

EUROPEAN COMMISSION

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ANNEX 2

# ANNEX

to the

# COMMISSION IMPLEMENTING DECISION

amending the Commission implementing decision C(2023) 1119 as regards the implementation of actions under the Single Market Programme

# ANNEX 2

## AMENDMENT OF THE ACTIONS UNDER THE ACTIVITY 'SME PILLAR'

Annex II to Implementing Decision C(2023)1119 is amended as follows:

- (a) Subsection 2.10 is amended as follows:
  "Total amount of the action: EUR 8 500 000
  Rate of co-financing: The maximum co-financing rate shall be up to 100% of the eligible costs for financial support to third parties and up to 90% of the eligible costs for all other cost categories"
- (b) Subsection 2.12 is amended as follows:"Total amount of the action: EUR 8 000 000"
- (c) Subsection 2.15 European Solar Academy is moved to section 4 'Actions implemented under indirect management' as subsection 4.7 and amended
- (d) Subsection 2.15 is replaced as follows,
  - "2.15 European Social Economy Missions

<u>Type of applicants</u> targeted by the call for proposals

Partnerships (i.e. consortia) between regional and/or local public authorities and other economic operators active in the field of social economy. Regional and/or local authorities will lead such partnerships composed of a broad variety of actors relevant for the "Proximity and Social Economy" ecosystem (such as SMEs, social enterprises and social economy organisations, cooperatives, NGOs, business organisations, local urban development and innovation agencies, technology centres and service providers, digital innovation hubs, local industrial clusters, Fablabs, Citylabs, academia, communities/associations, educational or vocational training organisations, etc).

Description of the activities to be funded under the call for proposals

The call follows up two "Social Economy Missions" calls for proposals launched in 2020 and 2021 aiming at developing inter-regional cooperation to scale up social economy business models in regional context.

The Commission released a Social Economy Action  $Plan^1$  in December 2021. With this plan, the Commission put forward concrete measures to help mobilise the full potential of the social economy sector, building on the results of the <u>2011 Social Business Initiative</u><sup>2</sup> and the <u>2016 Start-up and Scale-up</u> Initiative<sup>3</sup>.

<sup>&</sup>lt;sup>1</sup> Social Economy Action Plan - Employment, Social Affairs & Inclusion - European Commission (europa.eu)

<sup>&</sup>lt;sup>2</sup> <u>Social enterprises (europa.eu)</u>

<sup>&</sup>lt;sup>3</sup> Idem

This action will implement point 3.4 of the Social Economy Action Plan. In particular, it will enable social economy actors relevant for the Proximity and Social Economy ecosystem to develop innovative and sustainable business practices to boost rural growth and competitiveness and help to drive the twin transition. It will foster the exchange of good practices, success stories in the various policy domains contributing to reaching the goals of the Long Term Vision for Rural Areas<sup>4</sup>.

The action will in particular boost the scale up of social economy businesses in rural areas focusing on the following topics (non-exhaustive list):

- Clusters of social and ecological innovation
- Green and digital transition
- Sustainable and circular agriculture and food systems
- Education, training and skills activities for unemployed people
- New European Bauhaus and quality of life

Furthermore, this action is implemented in the context of the "Proximity and Social economy" ecosystem identified as one of the 14 industrial ecosystems in the European industrial strategy<sup>5</sup> and feeds into the implementation of its Transition Pathway. Social economy stakeholders are fully part of the Proximity and Social Economy industrial ecosystem as they bring value to local and rural economies by fostering their inclusiveness, resilience and sustainability. They have strong local roots and primarily aim to serve the community where they are based, retaining population, economic activities and revenues locally. As such, they also contribute to drive local economic development in rural areas in different areas such as agriculture, energy production, organic food and/or in the blue economy.

## **Implementation**

## EISMEA

#### Additional information

- Total amount of the action: EUR 1 000 000
- Rate of co-financing: The maximum co-financing rate shall be up to 100% of the eligible costs for financial support to third parties and up to 90% of the eligible costs for all other cost categories"
- Approximate number of projects to be funded: 3
- Indicative implementation timetable:
  - Launch of the call: Q3/4 2023 Start of the action: Q2 2024
    - Indicative duration of the action: 24 months

#### Indicators:

- Number, geographical and typology variety of rural stakeholders involved;
- Number of new inter-regional partnerships initiated during the missions;
- Number of Social Economy business and SMEs that participated in the missions (with separate statistics on the number of SMEs that participated in these missions);
- Diversity of partners from different industrial ecosystems.

