



EN

Horizon 2020

Work Programme 2016 - 2017

7. Innovation in SMEs

Important notice on the second Horizon 2020 Work Programme

This Work Programme covers 2016 and 2017. The parts of the Work Programme that relate to 2017 (topics, dates, budget) have, with this revised version, been updated. The changes relating to this revised part are explained on the Participant Portal.

(European Commission Decision C(2017)2468 of 24 April 2017)



Table of contents

Introduction	4
Call - Horizon 2020 dedicated SME Instrument 2016-2017	7
SMEInst-01-2016-2017: Open Disruptive Innovation Scheme	7
SMEInst-02-2016-2017: Accelerating the uptake of nanotechnologies advanced materials or advanced manufacturing and processing technologies by SMEs	7
SMEInst-03-2016-2017: Dedicated support to biotechnology SMEs closing the gap from lab to market.....	8
SMEInst-04-2016-2017: Engaging SMEs in space research and development.....	8
SMEInst-05-2016-2017: Supporting innovative SMEs in the healthcare biotechnology sector	8
SMEInst-06-2016-2017: Accelerating market introduction of ICT solutions for Health, Well-Being and Ageing Well.....	10
SMEInst-07-2016-2017: Stimulating the innovation potential of SMEs for sustainable and competitive agriculture, forestry, agri-food and bio-based sectors	10
SMEInst-08-2016-2017: Supporting SMEs efforts for the development - deployment and market replication of innovative solutions for blue growth	11
SMEInst-09-2016-2017: Stimulating the innovation potential of SMEs for a low carbon and efficient energy system.....	11
SMEInst-10-2016-2017: Small business innovation research for Transport and Smart Cities Mobility.....	12
SMEInst-11-2016-2017: Boosting the potential of small businesses in the areas of climate action, environment, resource efficiency and raw materials	13
SMEInst-12-2016-2017: New business models for inclusive, innovative and reflective societies	13
SMEInst-13-2016-2017: Engaging SMEs in security research and development.....	14
Conditions for the Call - Horizon 2020 dedicated SME Instrument 2016-2017.....	18
SME Instrument Phase 3 – Dedicated Support Actions.....	22
Call - For a better innovation support to SMEs.....	26
INNOSUP-01-2016-2017: Cluster facilitated projects for new industrial value chains	26
INNOSUP-02-2016: European SME innovation Associate - pilot.....	29
INNOSUP-03-2017: Technology services to accelerate the uptake of advanced manufacturing technologies for clean production by manufacturing SMEs.....	31
INNOSUP-04-2016: SMEs for social innovation – Challenge platform.....	34
INNOSUP-05-2016-2017: Peer learning of innovation agencies	36

INNOSUP-06-2016: Capacity-building for National Contact Points (NCPs) for SMEs and Access to Risk Finance under Horizon 2020	38
INNOSUP-07-2017: Innovating SMEs - segmentation along lifecycle and sectors (analytical research activity)	39
INNOSUP-08-2017: A better access to industrial technologies developed overseas	41
Conditions for the Call - For a better innovation support to SMEs.....	43
Other actions.....	47
1. Service provision in 2017/18.....	47
2. Supporting assessments of 'innovation management capacity' by the Enterprise Europe Network.....	49
3. Further developing consulting capacity in innovation management in the Enterprise Europe Network	50
4. Expert evaluation Enterprise Europe Network-services 'Enhancing the innovation management capacity of SMEs' and supporting services of the IMP ³ rove Academy.....	51
5. Accompanying study to the European SME innovation Associate – pilot (INNOSUP-02)	52
6. Core training to the European SME Innovation Associate - pilot (INNOSUP-02)	53
7. SMEs for social innovation – European Social Innovation Competition	53
8. Internationalisation of Innovation in SMEs: enhancing support to co-creation and joint venturing with partners from third country economies	54
9. Design and development of a tool to support and improve the decision making process of investors for financing high-growth potential innovative SMES.....	56
10. Assessing the Investment Potential of SMEs Emerging from Horizon 2020 activities.	57
11. External expertise.....	57
12. National support schemes and state aid for RDI-driven SMEs: return on investment...	57
13. Eurostars Joint Programming Initiative: Interim Evaluation	58
14. Fast Track to Innovation Pilot: Final Evaluation	59
15. Eureka Annual Membership Fee.....	59
Budget.....	61

