

Horizon 2020 EIC ACCELERATOR PILOT (SME Instrument)

Submission & Evaluation of proposals

-

Cut-off dates of 9 October 2019 and after

Guidelines for Applicants

VERSION 1.5

EIC ACCELERATOR PILOT (SME INSTRUMENT)

What we offer?

The European Innovation Council (EIC) Accelerator Pilot (SME Instrument), as part of the Horizon 2020 programme, acts as an accelerator programme at EU level offering funding – in the form of a grant or blended finance (a mix of grant and equity investment) - , coaching and business acceleration services to innovative small or medium-sized businesses with global ambitions.

It supports high-risk, high-potential small and medium-sized enterprises and innovators to develop and bring to the market new innovative products, services and business models that could drive economic growth and have the potential to scale-up.

Who are we looking for?

We invest in single for-profit SMEs established in the EU or in countries associated to Horizon 2020 that have ground-breaking concepts that could shape new markets or disrupt existing ones in Europe and worldwide. There are no set topics but negative impacts on climate and the environment should be avoided.

How to participate?

The EIC Accelerator Pilot (SME Instrument) is a continuously open call until the end of 2020 with five cut-off dates: 9 October 2019, 8 January 2020, 18 March 2020, 19 May 2020 and 7 October 2020.

Applicants can submit their proposal at any time before the last cut-off date (7 October 2020). After each cut-off date all submitted proposals are evaluated by external expert-evaluators and, if your proposal is successful, you will be invited to prepare the EIC Grant Agreement and, if applicable, an investment agreement with the EIC Fund.

Content of this document

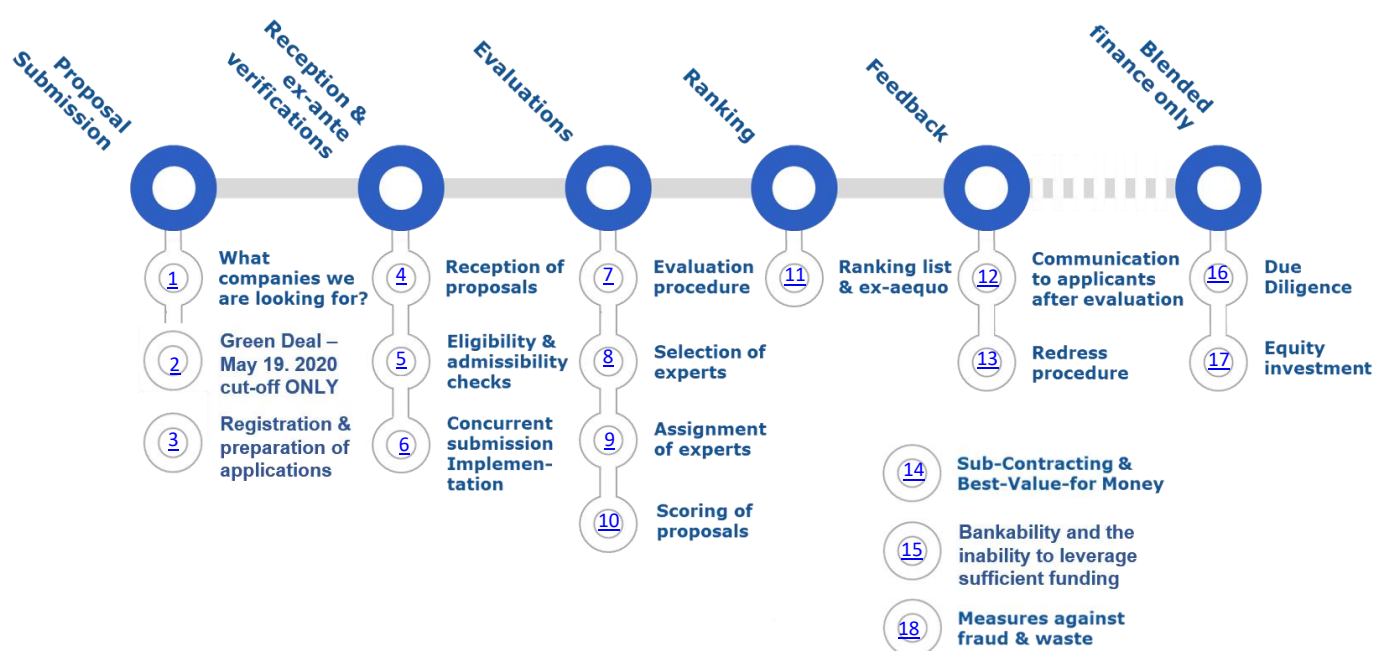
In this document, you will find information on:

- how to submit your proposal;
- reception & ex-ante verifications;
- the evaluation of proposals;
- the ranking of results;
- feedback to applicants.

This document may be updated as necessary and history of changes will be described.

HISTORY OF CHANGES			
Version	Publication Date	Change	Page
1.0	05.06.2019	<ul style="list-style-type: none"> Initial version 	
1.1	25.10.2019	<p>The updated version addresses the following issues:</p> <ul style="list-style-type: none"> Changes in name of EIC Accelerator Pilot (SME Instrument)- delete the reference to phase 2 Update information on registering your company Additional information on filling in the submission form Clarification on concurrent implementation Updated information on the interviews New section 14 on bankability Addition of links throughout Update of invitation to interview letter 	<p>4-5</p> <p>5-8</p> <p>10-11</p> <p>16</p> <p>24-25</p> <p>30</p>
1.2	4.03.2020	<ul style="list-style-type: none"> Update on Brexit New information on Green Deal cut off Further information on consent Explanation of Document 2, 3 Clarification on complementary blended proposals New information on women-led companies Additional information on observers Explanation of invitation to interviews based on one budget 	<p>4</p> <p>5</p> <p>7-8</p> <p>9</p> <p>13</p> <p>15</p> <p>21</p> <p>15, 25</p>
1.3	30.04.2020	<ul style="list-style-type: none"> Updates related to coronavirus 	14-17
1.4	05.06.2020	<ul style="list-style-type: none"> Update on timing of Green Deal cut-off interviews 	17-18
1.5	13.10.2020	<ul style="list-style-type: none"> Update on timing of October 2020 cut-off interviews 	18

Figure 1: Structure and content of the document (hyperlink to each section)



1. What kind of companies are we looking for?

For-profit SMEs¹, including young companies and start-ups from any sector, can apply for funding under the EIC Accelerator Pilot (SME Instrument). Only individual applicants are entitled to submit an EIC Accelerator proposal. All applicants need to be legally established in an EU Member State or in a [country associated to Horizon 2020](#). Other partners, such as research providers or larger companies, cannot be direct beneficiaries but can be involved as third parties, usually in a subcontracting relationship, and do not necessarily need to be established in the EU or countries associated to Horizon 2020.

In order to assess your SME status, you may refer to the [EU user guide](#).

Regarding the United Kingdom: As of 1 February 2020, the United Kingdom formally left the European Union. The Withdrawal Agreement establishes (Article 137.2) that the United

¹ For-profit SMEs means micro-, small- and medium-sized enterprises, as defined in Commission Recommendation 2003/361/EC, that are not 'non-profit legal entities' as defined in the Horizon 2020 Rules for Participation (Regulation No 1290/2013): i.e., a 'legal entity which by its legal form is non-profit-making or which has a legal or statutory obligation not to distribute profits to its shareholders or individual members'

Kingdom and projects located in the United Kingdom shall only be eligible for financial operations if those financial operations were approved before the date of entry into force of the Withdrawal Agreement.

Therefore, in accordance with the Withdrawal Agreement, applicants located in the UK are:

- a. Eligible for grants (including the EIC Accelerator) until the end of the transition period on 31 December 2020. They are entitled to receive EU grant funding to carry out their projects until the projects' lifetime is completed, including projects finishing after the end of the transition period.
- b. Not eligible for EIC Accelerator Pilot equity support as of 1 February 2020.

2. Green Deal- May 19, 2020 cut-off ONLY

Until May 19 2020, applicants will be able to apply for the Green Deal topic specifically concentrating on those innovations that fuel the societal transition towards sustainability while supporting EU's competitiveness and leadership in clean technologies. The topic targets high-risk, high- potential small- and medium- sized enterprises (including start-ups) from any sector provided that they contribute to one or more of the Green Deal goals stated in the [work programme](#):

- Increasing the EU's climate mitigation and/or adaptation ambition;
- Supplying clean, affordable and secure energy;
- Transitioning of industry to a clean and/or circular economy (including waste prevention and/or recycling);
- Building and renovating in an energy and resource efficient way;
- Accelerating the shift to sustainable and smart mobility;
- Transition to a fair, healthy and environmentally-friendly food system;
- Preserving and restoring ecosystems and biodiversity;
- Realising a zero pollution ambition and a toxic-free environment.