<sup>&</sup>lt;sup>4</sup> <u>A long-term vision for the EU's rural areas | European Commission (europa.eu)</u>

<sup>&</sup>lt;sup>5</sup> European industrial strategy | European Commission (europa.eu)

- (e) In section 3, "The global budgetary envelope reserved for procurement under this work programme for 2023 is EUR 27 486 982" is replaced by "The global budgetary envelope reserved for procurement under this work programme for 2023 is EUR 33 816 733."
- (f) Subsection '3.1 SME Policy-SME Performance Review', is amended as follows: 'Total amount of the action: EUR 820 000'
- (g) Subsection '3.2 SME Policy-Outreach', is amended as follows: 'Total amount of the action: EUR 2 900 000'
- (h) Subsection '3.3 Credit management and financial literarcy for SMEs', is amended as follows:

Additional information – replacement of 4<sup>th</sup> paragraph:

'For this reason, the Commission is considering as one of the options for the revision of the Late Payment Directive<sup>6</sup> increasing the availability for SMEs of credit management training and financial literacy, and facilitating SMEs' access to them. This pilot action will be tailored to the specific needs of SMEs, will embed a train-the-trainer element, to ensure future sustainability, and will be designed to be included in dedicated business training platforms (e.g EU Academy)<sup>7</sup>. It will also include specific modules for capacity building of digital credit management (e.g use of e-invoicing, e-factoring, e-invoice trading). To maximise success, synergies with credit information providers will be put in place and awareness-raising actions will be launched.'

'Total amount of the action: EUR 650 000'

- (i) Subsection '3.7 European Cluster Collaboration Platform, is amended as follows:
   'Total amount of the action: EUR 5 850 000
- (j) Subsection '3.13 European Construction Sector Observatory' is added as follows:

General description of the contracts envisaged

The current contract of the European Construction Sector Observatory (ECSO) ended on 1/5/2022. The new project will allow for a continuation of up to 4 years and its adaptation to the Ecosystem approach as introduced by the Industrial Strategy in 2020 and further detailed in the updated Industrial Strategy in 2021.

Implementation

## EISMEA

#### Additional information

In order to create synergies and maximise the impact of various actions at EU, national and sectorial levels, there is a continuous need for the most recent analytical evidence of market conditions, policy developments and feedback on implementation of construction related policies. This analytical support

<sup>&</sup>lt;sup>6</sup> Call for Evidence

https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13665-Late-payments-update-of-EU-rules\_en

<sup>&</sup>lt;sup>7</sup> https://academy.europa.eu/

would not only raise awareness of existing or planned policy measures but also help to understand why and how these measures have been developed, what are the impacts on construction business and job creation, and how the experience gained with these measures could be potentially transferred to various socio-economic contexts. ECSO has served this purpose with the creation of a repository of information related to market trends, industry developments, policy impact and with analytical support.

The project will:

- gather and analyse data, policy developments and good practice relevant for the Construction ecosystem
- present these activities on the ECSO website via the Data Mapper, country and policy fact sheets and analytical reports
- disseminate these deliverables via newsletters and social media posts

Total amount of the action: EUR 1 100 000

Estimated contract duration: 24 months with the possibility of one renewal for 24 months

Timetable: Launch of the call for tenders: Q4 2023-Q1 2024

Contract signature: Q2/2024

Qualitative and quantitative indicators for the action:

ECSO analyses and comparative assessments, presented via various deliverables, will aim at supporting evidence-based decision making process, further policy development and sharing of good practice.

- (k) Subsection '3.13 Supporting actions', is amended and renumbered as subsection '3.14 Supporting actions'. The budget allocation of EUR 4 800 552 is replaced by EUR 8 150 303.
- (1) Subsection '4.5 The twin transition and the future of retail SMEs in urban and rural areas' is added as follows

Implementing entity

The Organisation for Economic Co-operation and Development (OECD) under article 62(1)c of the financial regulation using a contribution agreement.

#### Description

The OECD Centre for Entrepreneurship, SMEs, Regions and Cities will be entrusted with a two-year project focusing on the green and digital transition of retail SMEs and their role in city centres and local communities.

