

SME support under HORIZON 2020

3rd INTERNATIONAL CONFERENCE on
Sustainable Solid Waste Management,
Tinos Island,
Greece

MASTER CLASS ON H2020

03/07/2015

SME support: integrated approach

**20 %
budgetary
target in
LEITs & SC**

Collaborative
projects
13%

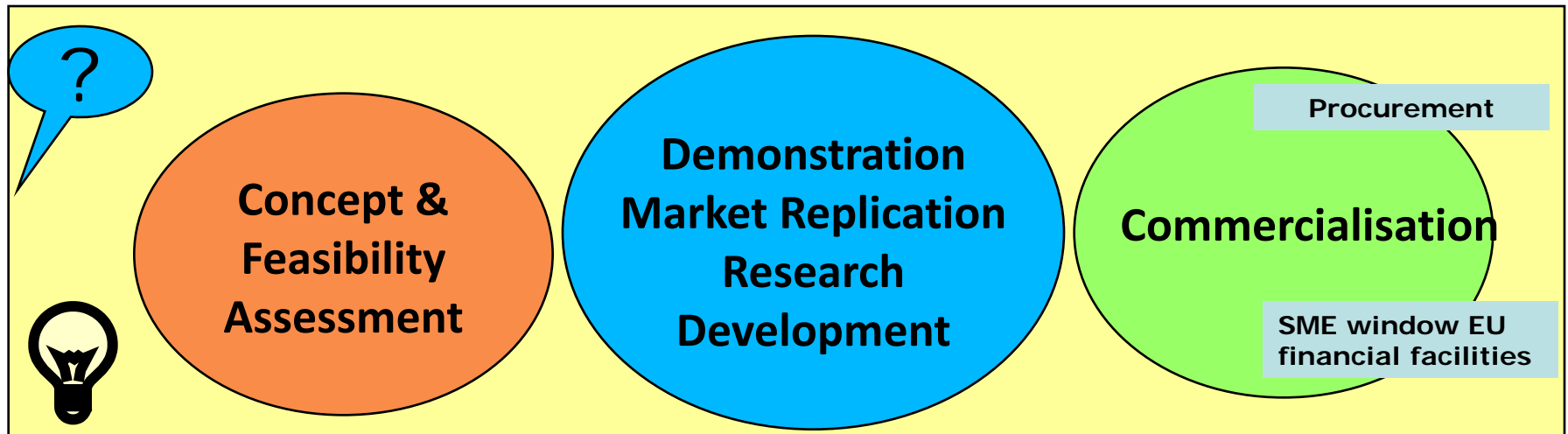
SME instrument
7%

**'Innovation
in SMEs'**

Eurostars II
Enhancing Innovation
Capacity
Market-driven Innovation

Access to Risk Finance

SME instrument



IDEA

business coaching throughout the project

MARKET

Phase 1: Concept and feasibility assessment

Input: Idea/Concept:
"Business Plan 1"
(~ 10 pages)
10% budget

Activities:

Feasibility of concept
Risk assessment
IP regime
Partner search
Design study
Pilot application
etc.

10-15% success

Output: elaborated
"Business plan 2"

Lump sum: 50.000 €
~ 6 months

Phase 2: R&D, demonstration, market replication

Input: "Business plan 2" plus description of activities under Phase 2 (~ 30 pages)
90% budget

Activities:

Development,
prototyping, testing,
piloting,
miniaturisation,
scaling-up, market
replication,
research

~ 50 success

Output: "investor-
ready Business plan 3"

1-2.5 M€ EC funding
~ 12 to 24 months

Phase 3: Commercialisation

Promote instrument as
quality label for
successful projects

Facilitate access to
private finance

Support via networking ,
training, information,
addressing i.a. IP
management,
knowledge sharing,
dissemination

SME window in the EU
financial facilities (debt
facility and equity
facility)

Possible connection to
public procurement
activities

No direct funding

- Targeted at all types of innovative SMEs showing a strong ambition to develop, grow and internationalise
- Only SMEs will be allowed to apply for funding and support
- Single company support possible
- Bottom-up approach within the frame of the societal challenges and enabling technologies → each SC & LEIT defines a broad topic
- No obligation for applicants to sequentially cover all three phases; each phase open to all SMEs
- Combination of demonstration activities (testing, prototyping, ...), market replication encouraging the involvement of end users or potential clients, and research

- **Budget**

Funded by LEITs and SC. Initially 5%, will rise to at least 7% averaged over H2020

- **Specific Programme: Mainstreaming SME support**

[...] All of the societal challenges and the enabling and industrial technologies shall apply the dedicated SME instrument and allocate an appropriate amount to it,...

Based on various surveys (EVCA, EIM, NESTA), it is estimated that about 1 to 6 % of all SMEs belong to the target group, i.e. 200,000 to 1.2 million SMEs.

Without restrictions it is estimated to receive 10 to 15,000 SME applications for Phase 1 every year.

This number is limited in case of topic oriented calls

Measures to "reduce" applications:

1. Only one application per company (in both phases)
2. This implies: no possibility to apply for Phase 1 during the submission and/or implementation of a Phase 2 project and vice versa.
3. Advice by the support network(s)
4. SMEs should be encouraged to enter the scheme in Phase 1

- **Article 18(2) Regulation**

[...] a dedicated SME instrument that is targeted at all types of SMEs with an innovation potential, in a broad sense, shall be created under **a single centralised management system** and shall be **implemented primarily in a bottom-up manner** via a **continuously open call** [...]