Projects dedicated to increase the efficiency of fossil fuels technologies or fossil fuels use are ineligible. Simultaneously, projects shall do no significant harm to any of these objectives and should enhance European Union's competitiveness and leadership in clean technologies.

Applicants will be asked to select in Part A of the submission template the European Green Deal goal(s) that correspond to the expected impact of the proposal. Applicants to the 19 May 2020 cut-off who fail to indicate the European Green Deal goal impacted by the proposal will be declared ineligible.

Please note it is not possible to apply for the usual EIC Accelerator call during the May Green Deal cut-off. Applicants for the open EIC Accelerator should apply for the October EIC Accelerator cut-off.

In the application forms, applicants are requested to specify:

- Which of the eight Green Deal sustainability goals their innovation addresses (multiple goals may be addressed) (Part A)
- The methodology/ies selected to quantify the contribution of the innovation to the relevant goal, including a justification for the choice of methodology/ies. In cases where several goals are relevant, the quantification may be limited to the one or two most relevant ones. (Part B under the impact criterion)
- The quantification of the contribution to the relevant goal(s) using the identified methodology. (Part B under the impact criterion)

Evaluation will take into account that methodologies will differ and may be at different levels of maturity/ robustness across the eight sustainability goals.

By way of illustrative examples, projects contributing to climate mitigation could quantify the contribution to CO₂ eq. emissions avoided compared to a reference scenario or to existing products/solutions on the market; projects contributing to the supply of clean energy could quantify the contribution to additional clean energy installed capacity; projects contributing to sustainable mobility could quantify the contribution on the modal shift from fossil-fuels based transport to sustainable transport modes. Data and indicators provided by the Sustainable Development Indicators and the European Environment Agency, may be of relevance in some cases. These examples serve illustrative purposes, and the Commission acknowledges that projects are often very much targeted, producing impacts that are context dependent. In this sense, specific indicators and the corresponding methodologies may be developed in order to capture projects' benefits and impacts as regards the Green Deal as rigorously as possible.

3. Registering your company

To be able to apply to the EIC Accelerator Pilot (SME Instrument), you must first register your company on the Funding and Tenders Portal (hereafter the F&T Portal- [Link](#)) and have a 9-digit Participant Identification Code (PIC) Once you have completed the first part of your Participant Identification Code (PIC) registration process, you will be given the option to fill out the section "*programme specific data*". Please fill in this section as well as the SME self-assessment questionnaire, which will determine your SME status. You should ensure that you have all the required financial accounts readily available when you start the SME self-assessment. A [user guide](#) is available.

If you disagree with the outcome of the SME self-assessment, you can request a full assessment via the H2020 participants' validation service.

4. Prepare and submit your proposal


In order to prepare your EIC Accelerator Pilot (SME Instrument) proposal, you are strongly advised to follow the structure and provide the information detailed in the templates ([link](#)) available on the F&T Portal.

The structure of Phase-2 proposals is articulated around two main parts, respectively called Part A and Part B.


Part A includes structured data and contains general information, administrative data of the applying organisation, the budget for the proposal, ethics issues and call-specific questions.

In the general information section of Part A, you are requested to select associated keywords from a predefined list. It is of the utmost importance that you select the highest number of relevant keywords that correspond to your proposal with a maximum of three **main** keywords and three **sub**-keywords. By selecting the most appropriate keywords, you ensure that your proposal is attributed to expert-evaluators who have the most relevant thematic knowledge to evaluate it adequately.

In the section dedicated to call-specific questions of Part A, you may provide names of up to three persons that should not act as an expert-evaluator in the evaluation of the proposal for potential competitive reasons. The persons identified may be excluded from the evaluation of the proposal, as long as it remains possible for the proposal to be evaluated.

 For more information on the selection of keywords and assignment of expert-evaluators, see [Section 9](#) of this document.

Other call specific questions relate to the type of funding for which you are applying. More specifically, applicants are requested to indicate if they are applying for blended finance (combination of a grant with an investment in equity) and, if applicable, the amount requested for equity.

 Please note that the budget table in section 3 of Part A refers only to the grant part of the proposal (i.e. no equity funding in the table). The budget requested for the grant mentioned in Part A Section 3 and the equity (if any) in Section 5 should be consistent with the amounts requested in Table 5 of Annex 4. Furthermore, the budget mentioned in the work packages table of Part B of the proposal should be the total costs for each activity. The total costs for grants should be the same as the total cost amount in column J of the budget table in Section 3 Part A. The total equity amounts should equal the amount in Section 5 of Part A.

Consent

If you are applying for grant only, and should the evaluation of your proposal conclude that you are requesting grant also for activities above Technology Readiness Level (TRL) 8² in your proposal, the European Commission can provide the requested amount of funding for said activities in the form of blended finance, provided that you give your **consent** in the dedicated call specific question 5 in Part A of the submission template.

- Where consent is given, applicants of proposals selected to be funded can receive a counter proposal in the form of a blended finance offer. The grant part will be the requested amount in the proposal, reduced by the budget of the entire Work Package(s) containing activities above TRL 8. The equity part will include the sum of the budget for the Work Package(s) containing activities above TRL8.
- Please note that if the amount for equity is not sufficient to warrant a due diligence procedure, the jury may either: 1) propose to simply reduce the grant element by the amount in the work packages which include activities above TRL8 (and therefore not provide any equity); or 2) propose an amount of equity higher than the work packages containing TRL 9 activities if it deems it is necessary to ensure the successful implementation of the project and scale-up of the company.
- Acceptance of counter-proposal: When the jury makes a counter offer, it is understood that the applicant will be expected to accept the offer and if they refuse, the grant element could also be rejected.
- In the absence of such consent, applicants will not be considered for blended finance. If applicants cannot demonstrate that they have the ability to secure resources for the activities above TRL 8, the proposal will be rejected. If such an ability is properly demonstrated, you can receive the grant requested reduced by the budget of the Work Package(s) containing activities above TRL 8.

Part B is dedicated to the project proposal where applicants should detail all elements related to the innovation for which they are requesting funding. It is composed of four different documents including the following elements:

- Document 1 – Proposal template (provided in .pdf):
 - Introduction ;
 - Section 1 – Excellence;
 - Section 2 – Impact;
 - Section 3 – Implementation;
- Document 2 – Annexes 1 – 3 (provided in a single .pdf):
 - Annex 1 - Ethics and Security;
 - Annex 2 - CVs ;
 - Annex 3 - Other supporting documents;


² 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) (see section 5)

- Document 3 - Annex 4 - Financial and corporate information Excel file (provided as .pdf and .xls);
- Document 4 – Annex 5 - Pitch-deck (provided in .pdf).

The new templates reflect the modifications in the new Work Programme and the introduction of blended finance under the EIC Accelerator Pilot (SME Instrument). There is an increased focus on the scale-up potential and the associated financing needs. There are also specific questions related to the equity part for applicants requesting blended finance.

Document 1, Sections 1 – 3, is limited to 30³ pages in total. The related template is available via the following ([link](#)).

In this document, the applicant will describe the innovation and how it meets the criteria detailed in the Work Programme ([link](#)); Excellence, Impact and Implementation, together with the associated sub-criteria.

 Please make sure you use the template to describe the work packages. It is vital to include the budget amounts (total costs of the activities) for each work package and indicate whether you are requesting grant or equity. Please, whenever possible do not combine equity and grant in the same Work Package. If you do, please specify the breakdown between equity and grant.

In Document 2, applicants should provide the information requested for ethics and security along with CVs for team members. You may also use this document to provide additional details on the selection of sub-contractors (if relevant) and the application of “best-value-for money” principles. In the cases of a complementary proposal mentioned in section 5, the agreement with consortia members must be included in Annex 3 - Other supporting documents⁴.


For more information on the principles of “best value for money” and their role in the evaluation, see [Section 14](#) of this document.

In Document 3- Annex 4, applicants are also asked to provide financial and corporate information in a spreadsheet following a specific template ([link](#)). The information provided in the table will contribute to the assessment of the financing needs and the role of EIC support. Applicants are invited to complete the form with as much information as possible, bearing in mind that some information might not be available (i.e. depending on legal and incorporation status). Even if you are requesting grant only, it is advisable to fill in all information even that which states: “*for blended finance only*” in order to ensure experts

³ Please note this does not include the cover page, introduction and summaries which in total make a 33 page limit.

⁴ The EIC Accelerator Pilot Phase 2 is a mono-beneficiary scheme. Initial running projects granted to a consortium may also be transformed into a mono-beneficiary blended-finance project. In that case, one of the members of the consortium must submit the new complementary proposal with the explicit consent of the other (-s) member (-s) in writing. The mentioned agreement must be part of the new proposal (Annex 3 - Other supporting documents).

have as much financial information as possible to make a sound assessment of your company.

