



HORIZON 2020

The SME Instrument

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(EASME)

SME support in Horizon 2020

- **Minimum 20% of H2020 budget for the priority "Societal challenges" and the specific objective "Leadership in enabling and industrial technologies" will be allocated to SMEs (about €9.3 billion)**
- **The dedicated SME Instrument (about €3 billion), following a predominately bottom-up logic, will address the needs of innovative SMEs**

The SME Instrument 3-stage support



Phase I - Feasibility study



Phase II - Demonstration activities



Phase III - Marketing

Phase 1 - Concept & Feasibility Assessment

Idea to concept



- €50 000 in EU funding
- Feasibility study
- 10-page application
- 6 months in duration

Phase 2 – Demonstration activities

Concept to market-maturity



- 70% funding rate (EU funding between 0.5 and 2.5 MEUR)
- The SME will further develop its proposal through innovation activities, such as demonstration, testing, piloting, scaling up, and miniaturisation
- 30-page application including business plan
- 1-2 years in duration

Phase 3 – Market launch

Prepare for Market Launch



- **No stand-alone phase!**
- **No direct funding**
- SMEs will receive extensive support, training, mentorship
- Facilitate access to risk finance
- Additional support and networking opportunities (EEN)

Business coaching

- Coaches will drive the performance of the organisation
- Coaches suggested by EEN, and selected by the SME
- Voluntary business coaching:
 - Phase 1: 3 days
 - Phase 2: 12 days



Evaluation criteria

- **Economic impact**
- Excellence in innovation
- Quality and efficiency of the implementation



Themes for 2014-2015

In 2014 and 2015 the SME Instrument will sponsor SMEs operating within 13 themes:

- 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 raw material supply
- Urban critical infrastructure
- Biotechnology-based industrial processes
- Mobile e-government applications (2015 only)
- SME business model innovation (2015 only)

The SME Instrument supports close-to-market innovation

The minimum Technology Readiness Level (TRL) for SME Instrument proposals is 6

- TRL 1 – basic principles observed
- TRL 2 – technology concept formulated
- TRL 3 – experimental proof of concept
- TRL 4 – technology validated in lab
- TRL 5 – technology validated in relevant environment
- TRL 6 – technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)
- TRL 7 – system prototype demonstration in operational environment
- TRL 8 – system complete and qualified
- TRL 9 – actual system proven in operational environment (competitive manufacturing in the case of key enabling technologies; or in space)

Timeline

- Open call: proposals can be submitted any time
- 3 cut-off dates per year
- Received proposals are evaluated after each cut-off date
- Time to grant: 3 (phase I) or 6 (phase II) months after the cut-off date



SME Instrument Phase 1: statistics after cut-off 18/06/2014

**2.666 proposals received
(success rate: 6%)**

**2503 single company applications, the rest
submitted by consortia**

**Out of the 2 666 proposals submitted, 2602
were eligible and 317 got a score above the
threshold. 49% of these are pre-selected
for funding.**

SME Instrument Phase 1: statistics after cut-off 18/06/2014

Analysis of proposals received and pre-selected by topic

Phase 1 - 1st cut-off date June 2014

Topic	Proposals evaluated	Proposals above threshold	Max. projects fundable	% positive evaluation	Success rate above threshold
Blue growth	48	6	3	12%	50%
Biotech	74	8	3	11%	38%
Green transport	227	26	24+2	12%	100%
Nanotech	310	29	15+2	9%	59%
Eco-innovation	248	32	11+1	13%	38%
Food production	125	29	7	23%	24%
Low carbon energy systems	374	46	22+1	12%	50%
Space	61	4	4	7%	100%
Urban critical infrastructures	41	6	6	15%	100%
Diagnostic devices and biomarkers	208	24	44	12%	100%
Open disruptive innovation	886	107	30	12%	28%
Total / Average	2602	317	175	13%	62%

