Agenda

- SME Instrument
- FT2I
1) SME Instrument - A recipe for success

It's not about writing a good proposal

It's about defining a good project...

...convincing the evaluators
SME Instrument target

SME with innovative ideas – single company ok

Ambition to grow and have a global/EU impact

Established SMEs with high growth potential

Clear European dimension

For profit SMEs of the EU and associated countries
SME Instrument target
Technology readiness level 6 or above
SME Instrument phases

**PHASE 1**
Concept & Feasibility Assessment
*Idea to concept (6 months)*

The SME will draft an initial **business proposal**.

The European Union will provide **€50 000 in funding** and business coaching.

**PHASE 2**
Demonstration, Market Replication, R&D
*Concept to Market–Maturity (1–2 years)*

The SME will further develop its proposal through **innovation activities**, and draft a more developed **business plan**.

The EU may contribute between **€0.5 million** and **€2.5 million** and provide business coaching.

**PHASE 3**
Commercialisation
*Prepare for Market Launch*

The SME will receive extensive support to help polish its concept into a marketable product, and have access to **networking opportunities**.

The EU will not provide funding in this phase.
Themes for 2014 & 2015

- High risk ICT innovation
- Nanotech, or other advanced tech for manufacturing and materials
- Space research and development
- Diagnostics devices and biomarkers
- Sustainable food production and processing
- Blue growth
- Low carbon energy systems
- Greener and more integrated transport
- Eco-innovation and sustainable supply of raw materials
- Urban critical infrastructure
- Biotechnology-based industrial processes
- Mobile e-government applications (2015 only)
- SME business model innovation (2015 only)
Number of projects

Varies according to the theme:

- E.g. from 90 for phase 1 and 26 for phase 2 for ICT innovation to
- 8 for phase 1 and 2 for phase 2 for biotech

Check EASME website for specific number of projects to be supported per theme
http://ec.europa.eu/easme/sme
Why participate?

- Rank among the best European SMEs
- Get visibility at European and global level
- Receive high-quality business coaching
- Benefit from networking opportunities
- Get support for follow-up financing
Evaluation process

- Remote evaluation
- No consensus meeting
- Short standardised feedback
- No negociation
- Only one application per company for all phases
Evaluation criteria

- 3 criteria:
  - Possible economic impact
  - Excellence in innovation
  - Implementation

- SME potential achieving the envisaged results

- Median rating
Evaluation: IMPACT

- Market opportunity
- Targeted users
- Market conditions
- Impact on growth
- Alignment with strategy and experience
- Commercialisation plan
- European dimension
- Knowledge protection
Evaluation: EXCELLENCE

- New market opportunity / EU challenge
- Added value
- Comparison with existing solutions
- Consistency with the expected impact
- Commercial potential
- Understanding of risks and opportunities
Evaluation: IMPLEMENTATION

- Resources
- Partners and stakeholders
- Time frame
- Experience of the team
Evaluators

34% women, 12% academic/research, 88% private sector

<table>
<thead>
<tr>
<th>Background</th>
<th>Number</th>
<th>Share</th>
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</thead>
<tbody>
<tr>
<td>Business general</td>
<td>49</td>
<td>9.4%</td>
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<tr>
<td>Business development</td>
<td>118</td>
<td>22.6%</td>
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<tr>
<td>Business incubation</td>
<td>20</td>
<td>3.8%</td>
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<td>Commercial / marketing</td>
<td>15</td>
<td>2.9%</td>
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<td>Entrepreneurship / start-up</td>
<td>92</td>
<td>17.7%</td>
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<td>Finance</td>
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<td>4.8%</td>
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<td>Gender issues</td>
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<td>0.2%</td>
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<td>Innovation management</td>
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<td>28%</td>
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<td>Legal expert IPR</td>
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<td>2.9%</td>
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<td>Risk finance</td>
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<td>6%</td>
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<tr>
<td>Other</td>
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<td>1.7%</td>
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<tr>
<td>TOTAL</td>
<td>521</td>
<td>100%</td>
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</table>
Thresholds

**Phase 1**
- 4 out of 5 for each individual criteria
- 13 out of 15 overall

**Phase 2**
- 3 out of 5 for individual criteria
- Except 'Impact': 4 out of 5
- 12 out of 15 overall

For criterion 'Impact' a weight of 1.5 is given to establish the ranking
## Results

<table>
<thead>
<tr>
<th>Cut-off date</th>
<th>18/09/2014</th>
<th>24/09/2014</th>
<th>09/10/2014</th>
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<tbody>
<tr>
<td>Phase</td>
<td>1</td>
<td>1</td>
<td>2</td>
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<tr>
<td>Nº of proposals received</td>
<td>2666</td>
<td>1944</td>
<td>852</td>
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<tr>
<td>From single companies</td>
<td>97%</td>
<td>91%</td>
<td>78%</td>
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<tr>
<td>Success rate</td>
<td>6%</td>
<td>9%</td>
<td>12%</td>
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<td>Above threshold</td>
<td>317</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Funded</td>
<td>155</td>
<td>174</td>
<td>73</td>
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</table>

For the first cut-off phase 1, **every second good proposal is funded**
Horizon 2020 SME Instrument
Number of proposals submitted by country
Updated September 2014
The 5 highest "country success rates" are:

- Ireland: 20%
- Austria: 15%
- United Kingdom: 11%
- Israel: 10%
- Spain: 9%
SME size

Staff in Applicant SMEs (All topics)
- 11 to 50 employees: 22%
- Up to 5 employees: 49%
- 6 to 10 employees: 18%
- More than 50 employees: 9%
- Unknown: 2%

Staff in Funded SMEs (All topics)
- Up to 5 employees: 33%
- More than 50 employees: 13%
- 6 to 10 employees: 30%
- 11 to 50 employees: 23%
- Unknown: 1%
First lessons learnt

Unsuccessful proposals were:

- Too much focused on the project, not on the opportunity
- Without convincing description of the company
- Without enough information on competing solutions
- Not innovative enough
- Without commercialisation concept (TRL too low)
- Just trying ones' luck
2) Fast track to Innovation

- Open to any legal entity - consortia of 3 to 5 participants:
  - at least 60% of the overall budget of the proposal must be allocated to consortium partner(s) from industry, or
  - the minimum number of industry participants must be 2 in a consortium of 3 or 4 partners, and 3 in a consortium of 5 partners
- About 100 grants will be given
- Maximum EU contribution per project: EUR 3 million (expected between 1 or 2 million

Cut-off dates:
- 29/04/2015
- 01/09/2015
- 01/12/2015
QUESTIONS?
For more information
http://ec.europa.eu/easme/sme/

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