 It is important to ensure the budget amounts requested in the various parts of the submission template are coherent. The budget requested for equity mentioned in Part A call specific question 5 should be consistent with the amounts requested in Table 5 of Annex 4. The budget mentioned in the work packages should be the total cost for those activities. Please whenever possible do not combine equity and grant in the same Work Package. If you do, please specify the breakdown between equity and grant.

In Document 4, applicants are requested to submit a pitch-deck that provides a high-level overview of the various aspects of the proposal for expert-evaluators and that will also be used for the jury interview if the proposal goes through to the second step of the evaluation process. Please note that only the pitch-deck provided during the submission may be used during the interview (i.e. no update possible). There is no pre-defined template for the pitch deck but has a limit of 10MB.

There is no page limit for the Annexes.

If a proposal exceeds the page limit for Document 1, the applicant will receive an automatic warning and will be advised to replace it with a version that conforms. After the cut-off date, excess pages will be automatically made invisible and will not be considered during the evaluation of the proposal.

The proposal is a self-contained document. Expert-evaluators will be instructed to ignore hyperlinks to information that is specifically designed to expand the proposal, thus circumventing the page limit. Similarly, expert-evaluators will be instructed to ignore any information that is manifestly irrelevant to the section in which it is placed.

Once you have prepared the various parts and selected the cut-off date that corresponds best to your company's needs, you must submit your proposal via the F&T Portal.

If during the final days of the submission process there is a fault in the system, we may decide to postpone the cut-off date accordingly.

If you think that the submission of your proposal was not entirely successful due to a technical error on the side of the Commission, the proposal coordinator may lodge a complaint through the IT Helpdesk on the F&T Portal. For the complaint to be admissible, it must be filed within four calendar days following the cut-off date. For more information, see the section on how to lodge a complaint about failed submission on the [Electronic Proposal Submission part](#) of the F&T Portal.

Directly after submission, the proposal reception date and time are recorded and a confirmation e-mail is sent to all applicants. If you do not receive this confirmation e-mail the proposal has not been successfully submitted.

While you may submit a proposal at any time, proposals are only collected and processed by the EIC Task Force after each cut-off date.

Changes or additions are no longer possible after the cut-off date, unless we ask you to clarify any obvious clerical errors on your part, for example a mistake in the budget table of Part A where the amounts have been wrongly indicated in unit of 1000 euro (kEuro).

5. Admissibility and Eligibility checks

The evaluation process starts with the evaluation of the admissibility and eligibility status for the proposals submitted.

Admissibility conditions are set out in the [Horizon 2020 Work Programme 2018-2020](#). A proposal will be considered admissible if the following conditions are met (page 54 of WP):

- it was submitted via the F&T Portal before the cut-off date;
- it is readable, accessible and printable;
- it includes detailed information about the TRL level or its equivalent for non-technological innovation.
- it includes a mandatory first commercialisation plan.

Incomplete proposals may be considered inadmissible. Completeness checks cover the administrative data (Part A) and the proposal description (Part B).

Eligibility conditions are set out in the Horizon 2020 Work-Programme 2018-2020 page 54. A proposal will be considered eligible if all of the following conditions are met:

- the applicant is a **single** for-profit SME⁵, including newly created companies and start-ups, from any sector;
- the applicant is established in an EU Member State or a [Horizon 2020 associated country](#) ;
- the applicant is not found in a situation of concurrent submission/implementation with another SME Instrument or EIC Accelerator Pilot proposal/project⁶;
- The appropriate TRL of the innovation at the moment of the submission. **You must have at least completed TRL 5⁷ or above, and undertake activities relevant to achieve TRL6⁸ to TRL9.**

Up to TRL 8⁹ included, the activities involve acquiring, combining, shaping and using existing scientific, technological, business and other relevant knowledge and skills

⁵ See Footnote 1.

⁶ For more information on concurrent submission/implementation see section 6

⁷ Technology **validated** in relevant environment (industrially relevant environment in the case of key enabling technologies)


⁸ Technology **demonstrated** in relevant environment - industrially relevant environment in the case of key enabling technologies -

⁹ System complete and qualified

with the aim of developing new or improved products, processes or services. This may also include, for example, activities aiming at the conceptual definition, planning and documentation of new products, processes or services. They may comprise prototyping, demonstrating, piloting, testing and validation of new or improved products, processes or services in environments representative of real life operating conditions where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include the development of a commercially usable prototype or pilot which is necessarily the final commercial product and which is too expensive to produce for it to be used only for demonstration and validation purposes.

Routine or periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress are excluded even if those changes may represent improvements.

- Activities above TRL 8, that are covered by TRL9¹⁰ and market deployment, cannot be financed through grants but only through blended finance (equity). If you only request grant, you must demonstrate your ability to secure other resources for the activities above TRL 8.

 For more information on the concurrent submission/implementation assessment, see [Section 6](#) of this document.

According to the financial guidelines for grant applicants, an action may only receive one grant from the EU budget. Under no circumstances shall the same costs be financed twice by the Union budget.

If your proposal is eligible and admissible, it will be evaluated by expert-evaluators.

If your proposal is considered inadmissible or ineligible, you will receive a rejection letter through the F&T Portal including the reasons for the rejection and a reference to the Redress Procedure that should be used if you wish to appeal the rejection decision.

 For more information on the Redress Procedure, see [Section 13](#) of this document.

6. Assessment of concurrent submission/implementation

Concurrent submission exists when an SME submits more than one proposal for evaluation. This includes multiple submissions in the same cut-off date, but also in different cut-off dates when the evaluation feedback has not been provided for the earlier submission.

If a case of concurrent submission is identified after a cut-off date, only the proposal submitted first will be evaluated and the subsequent submissions will be declared ineligible.

¹⁰ Actual system proven in operational environment (competitive manufacturing in the case of key enabling technologies; or in space)

If you have already submitted a proposal and wish to amend it prior to the identified cut-off date, you should withdraw the earlier version and submit the most recent one in order to avoid concurrent submissions.

Concurrent implementation exists when an SME with an ongoing EIC Accelerator Pilot / SME Instrument grant for Phase-1 or Phase-2 submits a **different** and **unrelated** proposal to the EIC Accelerator Pilot before the ongoing project is finalised (i.e. the related actions are finalised and the final report is uploaded and submitted by the beneficiary on the F&T Portal. Please ensure that the report shows the official registration number: the ARES number on the top right corner of the cover page).

If a case of concurrent implementation is identified after a cut-off date, the proposal will be declared ineligible.

EXCEPTION: In the case where a beneficiary submits a second ('complementary') proposal which **builds on** the initial **running** project and is requesting grant and equity for a more advanced stage of development, such as prototyping, technology validation in an industrial environment, demonstration, deployment in the market, etc. In such a case, the initial running project must have started at least 6 months prior to the date of submission of the complementary proposal¹¹.

The complementary proposal must be submitted as a new one covering additional, new activities¹². This complementary proposal should clearly describe the initial running project, its achievements and remaining activities throughout the proposal and in particular in the introduction and Annex 4 (financial information). The grant already awarded should be included in the relevant parts of Annex 4 and in descriptions of financial information throughout the proposal. Equity and additional grant may be requested, where justified by **new** TRL6 to 8 and/or TRL9 activities. The amount of grant to be requested in the new proposal can be lower than €0,5 million in duly justified cases.

When requesting complementary blended finance, applicants can tick the call specific question in section 5 of Part A which states: *I declare on my honour that: Neither I nor any of the members of the consortium (if relevant) are involved in concurrent submission or implementation with another EIC Accelerator SME instrument Phase 1 or Phase 2 project.*

The beneficiary of a **finished** SME Instrument Phase 2 or Accelerator project may also request blended finance to resume the initial project in order to deploy in the market, or for a brand new one.

¹¹ The "date of submission" of the new proposal is the cut-off date where the applicant submits the new proposal.

