Sean Burke
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Opportunities for SMEs in Horizon 2020
What we will cover today

1. Horizon 2020 for SME’s
2. European Innovation Council (EIC) Pilot 2018-2020
   - SME Instrument – Phase 1 and Phase 2
   - Fast Track to Innovation
Some key facts and new approaches...

• Nearly €80 billion over seven years 2014-2020, 1st calls: 11 Dec 2013
• Covers in a streamlined way all research and innovation funding
• €1.25 billion is the Irish Target for H2020 (FP7- €600M, FP6 - €200M)
• Strong focus on societal challenges and innovation
• Reaching out to non-traditional actors
• More risk taking
• Strengthened support for high-tech SMEs
• More open, light & fast schemes
Irish companies using EU Funding?

- 332 successful applications
- €125 million of funding approved
- Success rate same as (slightly higher than!) universities

- From small R&D projects (€100,000-€300,000) to large scale biorefinery development (€10 million)
• Strong clear focus – 3 priority areas

- Societal Challenges
- Industrial Leadership
- Excellent Science
1. Excellent Science
   - European Research Council
   - Future and Emerging Technologies
   - Marie Curie Actions
   - Research Infrastructures

2. Industrial Leadership
   - Leadership in Enabling & Industrial Technologies
     - Information and communication technologies
     - Nanotechnologies
     - Advanced materials
     - Biotechnology
     - Advanced manufacturing and processing
     - Space
   - Access to Risk Finance
   - Innovation in SME

3. Societal Challenges
   - 7 Challenges
     - Health, Demographic Change and Wellbeing
     - Food security, sustainable agriculture, marine and maritime research and the bio-economy
     - Secure, Clean and Efficient Energy
     - Smart, Green and Integrated Transport
     - Climate Action, Resource Efficiency and Raw Materials
     - Europe in a changing world: Inclusive, Innovative and Reflective Societies
     - Secure Societies – Protecting Freedom and Security of Europe and its Citizens

Joint Research Centre (JRC)
Widening Participation
Science with & for Society
   - European Institute of Innovation and Technology (EIT)
   - Joint Programming P2P
   - Joint Technology Initiatives (JTIs) P2B
Horizon 2020

- European Innovation Council (EIC) Pilot
  - Combining several innovation support schemes
  - SME Instrument (New - Bottom-up approach)
  - Fast Track to Innovation (FTI)
  - FET Open and Inducement Prizes
SME Instrument Goal:
Invest €3 billion in 7,500 companies by 2020.

3 years of the programme
31k applications
400 coaches deployed
2,457 SMEs supported
€882m in funding
Single entity participation – SME Instrument

Type of SME suited to SME Instrument

- With strong innovation at prototype stage
- With a large international business led opportunity
- With rapid growth prospects
- With external investment secured
- With an innovative project that requires large investment (€1 million +)
Evaluation Procedure

Phase 1 - Proposals evaluated in one step
- Remote evaluation

Phase 2 - Proposals evaluated in two steps
- Remote evaluation
- Face-to-face interview in Brussels
Where SME Instrument sits
Horizon 2020 SME Instrument

Companies this makes sense for
• Research and Prototyping largely completed
• Taking a new disruptive product that is ready to attract early adopters in the market
• Good Management team
• Have 30% of the project cost

The Funding is to implement a commercial business opportunity, not an R&D project.
Client Irish Successes

- **artomatix** €1.12m
- **jm STEEL** €1.09m
- **nop ENERGY** €1.01m
- **Arralis** €1.12m
- **Radisens DIAGNOSTICS** €4.49m
- **Sigmoid PHARMA** €1.6m
- **RMS Reflective Measurement Systems** €0.99m
- **Vision-net** €1.26m
- **biosensia** €0.18m
- **HYDRO INTERNATIONAL** €0.18m
- **PMD SOLUTIONS** €4.27m
- **SIRIUS XT** €3m
- **Brandon Bioscience** €0.64m
- **Finesse Medical** €0.40m
- **Innova Formulations Private Limited** €1.72m
- **Nuritas LIFE-CHANGING INGREDIENTS** €2.20m
- **Exergyn** €2.48m
- **Cellix** €1.12m
- **ENBIO** €1.52m
- **oncomark** €2.75m

Horizon 2020 national support network led by Enterprise Ireland

Interactive map to view companies, budgets, abstracts, locations etc.
**SME Instrument Cut-off dates:**

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<th>Opening date: To be decided</th>
<th>Deadline of cut-off</th>
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*All deadlines are at 17.00 Brussels local time*
Notification and payments

- Phase 1 – 5 weeks, Phase 2 – 8 weeks
- Time to grant – 4 weeks (EEN input)
- 30% up front (within 30 days of signing Grant Agreement)
- Based on deliverables determined in Grant Agreement
- 15% withheld until all actions are completed

Enterprise Europe Network (EEN):

- Provides Innovation Audit Service
- Supports Coaching Expertise for SMEs (Innovation management)
• Eligible Costs for Phase 2 proposals

• Direct
  – Personnel costs (directly employed)
  – Travel
  – Equipment / Infrastructure (Depreciated)

• Other direct costs
  – Consumables
  – Dissemination/IPR
  – Audit

• Subcontracting e.g. clinical trials, testing

• Indirect costs - 25% of direct costs (except subcontracting)
• Paperwork...

