



PRIORITY SECTOR
Innovation, Research,
Education and
Competitiveness

Programme area n°1

Business Development, Innovation and SMEs

OBJECTIVE

Increased value creation and sustainable growth

AREAS OF SUPPORT

- > Innovative technologies, processes and services
- > Sustainable business development
- > Greening of existing businesses and processes
- > Development and implementation of innovative products and services

SUGGESTED MEASURES

- > Business development from early stage innovation up to testing of new technologies and supporting their first presentation to the market (piloting and demonstration facilities)
- > New technologies, processes and services that directly or indirectly improve the environment, including limiting pollution through purification processes, more environmental products and production processes, and more efficient handling of resources and technological systems
- > Development and implementation of greener production processes
- > 'Blue growth' projects – maritime projects such as technology development, maritime safety, inland water and marine projects, including port operations, energy efficiency in ships, and new control systems
- > Environmentally friendly shipping solutions, including energy efficiency measures, LNG hybrid solutions, and zero emission solutions such as electric operation
- > Welfare technology and ambient assisted living
- > Promoting entrepreneurship, especially for young and/or female entrepreneurs

RELEVANCE OF SUPPORT

The EEA EFTA countries and the EU subscribe to the principle of sustainable development and share a common objective of creating competitive and dynamic knowledge-based economies.

Innovation in the selected business areas, green industry development, entrepreneurship and smart growth strategies supports the efforts of the Europe 2020 and the Horizon 2020 strategy for smart, sustainable and inclusive growth, as well as young entrepreneurship and job creation. The programme area further supports several thematic objectives in the EU's cohesion policy 2014-2020, where the objectives on innovation, ICT quality, competitiveness of small and medium-sized enterprises (SMEs) and sustainable transport are the most obvious ones.

The Business Development, Innovation and SMEs programme area serves as a bridge between research programmes and business development close to market technologies. The programme area stimulates the productivity and competitiveness of European businesses through technology and includes innovative, processes and services. Investments in innovation strengthen economic growth and employment in all business areas and inspire environmental and eco-sensitive management and production. These aims are in line with Europe 2020, which emphasises the need for green and more innovative economies as well as resource efficiency through eco-design and the circular economy.

Increased demand for transport will require new environmentally friendly and sustainable solutions. This includes energy efficiency improvements as well as the reductions of emissions from ships and ports. Climate change motivates the need to green economies by minimising emissions and energy used.

The programme area is particularly suitable to provide support through grants and financial instruments, such as venture capital (equity), soft loans and guarantees.

PROGRAMME AREA SPECIFICS

- > The programme area is targeted at private businesses. The aim is that 75% of the funding shall be allocated to SMEs
- > Priority shall be given to bilateral partnerships offering added value
- > Programmes can consist of a maximum of three focus areas chosen among the following: green industry innovation, blue growth, energy, welfare technology, ambient assisted living (health), and ICT
- > All programmes shall allocate at least 50% of funding to green industry innovation, unless otherwise specified in the memorandum of understanding or exceptionally in the programme's concept note
- > Programmes can be operated by a relevant donor country entity in close cooperation with a beneficiary country entity or by a qualified beneficiary country entity together with a donor programme partner

BILATERAL INTEREST

Business development and innovation are key areas for bilateral cooperation between donor and beneficiary countries. Complementarity with donor country schemes and programmes may be relevant within specific areas of support.