Speech by Minister of State for Research and Innovation
Seán Sherlock T.D.

Opening Address to EURO-SME 2013 Conference
Dublin Castle, 11 June 2013

CHECK AGAINST DELIVERY

I am delighted to be here today to open the EuroSME 2013 Conference and to welcome you all to Dublin Castle. I want to particularly welcome our overseas visitors – we are delighted to have you with us and thank you for taking the time from your busy schedules to be here. A special word of welcome for our speakers from Europe and further afield, from Korea, USA, and Canada.

Thank you for sharing your experience and expertise at this event over the next two days. This conference is one of a number of important events being held in Ireland this month as part of the Irish Presidency of the Council of the European Union.

I would like to acknowledge the support by the European Commission Directorate for Research and Innovation and its Industrial Technologies Programme, as funding body for this conference, and Enterprise Ireland for organising this event which brings more than 350 people to Dublin.

Ireland’s Presidency of the Council of the EU

The Irish Government has placed stability, jobs and growth at the heart of our programme.

We have also brought this focus to European Union level, as the theme of Ireland’s Presidency of the Council of the European Union.

Of particular interest to this conference and as noted in our Presidency Programme, SMEs are the highest-potential growth and employment source in Europe.
Small and medium-sized enterprises have in recent years proved themselves to be the engines of economic growth, and the principal source of new employment.

SMEs are central to the recovery of the European economy. It is timely then, that as part of the Irish EU Presidency, this conference provides an opportunity to examine what it takes to be a thriving entrepreneur in the 21st century.

It will examine how small companies can compete effectively in an increasingly globalised world, and how SMEs can benefit to the full from existing, and future, private and public support mechanisms.

**SMEs, Innovation and Horizon 2020**

Sustainable, long-term growth and job creation will be delivered best through SMEs that gain and sustain their competitive advantage through innovation.

Following the success of Framework Programme 7, all eyes are turning now to Horizon 2020, the EU’s upcoming Framework Programme for Research and Innovation. The key research and innovation priority for Ireland’s Presidency is to achieve political agreement on Horizon 2020.

Horizon 2020 can play a decisive role for jobs and growth and help create the European economy of the future. The programme seeks to secure major investment in key technologies, bridging the gap between research and the market and promoting real commercial partnerships between Member States and the private sector. Linking in with other EU programmes, it is aimed to increase participation by SMEs in Horizon 2020 from 15% to 20%.

I am pleased to say that Ireland was one of the main proponents of this increased target since the commencement of the negotiations on Horizon 2020.

This event, by bringing together entrepreneurs, policy makers and SME support organisations, provides an opportunity to feed ideas into how to improve the EU eco-system for innovative enterprises.

It will also introduce SME specific measures in Horizon 2020 to this community.

The conference will focus on three broad themes concerning the future of SMEs:

1. SMEs and innovation in the 21st century,
2. SMEs in a networked world, and
3. Supporting SMEs in their ambition to grow.

The conference will also explore the business side of how to integrate innovation into SMEs.
I would like to see practical outcomes from this conference, in terms of informing the European Commission and the European Competitiveness Council of effective solutions to help SMEs to grow and prosper in this increasingly competitive world.

This conference intends to take your suggestions and recommendations and present these to the European Competitiveness Council and, where practicable, to implement these recommendations within the European funding and support structure.

**SMEs in Ireland**

As Minister with responsibility for Research & Innovation, I have been privileged to meet entrepreneurs and management teams of SMEs throughout Ireland.

SMEs are the backbone of the Irish economy and key contributors to growth and employment.

SMEs make up over 99% of businesses in the enterprise economy in Ireland and account for almost 70% of people employed.

Their ability to exploit new technologies and to respond quickly to changing market needs, gives SMEs a pivotal role in the Irish economy.

Support for the creation of new ventures and spin-offs from research institutions and large companies, as well as support for the transfer of know-how, is a policy priority in Ireland.

Enterprise Ireland is the Irish Government agency charged with developing and promoting Irish enterprise.

Enterprise Ireland partners with entrepreneurs, Irish businesses, and the research and investment communities to develop Ireland’s international trade, innovation, leadership and competitiveness. The ultimate objective is increased exports, employment and prosperity in Ireland. Enterprise Ireland is also the agency responsible for helping Irish companies and researchers to participate in the Seventh EU Framework Programme.

Enterprise Ireland’s client companies achieved record levels of exports in 2012. Total exports, at €16.2 billion, were the highest ever annual export gains achieved by Enterprise Ireland clients. Driving this growth for many companies is research and innovation.

Innovation is a tool companies employ for new product development, to make manufacturing or business processes more efficient or to respond to disruptive waves.
As Minister, I have seen that Innovation is one of the key strategic advantages that Irish companies can harness to gain a competitive edge and win in world markets.

It is a great opportunity for us in Ireland to hear the European experience of SMEs and I hope you will learn from our Irish companies and speakers with you here over the next two days.

**Conclusion**

Innovation is the key to unlocking the door to future economic growth.

We know that successful economies which exhibit increased prosperity are characterised by high productivity delivered through the application of fresh thinking and new techniques.

Innovation is already a major component of the Economic Vision for Ireland and a major element of the Government’s goal to create a dynamic, innovative economy.

It is a simple reality that in the new knowledge-based global economy, innovation has become business critical for all sectors. In the 21st century, companies, agencies, universities, colleges and indeed government departments which do not have innovation embedded in their planning processes, and their product or service delivery, will fall further and further behind their more successful international competitors.

I happily declare this event open and I look forward to hearing of practical recommendations that can help us to reach the goal of increased participation by SMEs in Horizon 2020.

Go raibh mile maith agaibh