2025-2027
- Consultation open until February 2023
- Have your say:  
<https://ec.europa.eu/eusurvey/runner/Horizon2020HorizonEuropeStrategicPlan2025-2027>



Public consultation is open until February 2023 on Have your say:

<https://ec.europa.eu/eusurvey/runner/Horizon2020HorizonEuropeStrategicPlan2025-2027>

## Save the date for the next C2Lab!



- **Lund, Sweden, on 21-22 March 2023**
- Interactive workshop to bring and find collaboration partners, mature your project idea, and build the business case for your idea
- For cluster organisations, companies, research organisations, actors from the civil society, and other interested entities





## Upcoming Clusters meet Regions events

- Lyon, France, 8-9 March 2023
- Košice, Slovakia, 29-30 March 2023
- The objective is to facilitate the implementation of good practices where clusters play an active role in regional economies and are drivers for economic transition, and to create and promote collaborations between clusters and regional stakeholders for the industrial development of the regions.



You are welcome to join the ECCP Discussion Groups on LinkedIn.

## ECCP Discussion Groups on LinkedIn



Let's move on to Mr Bonifacio García Porras – Head of Unit SMEs at DG GROW



**Chris mentions that the EU already does quite a bit for SMEs;** there are already support programmes targeted at SMEs' research funding, competitiveness and innovation funding trying to reduce requirements and fees for EU administrative compliance. **But the question is, where does this relief package take it a step further?**

**Bonifacio** agrees with Chris that European Commission is already doing plenty of stuff. Firstly, he would like to start with a background of what happened and why we are here talking about the relief package. **He agrees that the year 2022 was challenging for SMEs.** Prices rose by more than 9%. It can sometimes be even more in the EU, primarily because of the energy prices and other reasons. For those reasons, many SMEs put their plans and investments on hold and prioritise saving now. Last year in September, it was agreed by the EU Commission that the need for action and the need for the relief package was in place. That they need to revise the late payment directive.

Challenges for 2023 are similar, he thinks—inflation, for sure. Prices are forecasted to rise by 7% in 2023. He believes that an exceptional degree of uncertainty remains, all because of Russian aggression. He also mentions how business confidence is affected and is low. As mentioned, much has been done at the European level to mitigate high energy prices and other economic developments. He says some of the initiatives have been done, f.e. **a new EU power plan** that includes a series of integrated actions to save energy and diversify and secure energy supplies. The Commission also proposed **regulation on gas storage**, introduced **a series of measures to dampen the price of natural gas and to straighten solidarity between member states** which even offered the use of targeted, flexible use of cohesion policy funding; for instance, we talk about a sign of about 40 billion euros. Or **direct aid to SMEs**, such as soft loans and subsidy vouchers.

He believes that the role of cluster associations around SMEs should also be recognised. Especially the support to SMEs, from providing advice and recommendations on energy saving and efficiency to investments in renewable energy.

It is essential to mention that we are in the middle of a permanent crisis, and not only the European Commission should look for the way out but also all of us. How? By building partnerships and supporting SMEs.

Let's mention some ideas they are thinking about regarding the relief package. This package will hopefully be ready in the first quarter of 2023:

1. The need to remove regulatory obstacles that hold our small companies back. It is important to ensure that our legislation and proposals, which are coming from the European Commission, consider the interests and the costs that the legislation may bring to SMEs. It is important that the impact assessments are correctly done and that they analyse the costs and benefits for SMEs. The European Commission is working on clear and well-suited legislation.
2. The need to revise the late payment directive. It can be challenging for SMEs if they are not paid on time. It is an essential issue. 60% of payments in the EU are after the contractual deadline.
3. The issues of ensuring a workforce with the right skills and enabling SMEs to transition to digitalisation and sustainability. We are all aware of the lack of skills and the labour force. 67% of SMEs' access to labour is highly pressing, and 66% report increasing labour costs. The year 2023 will be the European year of the skills, and they will pay attention to upskilling and incentivising skills that facilitate digitalisation and sustainability.



4. Access to finance. SMEs are more conservative in terms of spending. They are saving money for the time being. It is necessary to top up the SMEs' investment window with an extra 4 billion euros for 2024 – 2027 or other export credit initiatives.