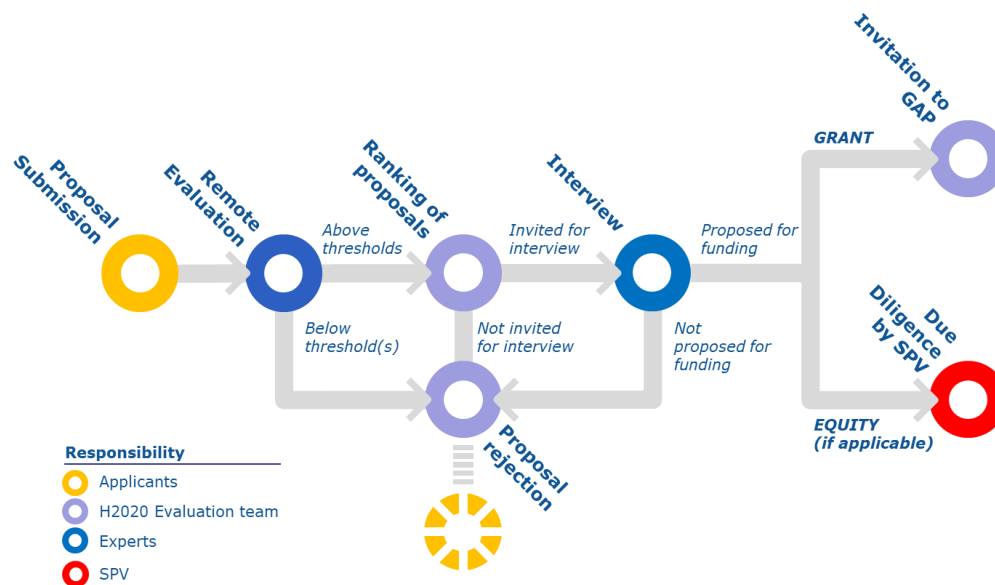
¹² The EIC Accelerator Pilot Phase 2 is a mono-beneficiary scheme. Initial running projects granted to a consortium may also be transformed into a **mono-beneficiary** blended-finance project. In that case, one of the members of the consortium must submit the new complementary proposal with the explicit consent of the other (-s) member (-s) in writing. The mentioned agreement must be part of the new proposal (Annex 3 - Other supporting documents).

Please note: There is only one submission template for all EIC Accelerator proposals. The template is available for consultation on this [link](#) and is available for download on the portal once you begin the application procedure.

7. Evaluation procedure

If your proposal is eligible and admissible, expert-evaluators will evaluate it.

Figure 3: Overview of Phase-2 Evaluation Process



EIC Accelerator evaluation consists of two sequential steps, the remote evaluation and the interview.

Step 1 – Remote evaluation

In step 1 of the evaluation, the proposal is evaluated remotely by at least four expert-evaluators with different profiles, such as technology/industry sector, business and finance expertise.

Expert-evaluators are briefed on the evaluation process.

Evaluation and scores:

Each expert-evaluator will prepare an Individual Evaluation Report (IER) that will contain:

- scores for each of the three award criteria – Excellence, Impact and, Quality and efficiency of implementation – from 0 to 5 with a resolution of one decimal;
- an assessment of the operational capacity of the participant – page 55 of the [WP](#);
- an evaluation of the Technology Readiness Level (TRL)


For proposals submitted to the March 2020 cut-off, the evaluators, based on the priorities defined in collaboration with the Health Security Committee, will also assess whether they are directly relevant to the Coronavirus crisis. Coronavirus relevance includes innovations addressing: diagnostics and treatments for Coronavirus; protection and solutions for healthcare systems; monitoring and information systems for infectious diseases; prevention and preparedness for Coronavirus and/or pathogens with the potential for Public Health Emergency of International Concern (PHEIC) epidemics; and wider socio-economic impacts caused by Coronavirus including business continuity and social wellbeing.

On the basis of these Individual Evaluation Reports, the Overall Consensus Score is automatically calculated by:

1. applying the median to the individual scores per criterion to obtain the Consensus Scores at criteria level;
2. summing the Consensus Scores at criteria level to obtain the Overall Consensus Score – from 0 to 15 with a resolution of two decimals.

The final result of step 1 is the Overall Consensus Score, which will be part of the Evaluation Summary Report.

Your proposal must reach the quality thresholds in order to be ranked. The quality threshold of Consensus Scores at criteria level is 4 out of 5 and the quality threshold of the Overall Consensus Score is 13 out of 15.

 For more information on the score calculation, see [Section 10](#) of this document.

Ranking:

Only proposals above all thresholds are ranked in descending order according to their Overall Consensus Score. The ranking list contains:

- proposals to be invited to step 2 - interview;
- proposals that cannot be invited to step 2.

Starting with the proposal that received the highest Overall Consensus Score and in descending sequential order, proposals are passed to step 2 until the cumulated amount of funding requested in the proposals is as close as possible to at least twice the available budget for the cut-off.

As an exceptional measure, for proposals submitted to the March 2020 cut-off, the above procedure will be applied separately depending on whether proposals are assessed as directly relevant to the Coronavirus crisis. For those proposals assessed as not directly relevant to the Coronavirus crises, the above procedure will be applied for an indicative budget amount of €164 million. For proposals assessed as directly relevant to the Coronavirus crises, the above procedure will be applied for an additional indicative budget amount of €150 million.

If as a result of the face-to-face interviews step:

- the entire indicative budget initially dedicated to funding the best Coronavirus related proposals is not allocated, the remaining balance will supplement the budget to be allocated to funding the best non-Coronavirus related proposals;
- the entire indicative budget initially dedicated to funding the best non-Coronavirus related proposals is not allocated the remaining balance will supplement the budget to be allocated to funding the best Coronavirus related proposals;
- both the entire indicative budgets initially dedicated to funding the best Coronavirus and non-Coronavirus related proposals are not allocated, the remaining balance will be allocated to indicative budgets of subsequent cut-off dates.

For May 19 and October 7 cut-offs only: The Commission will aim to have at least 25% of women-led companies in the pool of companies invited to the face to face interviews. Applications from women-led SMEs (including start-ups) will be treated in exactly the same way as all other applications during the evaluation process, including both the Step 1 (remove evaluation) and Step 2 (face-to-face interview). Applications from women-led SMEs that have passed the threshold may, however, be given an additional opportunity to be invited to the face to face interviews in case the pool of applicants invited does not include at least 25 percent of women-led companies.

Applicants will be requested to identify the name and gender of the CEO, or equivalent position, in the application form (Part A). Applicants may also decide not to specify the gender of the CEO (or equivalent) in which case they will not be treated as women-led SMEs.

At the interview stage, it is expected that the applicant company is represented by the CEO (or equivalent position). This is particularly the case for women-led SMEs in order to verify the identity of the CEO (or equivalent position).

For the purposes of the EIC Enhanced Pilot Work Programme 2020, a woman-led SME (including start-ups) means that the Chief Executive Officer (CEO) of the company, or the equivalent position, is held by a woman at the time of application, interview and award of the EU Financial support.

In cases where the SME does not have a CEO position, the equivalent position is understood as the highest decision making position in the company.

The Commission may, at any time, perform checks or request additional documentation, to verify that the CEO or equivalent position is held by a woman at the time of application, interview and award of financial support.

Feedback to applicants

Approximately 4-5 weeks after the cut-off date, you will receive via the F&T Portal either:

- an invitation to participate in the interview if your proposal is on the list of proposals to pass to step 2; or
- a rejection letter if your proposal is rejected because: your proposal is above threshold but the available budget is insufficient to invite you to step 2 (Seal of Excellence stamp); your proposal is below threshold; your proposal is not eligible

and/or not admissible. The letter will be accompanied by the Evaluation Summary Report (ESR) that contains the final scores and a qualitative assessment per criteria.

Complaints

The rejection letter will contain a link to the Redress Procedure that should be followed if you wish to appeal the rejection decision.

 For more information on the Redress Procedure, see [Section 13](#) of this document.

Step 2- Interview


Invitation to the interview


Applicants whose proposal has passed to step 2 will receive an invitation letter for a face-to-face interview in Brussels. You will be invited on very short notice since interviews will normally take place one to two weeks after you receive the invitation letter. The invitation letter will include:

- date, room and time of the interview - interview times will not be changeable;
- address and directions where the interview will take place – please note that all interviews will take place in Brussels;
- instructions on how to appoint up to three company representatives for the interview and what information must be provided in order to demonstrate their role in the company.

Please note that due to the exceptional circumstances due to the coronavirus pandemic, interviews for the March cut-off have been delayed by a week and will be held remotely.

The interviews for the May (Green Deal) cut-off will also be held remotely over the course of two weeks.

 For more information on the type of information that could be requested, the purpose and its management by Commission Services, see details in [Annex 3](#).

 For more information on the invitation to the interview, see a template of the invitation letter in [Annex 1](#).

Participation in the interview

If you submit an EIC Accelerator proposal for one of the cut-off dates, you should ensure that you are available and able to travel to Brussels during the corresponding interview weeks as indicated below.

For 2020

- interview week for 1st cut-off date: 17-21 February;
- interview week for 2nd cut-off date: 11-20 May;
- interview week for 3rd cut-off date: 29 June-10 July;
- interview week for 4th cut-off date: 26 November-4 December.

You are allowed to send a maximum of three company representatives to the interview, preferably the CEO or, alternatively, other senior staff. Only staff legally employed by the applicant company or, in their absence, major shareholders are allowed to participate in the interview. Representation by third parties (i.e. external advisors or sub-contractors) is forbidden. When appointing a person to represent the company in the interview, you are also required to send documents that prove their link with the company (i.e. employment contracts, most recent salary slip, company statutes or act of establishment).