Introduction

In spite of signs of recovery, the effects of the economic crisis on SMEs are still evident. While the positive impact of growth and competitiveness policies has helped to counter the detrimental effects of weakened public and private consumption and ailing gross capital investment resulting from the crises, a sustainable improvement to the innovation eco-system for SMEs in Europe requires a continued focus on a push-pull policy that fosters both optimal conditions and concrete opportunities for entrepreneurs to engage into innovation.

More than ever, the EU with its investments into SME innovation is aiming at accelerating company development and growth, from the very early stage to market introduction, with direct and indirect complementary support measures foreseen at every step of the way, in particular under Horizon 2020 and COSME, the EU Competitiveness and SME programme.

Whereas COSME focusses on providing growth finance for relatively mature SMEs, the development of better framework conditions for SME growth in the context of industrial change – through clusters and in sectors of strategic interest, like advanced manufacturing – and access to markets, Horizon 2020 offers a series of integrated measures aimed at supporting SMEs throughout the innovation cycle, in view of promoting their growth and development.

The provision of financial support to SMEs' innovation projects through the SME instrument – which contributes to the priorities of the Societal Challenges and the specific objective 'Leadership in Enabling and Industrial Technologies' – and to SMEs that are engaged in the context of research and innovation projects with other types of legal entities are stepped up, as the overall level of budgetary commitments to support these activities is increasing.

In 2016-2017, access to finance for R&D is expected to remain a bottleneck for the commercialisation of innovative products or services. Links with the 'Access to Risk Finance' part of the Horizon 2020 Work Programme 2016-2017 and with complementary financial facilities for growth under COSME have been established. Under phase 3 of the SME Instrument, participating SMEs will be able to draw on a range of services that will assist them in upgrading their financial readiness for further developing their business and shaping their markets.

In addition to these activities, Horizon 2020 supports SME competitiveness through its contribution to the EUREKA/Eurostars initiative – which extends funding to transnational collaborative projects led by research and development performing SMEs – and through a series of actions that are aimed at improving the business and innovation environment for SMEs. Better support services to SMEs are crucial to enable more SMEs to engage successfully in innovation. Providing further customised support for businesses that begin with a global strategy and can move quickly to take advantage of cross-border activities that are innovation-driven will therefore remain of crucial importance, as it allows SMEs to leverage the benefits of increased foreign demand for goods and services.

Articles 20 and 21 of the Horizon 2020 Regulation and Article 37 of the Rules for Participation highlight the complementarities and possibilities of synergies between Horizon 2020 and other European Union funds, such as ESIF. Synergies do not mean to replace national or private funding by ESIF or to combine them for the same cost item in a project. Synergies mean to expand the scope and impact of both funds in terms of scientific excellence and place-based socio-economic development respectively. ESIF (through the Member States' Operational Programmes) holds the potential to help deploying innovative solutions emanating from Horizon 2020 in the regions, supporting SMEs by building the necessary capacity and providing further opportunities for the project development either before, after or in combination with the Horizon 2020 grant. Applicants are therefore encouraged to explore potentials for synergies with the relevant Managing Authorities in charge of the ESIF programmes in their country. The Enterprise Europe Network, which brings together more than 500 business support organisations in all countries participating in Horizon 2020, is well placed to catalyse synergies at the programme level and to assist SMEs on the ground.

The Work Programme part on 'Innovation in SMEs' is in line with Horizon 2020 Responsible Research and Innovation¹ (RRI), engaging society, integrating gender and ethical dimensions². RRI is an on-going process aligning research and innovation to the values, needs and expectations of society which allows to identify and to deliver new solutions to the societal challenges.