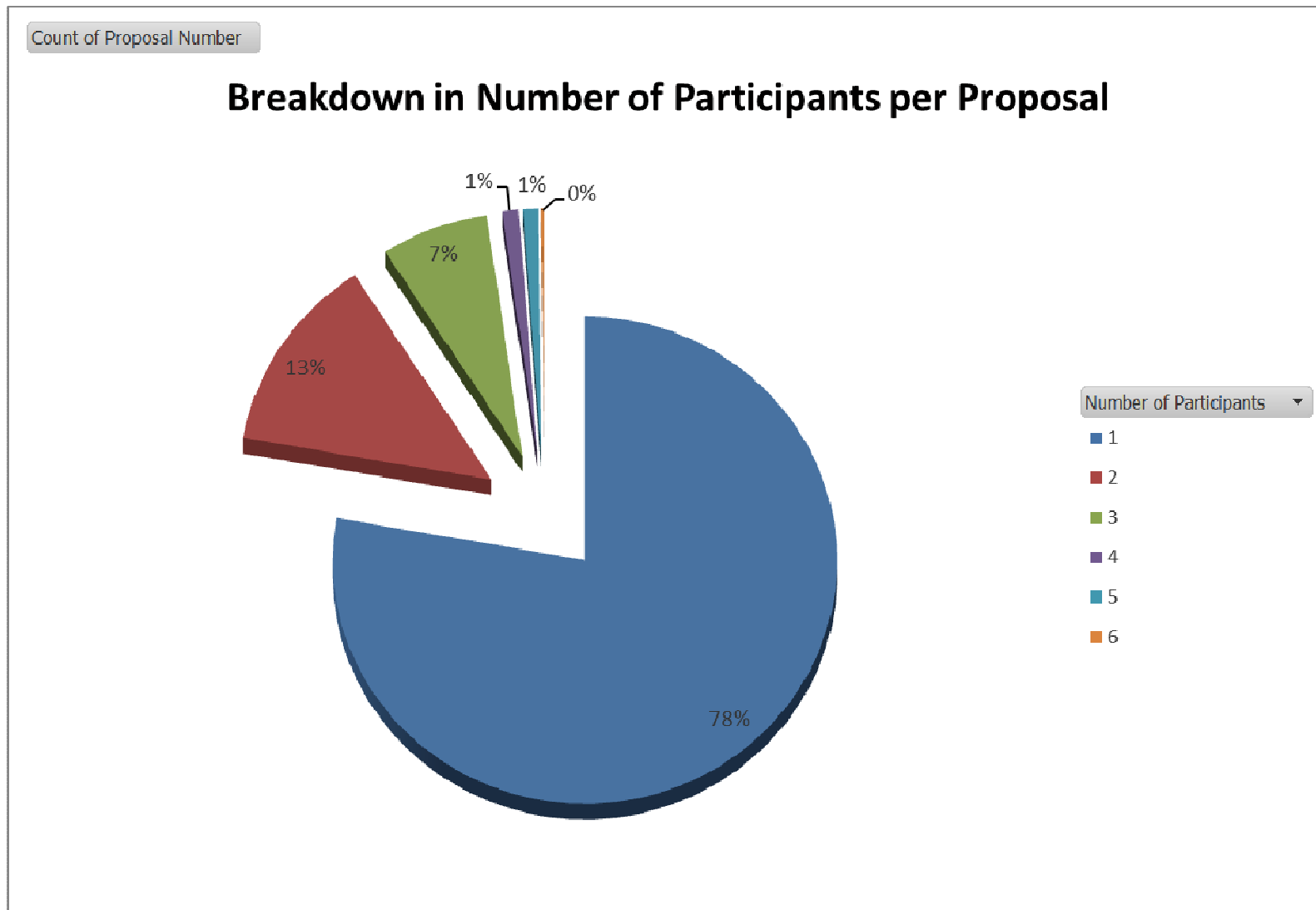


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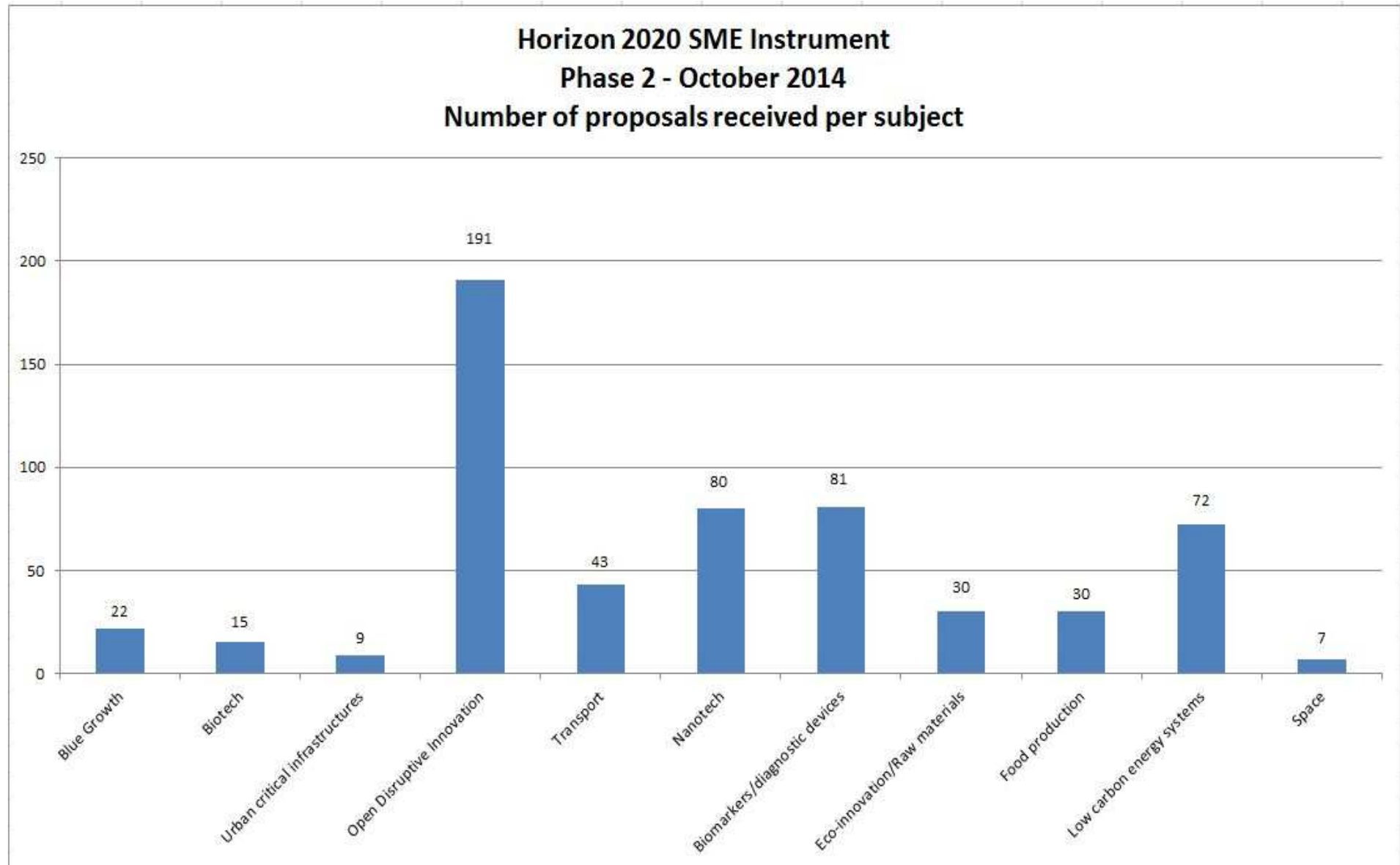
Executive Agency for
Small and Medium-sized Enterprises

SME Instrument Phase 2: statistics after cut-off 9/10/2014

580 proposals received



SME Instrument Phase 2: statistics after cut-off 9/10/2014



SME Instrument: 6 lessons learnt so far

1. Too much focused on the project and not enough on the business opportunity;
2. Not convincing when describing the company (you have to explain why your company will succeed and not your competitor);
3. Not providing enough information on competing solutions;
4. Having a too low level of innovation, planning to develop a product that already exists on the market;
5. Proposing just an idea without any concept for its commercialisation;
6. Just trying their luck (the SME Instrument is not a lottery!).

Thank you!

For more information go to:

<http://ec.europa.eu/easme/sme/>

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