If the appointed representatives fail to appear, or if no one is appointed, the interview will remain scheduled and proceed only on the basis of the documents already provided.

In order to ensure an equal opportunity to all applicants to present their proposal during step 2 of the evaluation of the EIC Accelerator Pilot (SME Instrument), applicants invited to interview will receive a contribution to travel, accommodation and subsistence expenses. The following steps need to be successfully and timely completed:

- Before the interview, create a valid “Expert” type profile on the Funding and Tenders Portal. Once the profile has been created, the system will generate this type of reference: EX2019X341258. The number should be provided together with other supporting documents in the form you will be requested to fill in preparation for your participation in the interview and to send by the deadline mentioned in the communication.
- After the interview, you will receive a request to fill and submit the forms and supporting documents for the LEF (Legal Entity Form) and BAF (Bank Account Form). This must be done by the deadline given.
- After the validation of LEF and BAF, you will receive a notification to submit your cost claim. This must be done within 30 days following this notification.

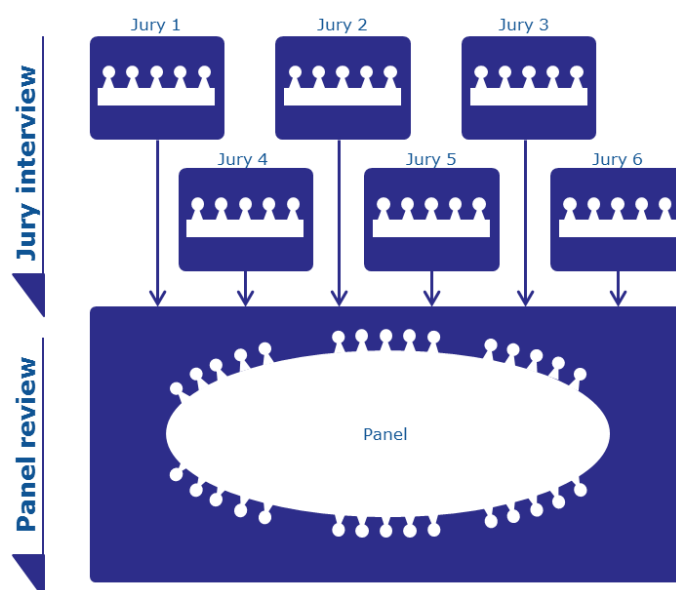
If you fail to perform any of the above-mentioned steps by the deadline given, you will not be considered for financial contribution.

The Commission Decision detailing the coverage and amount is available from the following [link](#). Please note that only applicants actually participating in the interview (i.e. pitching and Q&A) may benefit from the EU financial contribution.

Interview format

The interview process includes the jury interview and panel review as described below.

Figure 4: Overview of interview process (illustrative)



Jury interview:

Each of the interview juries will be composed of at least five international high-level expert-evaluators selected on the basis of their profile and level of expertise in investment, business or innovation. The names of the expert-evaluators involved in the jury interviews is published on the EASME website each year prior to the interviews.

The interview will last no longer than 40 minutes, and includes:

- 10 minutes (maximum) of presentation supported by the pitch document (slide format in pdf) submitted with the proposal (Annex 5);
- 30 minutes of questions and answers to clarify aspects of the proposal evaluated in Step 1, in particular those under '*Award Criteria*' including the commercialisation strategy, the team/company, the technological feasibility, the projected results and the market creating potential. There will be no pre-set questions, the jury may ask any question related to the proposal.

After the interview and the departure of the company representatives, the expert-evaluators in the jury collectively prepare the Evaluation Summary Report (ESR) for the proposal in step 2 that includes (1) the evaluation outcome and (2) specific comments related to the three award criteria.

The outcome of the interview is either an A-mark – proposal proposed for funding – or a B-mark – proposals to be rejected. For proposals receiving an A, the decision may refer to the initial funding required (i.e. grant or blended finance) or to a blended finance offer if the applicant requested grant only but gave its consent to receive a blended finance offer (see [Section 4](#) for more details).

The specific comments included in the ESR reply to the following questions:

- **Implementation**
 - **The team:** Does the team have the capability and motivation to implement the innovation proposal and bring it to the market?
 - **Leveraging of investment:** Is the company faced with the impossibility to leverage sufficient investment from the market due to the level of financial risks or existing market failure? In addition, particularly for blended finance request, is the company deemed 'non-bankable' by the market in view of the activities to be developed?
- **Impact**
 - **Commercial strategy:** Are the business model and commercialization strategy well thought through? How sound are the financial planning and projections?
 - **Potential to scale up and associated financial needs:** does the innovation have the potential to scale up the applicant company? Have the financial needs to ensure the company's success been adequately quantified?
- **Excellence**
 - **The feasibility of the idea:** Does the innovation – through its degree of novelty or disruptiveness – have the potential to create a new market or significant impact in existing ones? Is the timing right for this innovation (i.e. feasibility, market readiness)?

The comments may also include a recommendation on resubmission.

All comments included in the Evaluation Summary Report for the proposals in step 2 refer to the jury's assessment based on the interview.

Panel review:

The panel is composed of all the expert-evaluators who participated in the jury interviews. The panel will review all the proposals from the interview stage to ensure that the interview juries have been consistent in their evaluations. The panel may adjust scores or change the comments if necessary.

The panel review will approve a panel report that will comprise the Evaluation Summary Report for each proposal in step 2 and a ranking list.

Ranking:

The ranking list is determined by the Panel report and contains:

- proposals proposed for funding – final score A;
- proposals rejected due to insufficient budget – final score B.

Feedback to applicants

Approximately 9 weeks after the original cut-off date, via the F&T portal, applicants will receive either:

- an invitation to prepare a grant agreement if the proposal is on the list of proposals to be funded. Only proposals that have passed all quality thresholds and received an "A" mark are proposed for funding; or
- a rejection letter if the proposal cannot be funded because the available budget is insufficient.

Applicants requesting or offered blended finance will receive the same information as for the grant component (invitation or rejection letter). Additionally, if they are selected, they will receive all the necessary information on the due diligence process to be performed by the EIC Fund.

In all cases, the letter will contain an Evaluation Summary Report (ESR) that will indicate the Overall Consensus Score and a qualitative assessment per criterion from step 1. The ESR of proposals evaluated in step 2 will also contain the final score of the interview - A or B - and feedback per criterion.

The rejection letter will make reference to the Redress Procedure that should be used if you wish to appeal the rejection decision.

 For more information on the Redress Procedure, see [Section 13](#) of this document.

8. How expert-evaluators are selected

Proposals are evaluated by independent expert-evaluators selected from a proprietary database of the European Commission. Different profiles are selected in order to ensure a variety of high-level skills, knowledge and experience in different domains and sectors.

For each specific call and programme a unique "pool" of expert-evaluators is appointed. When selecting expert-evaluators, special attention is given to their experience and knowledge in project management, innovation, investment and finance. A balance in terms of geographical diversity, gender, private and public sectors is also ensured. A yearly rotation rule guarantees that at least 25% of expert-evaluators included in a 'pool' are renewed every year¹³.


As part of a European Innovation Council pilot, the pool of expert-evaluators has been extended to reinforce the presence of entrepreneurs who have started and scaled-up innovative enterprises at European or global level, investors (including those affiliated with

¹³ i.e. new expert-evaluators who have not participated in the evaluation in the previous 3 years.

banks, venture capitalists, business angels, crowd-funders etc.) and experts involved in the innovation ecosystem (business schools, universities, innovation hubs, accelerators, etc.).

The list of high-level expert-evaluators is available using the following [link](#)

Expert-evaluators with a conflict of interest are excluded from the evaluation.

 For more information on the possible scenarios defining a conflict of interest, see [Annex 2](#) of this document.

Finally, the evaluation process may be monitored by one or more independent observers appointed to observe the practical workings of the evaluation process and to give independent advice on the conduct and fairness of the evaluation sessions, the application of the award criteria and the ways in which the procedures could be improved. The interviews may also be observed by members of the EIC Fund and European Commission. Observers are not allowed to express views on the proposals or the expert-evaluators' opinions and do not take part in the decision taking.


9. How proposals will be assigned to the expert-evaluators

After each cut-off date, admitted proposals are assigned to at least four expert-evaluators for the remote part of the evaluation. The pool of expert-evaluators is made up of a mixture of technology/industry sector, business and finance expertise.

During the electronic proposal submission process, applicants can provide names of up to three individuals who should not act as an expert-evaluator of their proposal, for commercial or other reasons.

The allocation of proposals to expert-evaluators for the remote evaluation step will be done in the electronic evaluation system in a way that maximizes the affinity between the content of the proposal and the specific profiles of expert-evaluators.