SMEs, industry, investors and academia help to engage citizens in different European regions to participate to the definition and implementation of the research and innovation policy agenda and activities. Therefore submitted proposals should take into account RRI when offering solutions to the Challenges defined under Horizon 2020.

The following applies for all calls with opening dates falling between 14/10/2015 and 25/07/2016 inclusive:

A novelty in Horizon 2020 is the Pilot on Open Research Data which aims to improve and maximise access to and re-use of research data generated by projects. While certain Work Programme parts and calls have been explicitly identified to participate in the Pilot on Open Research Data, individual projects funded under the other Work Programme parts and calls can choose to participate in the Pilot on a voluntary basis. More information can be found under General Annex L of the work programme. Participating projects will be required to develop a Data Management Plan (DMP), in which they will specify what data the project will generate, whether and how it will be exploited or made accessible for verification and re-use, and how it will be curated and preserved. Further guidance on the Pilot on [Open Research Data](#) and [Data Management](#) is available on the Participant Portal.

The following applies for all calls with an opening date on or after 26/07/2016:

¹ http://ec.europa.eu/research/swafs/pdf/rome_declaration_RRI_final_21_November.pdf

² This implies the respect of ethical principles and related legislation during implementation.

With the exception of the SME instrument phase 1, grant beneficiaries under this work programme part will engage in research data sharing by default, as stipulated under Article 29.3 of the Horizon 2020 Model Grant Agreement (including the creation of a Data Management Plan). Participants may however opt out of these arrangements, both before and after the signature of the grant agreement. More information can be found under General Annex L of the work programme.

Mainstreaming SME support especially through a dedicated instrument

SME participation is encouraged throughout this work programme and in particular in the priorities Industrial Leadership and Societal Challenges.

Dedicated SME support is channelled through the SME instrument, introduced in the Work Programme 2014-2015, which promotes SMEs' innovation activities from concept to market. It provides support to a wide range of innovation activities, while helping to increase the economic impact of project results by its company-focused and market-driven approach.

The SME instrument addresses the financing needs of internationally oriented SMEs, in implementing high-risk and high-potential innovation ideas. It aims at supporting projects with a European dimension that lead to major changes in how business (product, processes, services, marketing etc.) is done. It will assist innovative SMEs to shape new markets, create growth, and achieve high return on investment. The SME instrument addresses all types of innovative SMEs so as to be able to promote growth champions in all sectors.

In 2016 and 2017, SMEs are invited to submit proposals under the SME instrument at any time within all Societal Challenges and Leadership in Enabling and Industrial Technologies areas under the following call:

Call - Horizon 2020 dedicated SME Instrument 2016-2017

H2020-SMEInst-2016-2017

Proposals are invited against the following topic(s):

SMEInst-01-2016-2017: Open Disruptive Innovation Scheme

Specific Challenge: The challenge is to provide support to a large set of high risk innovative Startups and SMEs in the ICT sector. Focus will be on companies proposing disruptive ICT concepts, products and services applying new sets of rules, values and models which ultimately create new markets (e.g. by tackling non consumption) or disrupt existing markets.

The objective of the ODI is threefold:

1. Nurture promising innovative and disruptive ideas;
2. Support their prototyping, validation and demonstration in real world conditions;
3. Help for wider deployment or market uptake.

Proposed projects should have a potential for disruptive innovation and fast market up-take. In particular it will be interesting for entrepreneurs and young innovative SMEs, including start-ups that are looking for swift support to their innovative ideas.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-02-2016-2017: Accelerating the uptake of nanotechnologies advanced materials or advanced manufacturing and processing technologies by SMEs

Specific Challenge: Research results should be taken up by industry, harvesting the hitherto untapped potential of nanotechnologies, advanced materials and advanced manufacturing and processing technologies. The goal is to create added value by creatively combining existing research results with other necessary elements³, to transfer results across sectors where applicable, to accelerate innovation and eventually create profit or other benefits. The research should bring the technology and production to industrial readiness and maturity for commercialisation after the project.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

³ <http://ec.europa.eu/DocsRoom/documents/9963?locale=en>.