**Chris invites the panellist to the debate:**



**Véronique Willems – Secretary General, SMEUnited, is asked** if there are other challenges that SMEs are facing now. Véronique is pleased to hear that the EU Commission will revise the late payment directive. This will have an impact on the cash flow and resources of companies. The GRC made a study that showed that if companies were paid within, let's say, 30 days, their cash flow would go up by 60%. She believes that another challenge for SMEs' is access to finance. They had feedback from a Belgium member organisation where one-third of SMEs are out of reserves, which impacts their investment capacity. Therefore, SMEs are unable to invest in the green and digital transition. So we need the EU to step up and ensure financial resources are available for SMEs. The common tax rules in the States of the Union could also benefit SMEs. Skills are another hot topic. She mentions an article about a Belgium company closing down due to a lack of skilled people. They cannot find new staff and cannot work without experienced people. In SMEUnited, the year 2022 was the year of Youth at the European level, and they combined youth and skills. They will continue this year within the European Union year of skills developing and supporting SMEs to find skilled staff.

**Montserrat Daban, Cluster Director of Science Policy and Internationalisation, Biocat, talks about** the advantages of the EU funds that can be reached through projects. These funds can bring through clusters and other organisations' finance to SMEs. F.e., clusters have open calls where financial support is offered to SMEs to collaborate, create consortiums, and solve specific needs in specific areas.

**Chris asks Montse about one of the four pillars Bonifacio mentioned, specifically the need to remove regulatory obstacles.** She says that this applies mainly to medical device companies. It is a bottleneck for companies that are already registered and fit the regulatory aspects and for those who aren't registered yet. They want to accelerate the market, and they want the companies to reach it faster to help patients with their innovations. F.e., specific devices need to be approved because they are

for human use, and the regulatory aspects are different for the medical agencies. This means that they have to follow specific pathways. Not enough agencies can approve devices; therefore, if the number of notified bodies increases and the regulatory obstacles are more flexible, SMEs could reach the market much faster.

**Let's move on to Ola Svedin – President of Clusters of Sweden.** Ola is asked if he would like to add anything to the regulations. He says we have to look at the short-term and long-term perspectives. Rules are indeed significant. But we also must look into the GDPR legislation to ensure we don't stifle innovation. Europe is leading when it comes to GDPR. We must be careful not to stifle innovation by imposing two strict rules. Commission has put forward initiatives like simplified digital signatures or EU-wide electronic ID cards that need to be pushed more. These are short-term examples that can help SMEs to speed up their businesses.

**The final guest is Jorge Guillén, Export Manager of Agtoveco Group.** For Jorge, the biggest challenge for the future could be the practical implementation of digital systems. The issue we are facing and is happening to other SMEs is that we aren't IT companies or tech companies. This is connected to the lack of a skilled workforce, the right partnerships, and proactive employees. It isn't easy to hire someone if they are, for example, interested in the Amazon offices, which are 10min away from them, rather than SMEs. **Chris follows this comment and asks how to make the position more attractive for people so they don't go to Amazon.** **Jorge says** that this is hard work. It is about growing, reputation, media and achievements of the company. Training and investing in current employees who have been in the company for 15 or 20 years is more practical and efficient.

**A question from the audience: What are the risks of more stringent regulation on late payment? Is there not a risk that more astringent regulation could force the closure of businesses?**

**Veronique** explains why they and member organisations always insist on a more stringent payment culture. If one company does not get paid, it cannot pay suppliers, and this continues and continues. Scientifically is proven that one out of four bankruptcies is because payments have been late, and that causes a snowball effect. GRC reports show that when payment culture improves, the cash flow of small companies will also improve. For those reasons, they are pushing to have a better payment culture. She sometimes says that SMEs are used as a bank for big companies and public authorities. And she wishes to see more equality.

**Chris adds** that if it cuts both ways and we set hard deadlines like 30 days, it could be tough on certain companies and SMEs. And if there is no deadline, it will cause other problems.

**Bonifacio** agrees that Veronique mentioned essential studies. It is important to set a deadline which works for everybody. It is also important to note that faster payments, in a way, also reduce the financial costs of SMEs. He also agrees with Chris and says that in the scenario of 30 days deadline, we need to make sure that it fits everybody. That's why the combination of any deadline needs to be combined with efficient enforcement mechanisms.

**Veronique** adds that they should make a caveat on 30 days because they know that other practices are going on in specific sectors, for example, in the fashion industry or retails. If it is an established practice in the sector, it will be taken into account, and then it is up to Commission to decide. Other sectors with their methods need to be taken into account as well.