In order to facilitate and ensure the best possible match between the proposal content and the expert-evaluators profile, applicants will be requested to select in the submission form (PART A) up to three main keywords from a list of 15. Under each of these three main keywords, applicants will have the possibility to select one sub-keyword. The list of keywords covers a wide range of innovation fields and driving markets.

 The full keyword nomenclature can be found using the following [link](#).

Similarly, expert-evaluators will also be requested to select three main keywords and three sub-keywords from the same list in order to facilitate the matching of proposals.

We strongly advise applicants to identify keywords that best correspond to the innovation, service or product proposed as well as to the specific market or niche market targeted and

to select the maximum number of main keywords and sub-keywords, within the limit presented above.

The first set of keywords (main keyword 1 and sub-keyword 1) selected by the applicant will have the heaviest weight in matching the expert-evaluators who will evaluate the proposal, therefore it is crucial to ensure this first set of keywords reflects the area of your proposal as accurately as possible.

You will also have the option to provide free keywords for further clarification.

Example Box 1 – Keyword Selection

Proposal Subject: *Textile fibre with nanomaterials for use in surgery*

Main Keyword 1 Consumer products and services

Sub Keyword 1 Textiles, Apparel & Luxury Goods

Main Keyword 2 Health

Sub Keyword 2 Surgery

Main Keyword 3 Nano-technology, Advanced Materials, Manufacturing and Engineering

Sub Keyword 3 Materials engineering

Tip: If you feel your product is primarily a textile product, you should choose consumer products and services as your first main keyword and carefully choose a sub-keyword corresponding to your product (i.e. textile in the example) as these two keywords will have the most impact in determining which experts evaluate your proposal.

If on the contrary, you feel the key distinguishing element of the product is the surgery or the nanotechnology, you could choose health or nanotechnology as the first key word.

In any case, you should always choose as many areas as possible that are included in your product to ensure a wide area of expertise is covered.

Example Box 2 – Keyword Selection

Proposal Subject: *A cloud enabled drone used to detect intruders*

Main Keyword 1 Information and Communication Technology

Sub Keyword 1 Cloud computing

Main Keyword 2 Information and Communication Technology

Sub Keyword 2 Drone

Main Keyword 3 Security

Sub Keyword 3 Detection Technology

Tip: For proposals that are not necessarily cross-disciplinary, you may repeat a main keyword up to three times, but should choose a different sub-keyword each time.

10. How proposals will be scored

Evaluators will be asked to score proposals strictly as they were submitted. When an evaluator identifies significant shortcomings, he or she must reflect this by awarding a lower score for the criterion concerned.

For each criterion, your proposal will be given **scores** of 0 to 5 with a resolution of one decimal, as follows:



0 — The proposal fails to address the criterion or cannot be assessed due to missing or incomplete information (unless the result of an ‘obvious clerical error’)

- 1 — Poor: the criterion is inadequately addressed or there are serious inherent weaknesses
- 2 — Fair: the proposal broadly addresses the criterion but there are significant weaknesses
- 3 — Good: the proposal addresses the criterion well but with a number of shortcomings
- 4 — Very good: the proposal addresses the criterion very well but with a small number of shortcomings
- 5 — Excellent: the proposal successfully addresses all relevant aspects of the criterion; any shortcomings are minor.

The Overall Consensus Score for each proposal is calculated as follows:

- Each evaluator scores each of the three award criteria from 0 to 5. Scores with a resolution of one decimal place may be given.
- The consensus score at the level of the three evaluation criteria is the median¹⁴ score of the scores given by each of the four evaluators and the quality threshold is 4 out of 5.
- The weighting for each of the three criteria is 1/3
- The overall consensus score is the sum of these three separate scores and the quality threshold is 13 out of 15 with a resolution of two decimals.
- A proposal must pass all quality thresholds (per criteria and overall) in order to be included in the ranking.

Example Box 3 – Scoring & Thresholds

	Evaluators				Median	Weight	Weighted Criteria
	1	2	3	4			
Impact	5	5	5	4.5	5 / 5	1/3	5 / 5
Excellence	5	3	4	4	4 / 5	1/3	4 / 5
Implement.	3	2	4	5	3.5 / 5	1/3	3,5 / 5
Threshold Criteria (≥ 4)					 < 4		12,5 / 15
Threshold Weighted Sum (≥ 13)						 < 13	
⇒ PROPOSAL NOT RANKED							

¹⁴ The median is the arithmetic mean of the two "middle" scores of the four evaluators, e.g. median of scores 1; 5; 7; 10 is $(5+7)/2 = 6$

A qualitative assessment will be provided for each sub-criterion (unweighted median score):

- Very Good to Excellent (4.5 – 5)
- Good to Very Good (3.5 – 4.49)
- Fair to Good (2.5 – 3.49)
- Insufficient to Fair (1.5 – 2.49)
- Insufficient (0-1.49)

11.Ranking list and ex-aequo

Only proposals that have passed all quality thresholds in Step 1 remote evaluation are ranked in descending order of their Overall Consensus Score. Ranked proposals are then passed on to step 2 until the cumulated amount of budget requested is as close as possible to twice the budget available or, alternatively, all proposals eligible for funding have been accounted for as their aggregated grant funding is inferior to twice the grant budget available.

Ex-aequo

In the case of ex-aequo (proposals given the same consensus score) for proposals in step 1, the following method is applied:

- Proposals are first prioritised according to scores given for the award criterion 'impact'.
- Where those scores are equal, priority is then determined using scores for the award criterion 'excellence'.
- If necessary, a further prioritisation is based on the degree of gender balance among the personnel named in the proposal as primarily responsible for carrying out the project.

12.Communication to applicants after evaluation procedure

After Step 1, applicants not invited to a Step 2 interview receive an Evaluation Summary Report (ESR) with the scores obtained and a qualitative assessment with respect to each of the aspects considered under each of the three award criteria.

Each applicant invited to an interview in Step 2 receives an invitation at the end of Step 1 with the time, date, venue and room number.

In addition, proposals that have passed to Step 2 will receive a report at the end of Step 2 with an A/B mark and an additional qualitative assessment related to both Steps 1 and 2. Only applicants passing all thresholds and receiving an "A" mark will be considered for funding.

Applicants meeting all thresholds but not receiving funding will receive a "Seal of Excellence" ([link](#)).

The maximum delay to inform applicants will be 4 months from the date of the cut-off. The indicative date for the signing of grant agreements is maximum 6 months from the date of the corresponding cut-off.

13.Redress procedure

Upon reception of the feedback – Step 1 and Step 2 – the applicant may wish to introduce a request for redress if there is an indication that there has been a shortcoming in the way a proposal has been evaluated, or that the results of the eligibility checks are incorrect. The redress procedure is not meant to call into question the judgement made by the expert-evaluators; it will look at procedural shortcomings and – in rare cases – into factual errors.

Such requests for redress should be raised within one month of the date of the evaluation feedback sent by the Commission services, and should be introduced via the web-based mailing system indicated on the information letter.

Requests sent by applicants must be:

- related to the evaluation process, or eligibility checks, for the EIC Accelerator Pilot (SME instrument);
- sent using the online form via the above-mentioned web-based mailing system, including a clear description of the grounds for complaint;
- received within the time limit specified in the information letter.

An initial reply will be sent to complainants no later than two weeks after the deadline for redress requests. This initial reply will indicate when a definitive reply will be provided.

A redress committee may be convened to examine the peer review evaluation process for the case in question. The committee's role is to ensure a coherent interpretation of requests, and equal treatment of applicants. However, the redress committee itself does not re-evaluate the proposal. Depending on the nature of the complaint, the committee may review the evaluation report, the individual comments and examine the CVs of the experts. In the light of its review, the committee will recommend a course of action. If there is clear evidence of a shortcoming that could affect the eventual funding decision, it is possible that all or part of the proposal will be re-evaluated. Unless there is clear evidence of a shortcoming there will be no follow-up or re-evaluation.

Please note:

- This procedure concerns the evaluation and/or eligibility checking process.
- The committee will not call into question the judgment of the individual expert-evaluators, whose qualifications have already been assessed and validated.
- A re-evaluation will only be carried out if there is evidence of a shortcoming that affects the quality assessment of a proposal. This means, for example, that a problem relating to one evaluation criterion will not lead to a re-evaluation if a proposal has failed anyway on the other criteria.
- The evaluation score following any re-evaluation will be regarded as definitive. It may be lower than the original score.
- Only one request for redress per proposal will be considered by the committee.
- All requests for redress will be treated confidentially.

14. Sub-contracting & Best Value for Money

The EIC Accelerator Pilot (SME instrument) has a major novelty regarding subcontracting. While subcontracting is not limited under the EIC Accelerator Pilot, there are changes on the assurance of the best value for money principle. Subcontracting remains an essential factor under the “quality and efficiency of implementation” criteria and thus the best value for money for subcontracting will be assessed during the evaluation. Nevertheless, the positive evaluation of these criteria will no longer entail an ex-ante legal assurance by the Commission/Agency for which this principle will not be called into doubt in possible audits later on.