5 Sections and Administrative Forms

1. Excellence
2. Impact
3. Implementation
4. Members of the Consortium
5. Ethics and Security

• In order to win, you have to get close to the Maximum score.

Threshold (out of 15)
13 points for Phase 1
13 points for Phase 2
Impact 50%
Excellence and Implementation 25%
## Face-to-Face Interviews – Where, When, What, Who?

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<td>📍</td>
<td>All interviews take place in Brussels. Applicants cover the cost associated with their participation.</td>
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<tr>
<td>📅</td>
<td>• All interviews take place during one week per cut-off dates&lt;br&gt;• Interview weeks: 12-16 Feb; 16-20 Apr; 25-29 Jun; 12-16 Nov&lt;br&gt;• Applicants are requested to ensure availability during that week when applying</td>
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<td>👤</td>
<td>• A maximum of three company representatives per proposal&lt;br&gt;• Representation by third parties is not permitted (i.e. no consultants)&lt;br&gt;• Presence of senior company officers is recommended</td>
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<td>📝</td>
<td>• Applicants must prepare a pitch deck and send it in advance&lt;br&gt;• The document should not exceed 10 pages&lt;br&gt;• Template is provided to the applicants</td>
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Pitch Document of 10 Pages (max.) to Support a 10' Presentation by the Applicants
Successful applications

• Demonstrate a disruptive/novel innovation,
• Have a clear ambition to grow at EU level, will generate revenues and create jobs.
• Demonstrated knowledge of target market / convincing commercialisation plan.
• Explain the market conditions and the evolution of the competition including concrete and realistic figures on the market share and sales price.
• Show at least 3 years of projection of sales volume, turnover and number of jobs created.
• Demonstrate that your project has a European or international market
• Intellectual property - Protection very important and must be explained.
Why do proposals not get funded?

• Too much focused on the project and **not enough on the business opportunity**;
• Not convincing when **describing the company** (you have to explain why your company will succeed and not your competitor);
• Not providing enough information on **competing solutions**;
• Having a **too low level of innovation**, planning to develop a product that already exists on the market;
• Proposing an idea **without any concept for its commercialisation**;
• Just **trying their luck** (the SME Instrument is not a lottery!)
Fast Track to Innovation (FTI)
2018-2020

❖ *Close-to-market projects of consortia* with three to five entities from at least three different EU Member States or Horizon 2020 associated countries. Industry must participate.
Main Features

- The main features of FTI are outlined below:
- There are no topics, the call is completely bottom-up.
- Disruptive technology should be central to the project.
- Complementary and multidisciplinary projects are encouraged.
- FTI projects should have a high level of advancement (TRL6 to TRL8).
- Market entry with the product outcomes of the project should be achievable within 3 years.
- Impact on sustainability, climate change or other objectives of H2020 must be highlighted.
Fast Track to Innovation

- Mandatory industry involvement can consist of the following:
  - ... either 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.

- Proposals will include a business plan (market development strategy)

- SMEs and first-time industry applicants particularly welcome
FTI Cut-Off dates 2018-2020

- 21 February 2018
- 01 June 2018
- 23 October 2018
- 21 February 2019
- 23 May 2019
- 22 October 2019
- 19 February 2020
- 08 June 2020
- 26 October 2020
Fast Track to Innovation

- **One common call, permanently open, 3 cut-offs per year** –
- **Time-to-grant 6 months**

- **Funds innovation actions (70%), grant up to €3M**
- **Allows consortia of min. 3, max. 5 members — mandatory industry involvement**
Successful Irish Coordinators in FTI

Schwungrad Energie €2,944,001
Demonstration of dynamic grid stabilisation with an Adaptivefly wheel/battery Hybrid energy Storage system in Ireland and UK

MAC €1,594,281
SmartGrid Active Distribution Management System to accommodate Renewable Energy Sources and Low Carbon Emissions
Successful Irish Coordinators in FTI

OpenHydro Group Limited €2,996,326
Open-Centre Tidal Turbine Industrial Capability

Eire Composites Teoranta € 2,731,700
Commercialisation of Advanced Composite Material Technology: Carbon-Glass Hybrid in PowderEpoxy for Large (60-100m) Wind Turbine Blades
www.horizon2020.ie

The Competitive Industries objective aims at making Europe a more attractive location to invest in research and innovation, by promoting activities where businesses set the agenda. It will provide major investment in key industrial technologies, maximise the growth potential of European companies by providing them with adequate levels of finance and help innovative SMEs to grow into world-leading companies.
Support from NCPs

• Finding best fit for company
• Completion of registration / participant portal navigation
• Proposal review
SME National Contact Points:

Sean Burke
SME Financial Assistance
Tel: 087 9534606
Email Sean Burke
Tel: 061-777048
Sean.burke@enterprise-Ireland.com

Jill Leonard
Enterprise Ireland
Tel: 087 9141439
Email Jill Leonard
Tel: 01-7272751
Jill.leonard@enterprise-Ireland.com

Horizon 2020 national support network led by Enterprise Ireland
Sean.burke@enterprise-ireland.com
+353 61 777 048
jill.leonard@enterprise-ireland.com
+353 1 727 2751

Thank you