The key objective of the project is to strengthen the evidence base for policy and support measures for retail SMEs. The project will analyse the impact of the transformation of retail SMEs on their competitiveness and resilience and hence on the vitality of urban and rural areas. It will provide indicators to monitor the developments. It will also identify best practice approaches and ensure they are disseminated to retail SMEs, their associations and the relevant public authorities across the EU.

The action will engage retail SMEs in a discussion on the challenges and opportunities of the green and digital transition with a broad community of retail stakeholders, local authorities and other actors in the

retail ecosystem.

Climate and biodiversity mainstreaming contribution – description of how this action contributes to climate and biodiversity mainstreaming in qualitative and quantitative ways

By spreading best practices, the action will contribute to the green transition of the retail ecosystem and therefore to reaching the objectives of the Green Deal and climate neutrality.

#### Additional information

- Total amount of the action: EUR 1 000 000
- Indicative duration of the project: 24 months
- Indicative implementation timetable (launch of the call): Q3 2023
- Qualitative and quantitative indicators:
  - Timely delivery of quality reports;
  - Sound and transparent methodological approach for data collection;
  - Concrete and applicable recommendations supporting the twin transition of retail SMEs and their presence in urban and rural areas;
  - In terms of impact: increased participation of retail SMEs and their associations compared to the existing #Revitalise Retail initiative.

(m)Subsection '4.6 EEN Energy efficiency action - impact evaluation' is added as follows

#### Implementing entity

The action is implemented by DG REGIO via a delegation agreement and executed by a contractor.

#### Description

To enrich the energy efficiency services of the Enterprise Europe Network (EEN) and to respond to the growing need of SMEs to invest into energy efficiency, DG GROW launched the EEN Energy Efficiency Action. Under this action, an EEN international consortium will distribute direct financial support to SMEs to invest into energy efficiency projects. The total budget of the action is EUR 10 M – 90% to be distributed in form of direct financial support, 10% for administrative costs of the consortium. Since this is the first time the EEN is distributing direct financial support, DG GROW wants to properly test the functioning of this scheme through a robust impact evaluation. The impact of the action will be evaluated through a randomized control trial, which is one of the most accurate scientific methodologies in such cases. The evaluation cannot be performed internally in DG GROW because of a lack of technical expertise and for this reason, the intention is to rely on an external body to perform the evaluation in the most objective and accurate way. DG GROW wants to delegate such impact evaluations of EU actions and national measures financed through Cohesion Funds. The World Bank has a multi-annual experience in randomized control trials and can efficiently perform this impact evaluation.

Climate and biodiversity mainstreaming contribution – description of how this action contributes to climate and biodiversity mainstreaming in qualitative and quantitative ways

## Not applicable

Additional information

Total amount of the action: EUR 300 000

Indicative implementation timetable:

- Signature of the co-delegation agreement with DG REGIO: Q3 2023
- Start of the action: Q4 2023
- End of the action: Q4 2025

Indicators:

- Quality of the pre-analysis plan laying out the analytical methodology, incl. indicators to be captured and hypotheses to be tested.
- Quality of the analysis of replication files (i.e. for data cleaning and for the estimation of impacts).
- Quality of the final report based on pre-analysis plan.
- (n) Subsection '4.7 European Solar Academy' is added to section 4 as per (c) and amended as follows:

## 4.7 European Solar Academy

Implementing entity

The action is implemented by the European Institute of Innovation & Technology (EIT) via a delegation agreement and executed by a contractor.

## Description

The establishment of a large scale trainings and skills pilot for the "European Solar Academy" is proposed:

- The European Solar Academy would aim to provide direct support to SMEs by educating and training the workforce in and for the solar PV manufacturing supply chain in the EU. The Academy would operate under the umbrella of the new EU Solar PV Industry Alliance.
- The Academy would aim to train workforce primarily in SMEs and large businesses operating in the area of solar PV manufacturing in Europe. It will address critical needs of the sector, responding to the needs and objectives outlined in the Solar Strategy and the EU Solar PV Industry Alliance's terms of reference.
- The Academy would develop and implement a comprehensive training programme providing training and development opportunities across the solar value chain, focused on manufacturing and ancillary supply side activities.
- The primary focus of the programme would be SMEs. According to some estimates, a 20

GW increase of manufacturing capacity across the solar value chain in Europe would create up to 400 000 new jobs across the EU.

• Large businesses would be entitled to participate but with a reduced funding rate (if for the purposes of staff training) and always in cooperation with SMEs relevant for the value chain component. Otherwise, they could also participate as training providers.