**How can we ensure the funding from the recovery and resilience facility, which is a big budget, reaches SMEs?**

**Bonifacio** will answer this question. He says that this is a tricky question, pretty challenging. The important part of the money channelled through the recovering resilience facility is channelled through public procurement. In the field of public procurement, particularly, the directives on public procurement do not foresee any specific quota for SMEs. He thinks this is good because it allows everybody to come forward with the best offer. **But members of states and associations must make sure that public authorities consider including SMEs in public procurement design when implementing recovery and resilience facilities.** For instance, by dividing the public procurements into lots. If there are only big projects, it will be tough for SMEs to be able to participate.

**Let's talk about building skills now.**

**Montse** would also like to give an example of what Bonifacio said. They know that in recovering resilience plans, the members of states have made their strategies and proposed them. For example, the Spanish government advanced therapies and personalised medicine. It is one of the targeted areas that must help transform because those funds are about transforming our industry. One good example is Biocat mapping everybody in their region who work with sub-sectors in the industry. They connect research centres and large infrastructures, SMEs, and large corporations to create a hub on Advanced therapies and personalised medicine. So the role of regional authorities and cluster organisations is essential. **They can help SMEs to be part of the large consortia and all together can reach the more significant projects.**

**Montse returns to the question about skills.** They will continue to require a post-graduate trained workforce in their ecosystem. It is good to connect the workforce from different ecosystems. There are large companies that support the digital training of the workforce.

**Ola** will answer the question about building skills in Scandinavia. What do they do for it? He believes the need for more skills is mainly in the digital area. It is not only Scandinavia but also other countries. We have to make a multi-pronged approach here and look at the funding that can help educate and train the workforce that is not so digitally advanced. Some good programs also react to the pandemic, for instance, the REACT EU program. Clusters of Sweden were part of a regional program in the south of Sweden, where they trained a couple of thousands of people to get more digital skills. It's good to have digital hubs that are targeting this area. There are four European Digital Innovation Hubs in Sweden. He would like to also comment on how SMEs can reach the programmes. It is good what Montse mentioned about creating consortia. It is a great initiative. EUROCLUSTERS projects are a good way of helping SMEs become more involved in a process.

**Any comments on SMEs struggling with high energy costs?**

Ola says this is a tricky debate in Sweden right now because they are a little bit more affected by the high electricity prices than some other European regions. It was low before. They had an abundance of hydropower and nuclear power in the past and are now part of the European market. The region he calls from is the corner in the south of Sweden, and they are in a very vulnerable position. They have less locally generated energy and are very dependent on deliveries from other regions,

particularly from the North of Sweden and the South in the European countries. The prices are high, and SMEs are dealing with inflation in general, and now the energy prices are on top of that. The late payments directly place into this. This is one thing that would directly affect the cash flow of struggling companies. For example, Sweden's most prominent tomato farmer decided to stop production for the winter. As you can imagine, the production in the North is very dependent on electricity because of the Sun, and the company decided that this is no business for tomatoes. This is Sweden's largest tomato producer.

**Veronique** says that the energy topic is still a hot topic. Many small companies had to close down due to high prices. They try as a SMEunited to support the energy transition, helping companies find the right funding tools and opportunities. They will keep working on this matter this year too.





# FUNDING OPPORTUNITIES

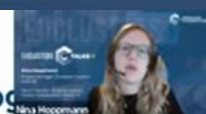


## Preparatory action for setting up joint programmes among innovation ecosystems actors



- Projects are expected to contribute, among others, to the following outcomes:
  - Facilitate the agreement among Member States, Associated Countries, and/or their regions, in cooperation with the private sector and research and innovation actors, towards more dynamic, inclusive, gender diverse, and connected innovation ecosystems
  - Prepare joint long-term programmes and action plans fostering collaboration, common innovation-support activities, and the creation of common knowledge assets;
  - Ensure the inclusion of all key innovation players from across the quadruple helix;
  - Foster synergies with other EU funding programmes
- Horizon Europe Framework Programme;  
Topic ID: HORIZON-CL4-2023-RESILIENCE-01-42
- Deadline: 23 March 2023
- More info on EU [Funding & Tenders Portal](#)