SMEInst-03-2016-2017: Dedicated support to biotechnology SMEs closing the gap from lab to market

Specific Challenge: The large numbers of SMEs characterising the EU industrial biotechnology sector are playing a crucial role in the move to competitive and sustainable biotechnology-based processes. These SMEs are characterised by their research intensity and long lead times between early technological development and market introduction. They therefore need to be supported to overcome the so-called “valley of death”. SMEs working in the field of industrial biotechnology and ideas/concepts involving the use of systems and/or synthetic biology are particularly invited to apply for funding.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-04-2016-2017: Engaging SMEs in space research and development

Specific Challenge: To engage small and medium enterprises in space research and development, especially those not traditionally involved in it and reduce as much as possible the entry barriers to SMEs for Horizon 2020 funding. The actions under this topic could cover any aspect of the Specific Programme for Space (Horizon 2020 Framework programme and Specific programme). However, it is considered that actions in the areas of applications, especially in connection to the flagship programmes Galileo and Copernicus, spinning-in (i.e. application of terrestrial solutions to challenges in space) and the development of certain critical technologies could be adequately suited for this call.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-05-2016-2017: Supporting innovative SMEs in the healthcare biotechnology sector

Specific Challenge: The healthcare biotechnology sector offers huge business and commercial opportunities; however it also requires heavy and risky investments which are often lacking in Europe, hampering the development of the industry.

The challenge includes either:

a) Cell technologies in medical applications (phase 1 only for 2016 deadlines and phase 2 for all deadlines in 2016 and 2017)

Cell technologies include cell manufacturing (culture, multiplication, scale-up and automation), preservation, banking and transport; identification, cell sorting and delivery, imaging, tracking, process and quality control; genetic engineering and gene editing;

production of therapeutic biomolecules. The medical applications of cell technologies include diagnostics and biosensors; cell and gene therapy, tissue engineering, bio-artificial organs, haematology, immunotherapy, and vaccine and antibody production; predictive toxicology, synthetic biology, and modelling development and disease processes.

However, the diversity, complexity and variability of living cells pose challenges for bringing safe, reliable, regulatory-compliant and cost-effective products to the market and to the patient. SMEs developing cell-based products and processes have limited financial resources to take the critical steps to move from proof of concept to practical application while at the same time addressing considerations such as scale-up/scale-out, automation, logistics, regulatory pathways and business models.

Particular attention should be given to dialogue with regulators and compliance with safety and regulatory requirements, such as those pertaining to cell procurement, GMP, ethics, clinical trials, ATMPs and medical devices.

The challenge addresses cells from any eukaryotic source though their eventual application must be to human medicine.

Or:

b) Clinical research for the validation of biomarkers and/or diagnostic medical devices (only at the first cut-off date in 2017 and for phase 2 applications - phasing out of the topic PHC-12-2014/2015 introduced in the Work Programme 2014-2015)

Biomarkers are used in clinical practice to indicate both normal and pathological conditions. They are also used for predictive or prognostic purposes. They are being used increasingly in medicine and many potential new biomarkers are proposed every year. However, only a few of these have been validated for clinical use. To achieve validation a robust analytical method is required and a link to a pertinent clinical process or endpoint needs to be demonstrated.

This validation process should provide evidence for high analytical value, appropriate sensitivity and specificity, and clinical validity. Particular attention should be given to validation of biomarkers with potential for rapid uptake into clinical practice. Both in vivo and in vitro potential biomarkers are eligible. Priority is given to the validation of disease-related biomarkers (i.e. diagnostic, susceptibility/risk, monitoring and prognostic biomarkers). Validation of the clinical performance of new diagnostic devices can also be supported, either in combination with the biomarker validation or against existing standards.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-06-2016-2017: Accelerating market introduction of ICT solutions for Health, Well-Being and Ageing Well

Specific Challenge: The challenge is to help overcome the current gaps in exploitation of promising research results in ICT for Health, Well-being and Ageing well and to stimulate increased availability and market uptake of relevant ICT products and services This concerns both interoperable and secure eHealth⁴ solutions for consumers and institutional healthcare delivery building on standards and new ICT solutions and innovation ecosystems for ageing well building on open software platforms⁵, in order to deliver new and more efficient care to European citizens and respond to new market opportunities for SMEs.