## Additional information

SMEs are a vital part of the solar PV value chain. A healthy and competitive solar PV value chain in Europe will require numerous SMEs to scale up their manufacturing capacities and to engage with large industry leaders. Skills, especially in the area of sustainable and circular design and next generation solar PV technologies are a critical factor of success. Lack of qualified workforce has been identified as a major barrier to scale up this sector in Europe, and boosting skills is one of the priority areas of the SME pillar.

Participating SMEs will have an opportunity to directly train their staff on critical skills and competencies needed for solar PV manufacturing. The focus will be on interdisciplinarity and skills needs for manufacturing competitive products in this supply chain. In addition, SMEs will be able to engage with larger industry leaders in Europe in order to better adapt their outputs to the overall solar value chain. This will result in more resilient, competitive and agile SMEs in the solar value chain.

- Total amount of the action: EUR 2 500 000
- Indicative duration of the project to be funded: approximately 24 months
- *Qualitative and quantitative indicators:* 
  - Number of SMEs trained (including number of staff and geographical distribution);
  - Number of training programs established (including the qualification of training topics with a focus on interdisciplinary trainings);
  - Increase of staff in participating companies (qualitative impact indicator).
- (o) In section '6. Supplementary information'

The list of projects included is <u>replaced</u> by the following:

Action	Title	Budget	Sub-total
Grants		EUR	
2.1	Enterprise Europe Network	42 500 000	
2.2	Joint Cluster Initiatives	13 200 000	
2.3	Erasmus for Young Entrepreneurs	5 000 000	
2.4	EEN annual conference	150 000	
2.5	Enterprise Europe Network - Energy advisors	8 000 000	
2.6	Erasmus for young entrepreneurs-support to Ukrainian		
	entrepreneurs	3 000 000	
2.7	Support to Ukrainian companies to integrate into the		
	single market	4 500 000	
2.8	European AgriFood Sustainability Cluster Partnerships	3 000 000	
2.9	Promoting trans-European tourism products in third		
	countries - grant to ETC	1 600 000	
2.10	Sustainable growth and building resilience in tourism	8 500 000	
2.11	Support to organisations for actions in the context of the EU Pact for Skills for the textiles ecosystem	1 200 000	
2.12	Proximity and social economy industrial ecosystem:	1 200 000	
2.12	boosting the digital transition of social economy		
	enterprises and SMEs	8 000 000	
2.13	Boosting SMEs and stakeholders capacities to participate		
	in construction & renovation projects through the		
0.1.1	Affordable Housing Initiative European Partnership	1 000 000	
2.14	European Industry Days 2024	1 000 000	
2.15	European Social Economy Missions	1 000 000	101 650 000
Procure			1
3.1	SME policy - SME Performance Review	820 000	
3.2	SME Outreach	2 900 000	
3.3	Credit management training and financial literacy for SMEs	650 000	
3.4	Support to women entrepreneurs	400 000	
3.5	SME friendly training for central purchasing bodies	2 500 000	
3.6	Sustainable procurement hubs	4 500 000	
3.7	European Cluster Collaboration Platform	5 850 000	
3.8	Monitoring the performance of EU industry and industrial ecosystems (RENEWAL)		
3.9	Erasmus for young entrepreneurs-support to Ukrainian	1 739 430	
5.7	entrepreneurs (support contract action 2.6)	500 000	
3.10	Enterprise Europe Network animation	2 400 000	
3.11	Stakeholder collaboration platform for the textiles ecosystem	1 500 000	
3.12	Fit for Future	807 000	

3.13	European Construction Sector Observatory	1 100 000	
3.14	Supporting actions	8 150 303	33 816 733
Indirect management			
4.1	European Chemicals Legislation Finder	1 053 400	
4.2	European Union Observatory for Nanomaterials	614 000	
4.3	SME fund - Intellectual property voucher	2 100 000	
4.4	Improving socio-economic knowledge of the EU tourism ecosystem	400 000	
4.5	Twin transition and future of retail SMEs	1 000 000	
4.6	EEN energy efficiency action-impact evaluation	300 000	
4.7	European Solar Academy	2 500 000	7 967 400
Other actions			
5.1	Circular plastics (technical and analytical support)	300 000	
5.2	Remunerated experts; reimbursement of experts	700 000	1 000 000
	TOTAL	144 434 133	

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