- Implemented centrally by EACI based on Commission declaration (SI(2013)428/2).
- 4 cut-off dates will be organised per year. Phase 1 shall be opened ~1/1/2014, first cut-off around March, opening of phase 2 in July 2014, first cut-off in November 2014.

Phase 1: fixed lump sum of 50 k€

Phase 2: assumed average project size 1.5 M€, in order to guarantee short Time-to-Grant it is suggested to fund projects with below 2.5 M€

↓ Over 7 years:

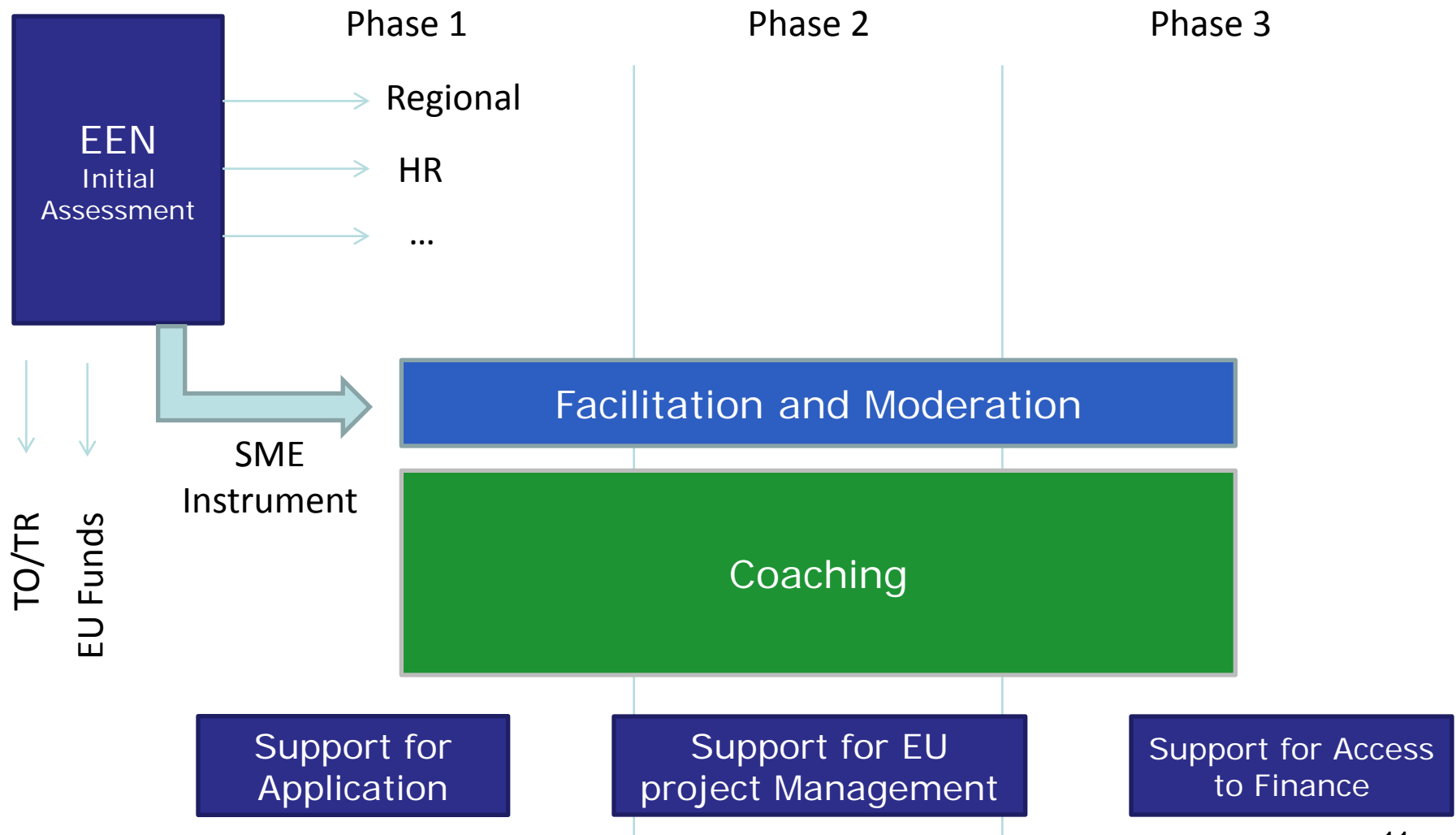
5,200 Phase 1 projects will be funded

1,700 Phase 2 projects with an average size of 1.5 M€ can be funded (or 2550 of an average size of 1 M€, 1250 of an average size of 2 M€)



1. Remote evaluation throughout the process
2. Suggestion to abandon consensus meetings
3. Long feedback loops (ESRs) slow down the process
4. Evaluation criteria to focus on excellence in innovation, commercialisation potential, economic impact and the company's potential achieving the envisaged results.
5. The profile and competences of evaluators is highly important.

Coaching and EEN support





Thank you very much for your attention

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