Particular attention should be given to potential for disruptive innovation and fast market uptake in ICT for health, wellbeing and ageing well. In particular it will be interesting for SMEs and young companies that are looking for swift support to their innovative ideas.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-07-2016-2017: Stimulating the innovation potential of SMEs for sustainable and competitive agriculture, forestry, agri-food and bio-based sectors

Specific Challenge: SMEs can play a crucial role in developing resource-efficient and cost-effective solutions to secure sufficient supplies of safe, healthy and high quality food and other bio-based products, by developing productive, sustainable and resource-efficient primary production systems, fostering related ecosystem services and the recovery of biological diversity, alongside competitive and low-carbon supply, processing and marketing chains. Actions under this topic are expected to contribute to one or a combination of several challenges addressed by Societal Challenge 2 of Horizon 2020 with regard to terrestrial resources (i.e. 2.1 ' Sustainable agriculture and forestry', 2.2 ' Sustainable and competitive agri-food sector for a safe and healthy diet' and 2.4 ' Sustainable and competitive bio-based industries and supporting the development of a European bioeconomy'). Particular attention should be given to :

- Advancing innovations in Integrated Pest Management

⁴ eHealth in Digital Agenda, see <http://ec.europa.eu/digital-agenda/ehealth>;
eHealth projects - Research and Innovation in the field of ICT for Health and Wellbeing: an overview, see <https://ec.europa.eu/digital-agenda/en/news/ehealth-projects-research-and-innovation-field-ict-health-and-wellbeing-overview>

⁵ an open platform describes a software system which is based on open standards, such as published and fully documented external application programming interfaces (API) that allow using the software to function in other ways than the original programmer intended, without requiring modification of the source code. Using these interfaces, a third party could integrate with the platform to add functionality. The opposite is a closed platform. An open platform does not mean it is open source, however most open platforms have multiple implementations of APIs.

- Resource-efficient eco-innovative food production and processing
- Reduction of food losses and waste on farm and along the value-chain
- Creating added value from waste and by-products generated on farm and along the value-chain

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-08-2016-2017: Supporting SMEs efforts for the development - deployment and market replication of innovative solutions for blue growth

Specific Challenge: The potential of Europe's Oceans, seas and coasts is significant for job and growth creation if the appropriate investments in research and innovation are made. SMEs contribution to the development of the 'Blue Growth Strategy' (COM (2012) 494) can be significant in particular in the fields of marine biotechnology, fisheries, marine and fresh water aquaculture (including production and processing of feed and food), marine litter prevention. However, one of the most important barriers for the development of innovative maritime economic activities is the lack of access to finance for SMEs to develop high-potential, but high-risk innovative ideas and to bring them close to market. The SME instrument offers financial support to SMEs with an EU dimension to put forward their most innovative ideas in the previously mentioned maritime and aquaculture/fisheries sectors with a particular focus on close-to-market solutions and potential for high growth and internationalisation.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-09-2016-2017: Stimulating the innovation potential of SMEs for a low carbon and efficient energy system

Specific Challenge: SMEs play a crucial role in developing resource-efficient, cost-effective and affordable technology solutions to decarbonise and make more efficient the energy system in a sustainable way. They are expected to strongly contribute to one or a combination of more than one of the challenges outlined in the legal base of the Horizon 2020 Societal Challenge 'Secure, Clean and Efficient Energy'⁶, in particular with regard to:

⁶ Council decision No 2013/743/EU establishing the Specific Programme implementing Horizon 2020 - The Framework Programme for Research and Innovation (2014-2020)

- Reducing energy consumption and carbon footprint by smart and sustainable use (including energy-efficient products and services as well as ‘Smart Cities and Communities’),
- Low-cost, low-carbon electricity supply (including renewable energy as well as carbon capture and storage and re-use),
- Alternative fuels and mobile energy sources,
- A single, smart European electricity grid,
- New knowledge and technologies, and
- Robust decision making and public engagement.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-10-2016-2017: Small business innovation research for Transport and Smart Cities Mobility