This comes as a simplification of the proposal template and also ensures a smoother management of the project by providing the beneficiaries with a more flexible management of subcontractors.

However, companies must ensure that they maintain a record of requests to different providers, offers and assessment of the offers before selection of the chosen provider in line with internal procedures and procurement rules; and in accordance with the principle of best value for money. These documents may be requested in future audits. The best value for money principle does NOT in all cases require competitive selection procedures. However, if a beneficiary did not request several offers, it must demonstrate how best value for money was ensured.

15. Bankability and the inability to leverage sufficient funding

You must describe how you have tried to attract investment and why you were **not** able to safeguard **sufficient** funding. In the context of the Accelerator, non-bankability is hence to be understood as meaning “**inability** to attract **sufficient** funding”.

Thus, a project proposal shall be considered as non-bankable if it is not able to attract **sufficient** financing due to the high-risk level or the existence of a market failure.

For instance these situations could include companies with:

- - No revenues and no assets at all
- - Not enough assets to be able to generate revenues
- - Not yet profitable commercial activities
- - Not yet attractive to other investors

The evidence of the non-bankability should be provided in the submission forms, through financial information related to the project launch and scale-up but also elements on the financial requirements, the equity (if applicable) and the need for EIC support.

16. Due diligence for blended finance

Successful applicants¹⁵ offered blended finance¹⁶ will receive, in addition to the invitation to Grant Agreement Preparation and in parallel, an invitation to negotiate the Union equity support with the EIC Fund.

In order to validate and operationalise the investment, the EIC Fund will liaise directly with the applicant to start a due diligence (DD) process. The DD process will start one month after the end of the evaluation and last six months on average (conclusion and entry into force of the Grant Agreement will not be affected by this process but will be launched when ready). The EIC Fund will provide applicants with all necessary information.

Except in specific cases¹⁷, the EIC Fund DD will not aim at putting into question the decision of the Commission to support the proposal. The DD aims at identifying any potential red flags associated with a company, at further assessing the risk of the equity investment and at defining its main characteristics.

To support this process, the EIC Fund will request additional documents, on a case-by-case basis, before and during the course of the DD process. These documents, together with the information provided in the submission forms, will be used to:

¹⁵ Applicants whose proposal received an A-mark following Step-2 of the evaluation process and is consequently proposed for funding

¹⁶ Under this pilot, blended finance consists only of grant plus equity. Under Horizon Europe starting in 2021, additional financial products such as loan guarantees and investors' guarantees may be offered.

¹⁷ Such as fraud, misrepresentation, money laundering, non-compliance, ineligibility according to the Work Programme and applicable Regulations, etc., that would lead to the cancellation of the whole EIC support, including the grant.

- assess the compliance, KYC¹⁸, AML¹⁹ aspects of an investment;
- perform legal assessment, including IPR, contracts, ownership and capital structure;
- evaluate commercialization paths, including confirming the requested investment amount;
- define the optimal investment structure, including type of financing and underlying features;
- estimate the total financial effort needed to bring the project or technology to market;
- set milestones and tranches for financing;

The EIC Fund will use the outcome of the DD to substantiate its final investment decision.

The EIC Fund will also use the outcome of the DD in a match-making process (i.e. research of co- or alternate investors) with a vetted community of EU investors²⁰, in order to be provided with sufficient elements to take an informed decision. Thus, some elements of the DD may be used to tailor the monitoring of the grant and equity to the particular features and situation of the company.

The EIC Fund will communicate the outcome of the DD to the company as part of the negotiation process.

More information on the role of the EIC Fund and the DD is available in the FAQs for the Enhanced EIC Pilot ([link](#)) and the EIC Fund Investment Guidelines ([link](#)).

17. Equity investment

On the basis of the DD results, the EIC Fund will search for co- or alternate investors among a community of pre-checked, trusted investors. Investors interested in investing will be presented to the company. The company will always have a final say in accepting or not a co- or alternate investor. In the absence of any co- or alternate investor, the EIC Fund will provide the investment.

Where it is possible to find co- or alternate investors, they will lead the valuation process for the equity stake in the company. The valuation is negotiable and has to be mutually agreed between the company, the other investors and, if applicable, the EIC Fund. If no co- or alternative investors can be found/agreed upon, and the EIC Fund is hence investing alone, it will most likely make the investment via a convertible note, which leaves the valuation setting for the next investment round.

In the event of co-investment with other investors, the EIC Fund will not interfere in the daily operations of the company beyond the required measures. Where it is the sole investor, the

¹⁸ Know Your Customer

¹⁹ Anti-Money Laundering

²⁰ In particular (but not only) investors benefiting from EFSI (Juncker Plan) and InnovFin (Horizon 2020)

EIC Fund will strive to secure mentoring for the company, in particular via investors having expressed their interest in investing at a later stage, whilst not interfering in the company's daily operation. The EIC Fund may, however, secure an observer seat in the governance bodies of the company, where appropriate.

The EIC Fund will be targeting equity stakes between 10% and 25%²¹, seeking preferred rights (unless not required by a third-party lead investor) and offering market terms for liquidation preferences. Exit is considered on average after 7 - 10 years (maximum 15 years, in particular for the health sector) and there are no obligations or pre-defined levels of return. The equity is paid in tranches linked to commonly agreed milestones and/or KPIs.

When the investment is agreed and subsequently approved by the EIC Fund, the investment is operationalised. For equity, this implies the payment of the agreed equity tranche.

The EIC Fund will be responsible for the portfolio management of the companies as well as ensuring a continuous coordination with the European Commission for as long as the grant agreement is in force. The EIC Fund and the European Commission will agree on milestones for financing tranches, and jointly monitor the companies' developments, including any decision to discontinue the EIC support. The portfolio companies will be required to report to the EIC Fund on developments on a periodic basis and as reflected in the contract between the company and the EIC Fund.

More information on the equity investment is available in the FAQs for the Enhanced EIC Pilot ([link](#)) and EIC Fund Investment Guidelines ([link](#)).

18.Fraud and Abuse

Through the entire proposal lifecycle, from submission to payment and reporting, the European Commission services are strongly committed to tackling all potential sources of fraud and abuse in relation to the EIC Accelerator Pilot (SME Instrument), as part of the current EU Framework Programme for Research and Innovation – Horizon 2020.

To this end, dedicated resources and instruments are used by the Commission services to identify fraud and abuse in the application process, such as plagiarism, false information on the company, the applicants, the project or the associated costs as well as to detect fund seeking for work that has already been completed. The expert-evaluators are briefed on what constitutes fraud, waste and abuse in the context of the EIC Accelerator Pilot (SME Instrument) and have a duty to diligently report any suspected wrongdoing to the relevant Commission services.

²¹ Please note that where the European Commission considers that a proposal relates to the strategic interest of the European Union, the EIC Fund's target will be at least the blocking minority.

Wrongdoings detected during the evaluation stage will directly lead to the rejection of the proposal from the evaluation process.

During the implementation of the project, the European Commission may also:

- check the proper implementation of the action and compliance with the obligations under the grant, including assessing deliverables and reports.
- carry out reviews on the proper implementation of the action (including assessment of deliverables and reports), compliance with the obligations under the grant agreement and continued scientific or technological relevance of the project.

Finally, if fraud is suspected, the European Anti-fraud Office (OLAF) may conduct investigations (e.g. on-the-spot inspections and witness interviews) into EU-funded projects to verify that expenditure has been used correctly.

Depending on the nature of the wrongdoing during the implementation of the project, various measures may be taken, from reduction of grants, recovery of undue amounts, administrative and financial penalties and suspension of payments, to the termination of the grant. OLAF findings may lead to a criminal investigation under national law.

Example Box 3 – OPERATION COCOON - Convictions for fraud under previous EU Framework Programmes for Research and Innovation (FP6/7)

OLAF reported in February 2016 that an investigation, code-named “Operation Cocoon”, resulted in the convictions of eight individuals. They were found guilty of defrauding the EU budget. Assets of nearly two million euros were seized. The case involved a network of fraudsters who coordinated almost identical bids for EU-funded research and innovation projects in several EU Member States, while also introducing in the consortia fake companies as partners or subcontractors.

OLAF reported that, after being awarded the projects in question (amounting to 53 million euros during a period of over ten years), the individuals also claimed non-existent expenses in an organised manner.