## Boosting generation and diffusion of advanced technologies by SMEs based on a supply chain model (CSA)



- Projects are expected to contribute, among others, to the following outcomes:
  - Build a model for each industrial ecosystem to identify disruptions and technological opportunities for the uptake of advanced technologies in a supply chain;
  - Alert on current disruptions and identify potential future disruptions;
  - Identify potential alternate suppliers of critical advanced technologies;
  - Launch one pilot project per each industrial ecosystem focused on building alliances among traditional and tech-savvy SMEs through industrial cluster organisations
- Horizon Europe Framework Programme;  
Topic ID: HORIZON-CL4-2023-RESILIENCE-01-42
- Deadline: 20 April 2023
- More info on EU [Funding & Tenders Portal](#)



#EUClustersTalks



## The SURE 5.0 project - Acceleration Programme 1

- The SURE 5.0 project aims to support European SMEs working in the mobility, transport & automotive, aerospace and electronics European ecosystems to advance in their digital transformation process while becoming more human-centric, sustainable and resilient.
- Deadline: 1 March 2023; [www.sureproject.eu](http://www.sureproject.eu)

Divided in two phases, the SURE5.0 Acceleration Programme 1 will help its participants to both understand and implement Industry 5.0 by utilising the following step-by-step approach:



## GreenOffshoreTech: Making offshore production and transport green, clean and sustainable

- 2nd Open Call for SMEs: Innovation Projects will be selected aiming to develop new products, processes, or services for Green Offshore Production and Transport and addressing at least one of the topics:
  - Advanced Materials
  - Advanced Manufacturing & Digitalisation (IoT, AI, Big data)
  - Environmental Technologies (Circular economy – Waste Prevention, Reuse, Recycle, Recovery)
  - Green Shipping and New Energy Carriers (Hydrogen, Methanol, Ammonia, Lithium-ion Cell, LNG)
- Deadline: 24 March 2023
- Phase 1 (3 months): The 54 TOP ranked projects will receive a lump sum of €5,000 per project for developing a sound initial business plan that justify the feasibility of the project idea.
- Phase 2 (7 months): The 26 TOP ranked projects of PHASE 1 will receive in addition a lump sum of €45,000 per project for developing a minimum viable product to validate the project idea, including its design description.
- Phase 3 (2 months): The 12 TOP ranked projects of PHASE 2 will receive in addition a lump sum of €10,000 per project for activities related to promotion and exploitation of the project results.
- More info on: [www.greenoffshoretech.com](http://www.greenoffshoretech.com)

## AMULET 2nd Open Call

- Goal is to create new value chains through projects that will foster the penetration of advanced lightweight materials in four sectors
- Deadline: 22 March 2023
- Up to 26 consortia (2-3 SMEs) to submit a feasibility study: 23,000 €
- Up to 7 consortia (2-3 SMEs) to demonstrate their solutions: 80,000 €
- Up to 7 consortia (2-3 SMEs) to get follow-up support services: 17,000 €
- More info on: [www.amulet-2oc-h2020.fundingbox.com](http://www.amulet-2oc-h2020.fundingbox.com)

### What kind of materials?



### What kind of sectors?



## SecurIT: Critical infrastructure protection, disaster resilient public spaces protection



- SecurIT aims to increase the security of current applications, services and infrastructures by integrating state-of-the-art security solutions or processes, supporting the creation of lead markets & market incentives in Europe, following an end-user driven approach.
- Deadline: 14 March 2023; [www.securit-project.eu](http://www.securit-project.eu)
- Info sessions on 12 and 25 January; online matchmaking on 18 January and 8 February

Prototyping	Demonstration
<ul style="list-style-type: none"> <li>Consortium of minimum 2 European SMEs (security &amp; cybersecurity)</li> <li>Maximum 12 months</li> <li>74 000 € / project</li> <li>TRL minimum 5 (6/7 expected at the end of the support programme)</li> <li>74 projects - 28 SMEs</li> </ul>	<ul style="list-style-type: none"> <li>Consortium of minimum 2 European SMEs (security &amp; cybersecurity)</li> <li>Maximum 12 months</li> <li>88 000 € / project</li> <li>TRL minimum 5 (6/7 expected at the end of the support programme)</li> <li>28 projects - 55 SMEs</li> </ul>

# Register for the next Talks



25 January 2023: Transition Pathway for Aerospace and Defence

8 February 2023: HERA and health emergency preparedness in Europe

22 February 2023: Transition Pathway for Mobility