Specific Challenge: The European transport sector must have the capacity to deliver the best products and services, in a time and cost efficient manner, in order to preserve its leadership and create new jobs, as well as to tackle the environmental and mobility defies. The role of SMEs to meet these challenges in all the areas of the Transport Specific Programme⁷ is critical as they are key players in the supply chains. Enhancing the involvement of weaker players in innovation activities as well as facilitating the start-up and emergence of new high-tech SMEs is of paramount importance. SMEs are pivotal for delivering the innovations needed for greater sustainable and smarter mobility, better accessibility and logistics serving business and citizens, and thus higher economic growth, in a context where the majority of population lives in urban and urbanised areas. Actions to develop new services, products, processes, technologies, systems and combinations thereof that contribute to achieving the European transport and mobility goals defined in the 2011 Transport White Paper could be particularly suited for this call.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

⁷ Council Decision of 3 December 2013 establishing the specific programme implementing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020), Part III – 4. Smart, green and integrated transport.

SMEInst-11-2016-2017: Boosting the potential of small businesses in the areas of climate action, environment, resource efficiency and raw materials

Specific Challenge: Innovative SMEs have been recognised as being able to become the engine of the green economy and to facilitate the transition to a resource efficient, climate-smart circular economy. They can play an important role in helping the EU to exit from the economic crises and in job creation. The potential of commercialising innovative solutions from SMEs is however hindered by several barriers including the absence of the proof of concept, the difficulty to access risk finance, the lack of prototyping, insufficient scale-up studies, etc. Growth therefore needs to be stimulated by increasing the levels of innovation in SMEs, covering their different innovation needs over the whole innovation cycle.

Innovative SMEs should be supported and guided to reach and accelerate their full green growth potential. This topic is targeted at all types of eco-innovative⁸ SMEs in all areas addressing the climate action, environment, resource efficiency and raw materials challenge – including but not restricted to the 2016-2017 strategic priorities of systemic eco-innovation and circular economy, nature-based solutions, climate services, sustainable supply of raw materials, harnessing GEOSS Earth observation data, cultural heritage for sustainable growth, and water – focusing on SMEs showing a strong ambition to develop, grow and internationalise. All kinds of promising ideas, products, processes, services and business models, notably across sectors and disciplines, for commercialisation both in a business-to-business (B2B) and a business-to-customer (B2C) context, are welcome.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-12-2016-2017: New business models for inclusive, innovative and reflective societies

Specific Challenge: SMEs, including social enterprises and cultural actors, can build their growth on business model innovation, taking into account new opportunities arising from servitisation, from individual empowerment, from a more collaborative economy, from opening up government data and services and from the pervasive use of new technologies. A change of paradigm from ownership to access, from individual consumption to shared functionalities can be applied in several sectors benefiting from digital technologies and ensuring more sustainable lifestyles to EU citizens particularly in cities. A similar paradigm shift is happening in the relationship between government, citizens and businesses, where societal actors take on a more proactive role in the design and delivery of public services. One of the main challenges is to attract business to use public platforms to create more value as current business models do not adequately exploit the benefits of participation and collaboration with government. New ways of creating, producing, consuming, using,

⁸ http://ec.europa.eu/environment/eco-innovation/index_en.htm

educating, learning, caring, moving and living are emerging in European cities. New ways of exploiting tangible and intangible cultural heritage are made possible. New ways of creating innovative public services, using open data and open public services provide new business opportunities. SMEs developing and adapting new business models play a key role in these transformations. The specific challenge addressed by this topic is to enable SMEs in traditional and new sectors, collaborative economy and creative sectors, cultural heritage and the social economy as well as collaborative public service creation to innovate and grow across traditional boundaries, through new business models and organisational change.