GLOSSARY

Applicant	Legal entity submitting an application for a call for proposals.
Beneficiary	Legal entity who has signed the Grant Agreement with EASME.
Cut-off dates	The SME Instrument has regular selection rounds following fixed deadlines or regular cut-off dates allowing a fair competition among applicants.
Evaluation Summary Report (ESR)	Proposals evaluated in step 1 will receive an “Evaluation Summary Report (ESR) that contains a score and a qualitative assessment per criteria. Proposals evaluated in step 2 will receive an “Evaluation Summary Report (ESR)” that contain a final score- A or B- and feedback per criteria. Only proposals that have passed the quality thresholds and receive an “A” mark are proposed for funding.
Grant Agreement	A contract concluded between the European Commission (representing the European Union) and the beneficiary under which the parties receive the rights and obligations.
Individual Evaluation Report (IER)	Each expert-evaluator carries out an evaluation and prepares an “Individual evaluation report (IER)” with comments and scores for each of the three award criteria: excellence, impact and quality & efficiency.
Obvious Clerical Error	A clear mistake/omission the correction of which would not alter the proposal in a substantial manner, but that should be corrected in order to allow its proper evaluation and/or to have complete information/data, notably for grant preparation, statistics, etc.
Operational Capacity	Expert-evaluators will indicate as a reply to a dedicated evaluation question whether the participants have the sufficient operational capacity to carry out the proposed work, based on the competence and experience of the individual participant.
Overall Consensus Score	On the basis of the Individual Evaluation Report (IER), the Overall Consensus Score is automatically calculated by: <ol style="list-style-type: none"> 1. applying the median to the individual scores per criterion to obtain the Consensus Scores at criteria level; 2. summing the weighted Consensus Scores at criteria level to obtain the Overall Consensus Score
Panel Report	On the basis of the proposals’ review conducted by the panel of experts-evaluators in step 2, a Panel Report will be approved. This report will comprise the Evaluation Summary Report (ESR) for each proposal in step 2 and a raking list.
Participant Identification Code (PIC)	A 9-digit number serving as a unique identifier for organisations (legal entities) participating in EU funding programmes. A search tool for organisations and their PICs is available at: http://ec.europa.eu/research/participants/portal/desktop/en/organisations/register.html
F&T Portal	Single online gateway for applicants and beneficiaries in Horizon 2020 for identifying funding opportunities, accessing documents and guidance, submitting proposals and for the paperless management of grants and expert-evaluator contracts.
Third parties	Other partners, such as research providers or larger companies, can be involved as third parties, usually in a subcontracting relationship, and do not necessarily need to be established in the EU or countries associated to Horizon 2020.
Redress Procedure	When a proposal is rejected, applicants will receive a “Rejection letter” that will make reference to the “Redress Procedure” in case applicants wish to appeal the rejection decision.

ANNEX 1: Template letter invitation



EUROPEAN COMMISSION

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Subject: [REDACTED]
Call: [REDACTED]
Proposal: [REDACTED]
Invitation to Step 2 of the evaluation Interview

Dear Madam/Sir,

I am writing in connection with your proposal for the above-mentioned call.

We are pleased to inform you that your proposal has passed to Step 2 of the evaluation and is invited to an interview with the evaluation panel.

The aim of the interviews is to reach a deeper understanding of the proposals and clarify certain aspects, if needed. They will last 40 minutes and include a short 10 minutes presentation by you and 30 minutes for questions and answers by a jury of at least 5 experts.

The interviews for your panel will take place on [REDACTED] at [REDACTED] in [REDACTED], [REDACTED].


You are allowed to send a maximum of 3 company representatives to the interview (only employed staff is admitted; representation by third parties is not allowed).

Please send — within 3 working days after receiving this letter — the following information to the link that you will receive shortly by separate email:

- 1) name of the persons that will participate (*mention company name and position*)
- 2) proof of employment (*e.g. contract, latest payslips, company statutes, or act of establishment*)

Please note that if you cannot attend, your proposal will be evaluated on the basis of the documents already provided.

More specific information regarding your presentation and a map of our location is attached. We advise applicants to arrive at least one hour in advance to the interview to avoid delays due to unforeseen circumstances.

 Please note that this letter does NOT constitute a formal commitment for funding.

I would be grateful if you could inform the other members of your proposal team (if any) of this letter.

For any further information, please contact us at: [REDACTED]

Yours faithfully,

[REDACTED]

Authorising Officer

ANNEX 2: Conflicts of interest for expert-evaluators and Jury members

A conflict of interest exists if one or more of the following conditions is/are met:

- the expert-evaluator was involved in the preparation of a proposal;
- the expert-evaluator benefits directly or indirectly if a proposal is proposed for funding;
- the expert-evaluator has a close family or personal relationship with any person representing an applicant;
- the expert-evaluator is a director, trustee or partner or is in any way involved in the management of an applicant;
- the expert-evaluator is employed or contracted by one of the applicants or any named subcontractors;
- the expert-evaluator is a member of an Advisory Group set up by the Commission to advise on the preparation of EU or Euratom Horizon 2020 Work Programmes, or Work Programmes in an area related to the call for proposals in question;
- the expert-evaluator is a National Contact Point, or is directly working for the Enterprise Europe Network;
- the expert-evaluator is a member of a Programme Committee.

The European Commission services will decide whether a conflict of interest exists, taking account of the objective circumstances, available information and related risks when one or more of the following conditions is/are met:

- the expert-evaluator was employed by one of the applicant legal entities in the last three years;
- the expert-evaluator is involved in a contract or grant agreement, grant decision or membership of management structures (e.g. member of management or advisory board etc.) or research collaboration with an applicant legal entity or the fellow researcher, or had been so in the last three years;
- the expert-evaluator is in any other situation that could cast doubt on their ability to participate in the evaluation of the proposal impartially, or that could reasonably appear to do so in the eyes of an external third party.

Such an expert-evaluator may, however, exceptionally be invited to take part in the evaluation session, if the combination of the following elements applies:

- the expert-evaluator works in a different department/laboratory/institute from where the action is to be carried out
- the bodies operate with a high degree of autonomy

Such a role is justified by the requirement to appoint the best available expert-evaluators and by the limited size of the pool of qualified experts (and this is documented).

ANNEX 3: Data Protection Notice for Applicants invited to the H2020 EIC SME Instrument Work Programme 2018-2020 (Step 2 of the Evaluation Process)

Your personal data is processed in accordance with Regulation (EU) No 2018/1725²² on the protection of individuals with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data.

The data controller of the processing operation is the Head of Unit A2 of the Executive Agency for Small and Medium-sized Enterprises (EASME).

The legal basis for the processing activities is Article 5 (1) (a) of Regulation EU 2018/1725 because processing is necessary for the performance of a task carried out in the public interest (or in the exercise of official authority vested in the Union institution or body)²³.

The purposes of this processing operation are to verify the legal and contractual link between the applicant company invited to the interview and its representative attending the remote interview (step 2 of the evaluation process of the EIC Accelerator); as well as to allow identification of the representative taking part in the interview.

The following of your personal data are collected: your first name, last name, title, your photo, function, organisation, professional e-mail address, phone number, the registration number in the participant portal, contract of employment, most recent salary slip, company registration act and/or its statutes. The above-mentioned personal data are **mandatory** for the purpose outlined above.

The recipients of your personal data will be authorised staff of EASME and the Commission in charge of organising and managing the EIC Accelerator evaluations, external evaluators, as well as bodies charged with monitoring or inspection tasks in application of EU law (e.g. internal audits, Court of Auditors, European Anti-fraud Office (OLAF)).

Your personal data **will not be transferred** to third countries or international organisations.

The processing of your data will **not include automated decision-making** (such as profiling).

Your personal data will be kept for a maximum period of 6 months from the last day of the week in which the interview with this applicant took place. Data will be automatically deleted at the end of this period.

You have the right to access your personal data and to request your personal data to be rectified, if the data is inaccurate or incomplete; where applicable, you have the right to request restriction or to object to processing, to request a copy or erasure of your personal data held by the data controller. If

²² Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L295/39 of 21.11.2018).

²³ Act of Establishment: Commission Implementing Decision C(2013/771/EU) of 17 December 2013 establishing the 'Executive Agency for Small and Medium-sized Enterprises' and repealing Decisions 2004/20/EC and 2007/372/EC as well as the Commission Decision C(2018)4708 of 24 July 2018 establishing the H2020 EIC SME Instrument Work Programme 2018-2020.

processing is based on your consent, you have the right to withdraw your consent at any time, without affecting the lawfulness of the processing based on your consent before its withdrawal.

Your request to exercise one of the above rights will be dealt with without undue delay and within **one month**.

If you have **any queries** concerning the processing of your personal data, you may address them to the EASME Head of Unit A2 (entity acting as data controller) via: EASME-EIC-INTERVIEWS@ec.europa.eu.

You shall **have right of recourse** at any time to the EASME Data Protection Officer at EASME-DPO@ec.europa.eu and to the European Data Protection Supervisor at <https://edps.europa.eu>.

Version of the data protection notice April - 2020