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

SMEInst-13-2016-2017: Engaging SMEs in security research and development

Specific Challenge: To engage small and medium enterprises in innovation activities in the domain of security, especially those not traditionally involved in it, and reduce as much as possible the entry barriers to SMEs for Horizon 2020 funding.

The actions under this topic should cover any aspect of the Specific Programme for "secure societies - protecting freedom and security of Europe and its citizens" (Horizon 2020 Framework programme and Specific programme):

7.1. Fighting crime, illegal trafficking and terrorism, including understanding and tackling terrorist ideas and beliefs

7.2. Protecting and improving the resilience of critical infrastructures, supply chains and transport modes

7.3. Strengthening security through border management

7.4. Improving cyber security - As from January 2017, actions addressing this aspect are encouraged to take into account the objectives of the Cybersecurity contractual Public-Private Partnership⁹ and the corresponding Strategic Research and Innovation Agenda.

7.5. Increasing Europe's resilience to crises and disasters

7.6. Ensuring privacy and freedom, including in the Internet, and enhancing the societal legal and ethical understanding of all areas of security, risk and management

7.7. Enhancing standardisation and interoperability of systems, including for emergency purposes

7.8. Supporting the Union's external security policies, including through conflict prevention and peace-building

⁹ <https://ec.europa.eu/digital-single-market/en/cybersecurity-industry>

Type of Action: SME instrument phase 1, SME instrument phase 2

The conditions related to this topic are provided at the end of this call and in the General Annexes.

Scope: The SME instrument consists of three phases, including a coaching and mentoring service for beneficiaries. Participants can apply to phase 1 or directly to phase 2.

In phase 1, a feasibility study shall be developed in order to verify the technological/practical as well as economic viability of an innovation idea/concept with considerable novelty to the industry sector in which it is presented (new products, processes, design, services and technologies or new market applications of existing technologies). The activities could, for example, comprise risk assessment, market study, user involvement, Intellectual Property (IP) management¹⁰,

innovation strategy development, partner search, feasibility of concept and the like to establish a solid high-potential innovation project aligned to the enterprise strategy and with a European dimension. Bottlenecks in the ability to increase profitability of the enterprise through innovation shall be detected and analysed during phase 1 and addressed during phase 2 to increase the return in investment in innovation activities. The proposal should contain an initial business plan based on the proposed idea/concept. It should outline the specifications of a more elaborate business plan, which is to be the outcome of the project, and the criteria for success.

Funding will be provided in the form of a lump sum of EUR 50.000. Projects should last around 6 months.

In phase 2, innovation projects¹¹

will be supported that address the specific challenges identified and that demonstrate high potential in terms of company competitiveness and growth underpinned by a strategic business plan. Activities should focus on innovation activities such as demonstration, testing, prototyping, piloting, scaling-up, miniaturisation, design, market replication and the like aiming to bring an innovation idea (product, process, service etc.) to industrial readiness and maturity for market introduction, but may also include some research. For technological innovation, Technology Readiness Levels of 6 or above (or similar for non-technological innovations) are envisaged; please see part G of the General Annexes.

¹⁰ This is not limited to the costs of acquiring and enforcing European or international IPR titles but could include auditing and risk management schemes to protect IP assets across planned supply and distribution chains and more generally IP valorisation plans to enhance return on investment and lever commercial investment into the relevant project.

¹¹ In the case of SMEInst-05-2016-2017, research type activities in medical application and clinical validation, including support for clinical studies and trials, will be predominant and will necessitate reimbursement at 100%. The Technology Readiness Levels indication does not apply.

Proposals shall be based on an elaborate business plan. Particular attention must be paid to IP protection and ownership; applicants will have to present convincing measures to ensure the possibility of commercial exploitation ('freedom to operate').

Proposals shall contain a specification for the outcome of the project and criteria for success. They will include an explanation of how the results of the supported project are to be commercialised and of what kind of impact on the company is expected.

The Commission considers that proposals requesting a contribution from the EU of between EUR 0.5 and 2.5 million¹²

would allow phase 2 to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting other amounts (higher or lower). Projects should last between 12 and 24 months.¹³

Phase 3 of the SME Instrument aims to increase the economic impact of the funding provided by the SME Instrument phase 1&2 grants and by the business coaching. Phase 3 is not subsequent to phase 1 and/or 2, but provides specific support to SME instrument beneficiaries during and after phase 1 or 2.

All support under phase 3 of the SME instrument will be accessible through a single, dedicated entry point, which will serve as an information portal and a networking space.

This platform will offer access to two main strands of services:

- Access to markets
- Access to finance

In addition, phase 3 will create opportunities for partnering, networking and training, which are set out in the Dedicated Support Actions at the end of this call.

SME instrument beneficiaries are also offered dedicated business innovation coaching and mentoring support. This service is facilitated by the Enterprise Europe Network and delivered by a dedicated coach through consultation and signposting to the beneficiaries. The coaches are recruited from a central database managed by the Commission and have all fulfilled stringent criteria with regards to business experience and competencies.

Throughout the three phases of the instrument, the Network will complement the coaching support by providing access to its innovation and internationalisation service offering. This could include, for example, depending on the need of the SME, support in identifying growth potential, developing a growth plan and maximising it through internationalisation; strengthening the leadership and management skills of individuals in the senior management

¹² In the case of SMEInst-05-2016-2017, phase 2 proposals can request a contribution from the EU of between EUR 1 and 5 million.

¹³ In the case of SMEInst-05-2016-2017, projects can last up to 36 months.

team and developing in-house coaching capacity; developing a marketing strategy or raising external finance.

Expected Impact:

- Enhancing profitability and growth performance of SMEs by combining and transferring new and existing knowledge into innovative, disruptive and competitive solutions seizing European and global business opportunities.
- Market uptake and distribution of innovations¹⁴ tackling the specific challenges in a sustainable way.
- Increase of private investment in innovation, notably leverage of private co-investor and/or follow-up investments.
- The expected impacts should be clearly described in qualitative and quantitative terms (e.g. on turnover, employment, market seize, IP management, sales, return on investment and profit).

¹⁴ In the case of SMEInst-05-2016-2017, the development of innovative solutions should lead to value creation through the increased use of cell-based products/processes, biomarkers and/or diagnostic medical devices in industrial or clinical settings, and should contribute to technical and regulatory progress in these domains.

Conditions for the Call - Horizon 2020 dedicated SME Instrument 2016-2017

Opening date(s), deadline(s), indicative budget(s):¹⁵

Phase	Deadlines
Opening: 26 Nov 2015	
SME-2	03 Feb 2016 14 Apr 2016 15 Jun 2016 13 Oct 2016 18 Jan 2017 06 Apr 2017 01 Jun 2017 18 Oct 2017
SME-1	24 Feb 2016 03 May 2016 07 Sep 2016 09 Nov 2016 15 Feb 2017 03 May 2017 06 Sep 2017 08 Nov 2017

Topics	Budgets (EUR million)	
	2016	2017
SMEInst-01-2016-2017	60.00 ¹⁶	66.00 ¹⁷

¹⁵ The Director-General responsible for the call may decide to open the call up to one month prior to or after the envisaged date(s) of opening.

All deadlines are at 17.00.00 Brussels local time.

The Director-General responsible may delay the deadline(s) by up to two months.

¹⁶ of which EUR 60.00 million from the 'Information and Communication Technologies' WP part.

¹⁷ of which EUR 66.00 million from the 'Information and Communication Technologies' WP part.

HORIZON 2020 - Work Programme 2016 - 2017
Innovation in SMEs

SMEInst-02-2016-2017	31.83 ¹⁸	35.32 ¹⁹
SMEInst-03-2016-2017	7.50 ²⁰	7.50 ²¹
SMEInst-04-2016-2017	11.37 ²²	12.60 ²³
SMEInst-05-2016-2017	35.00 ²⁴	80.00 ²⁵
SMEInst-06-2016-2017	18.00 ²⁶	12.50 ²⁷
SMEInst-07-2016-2017	25.46 ²⁸	37.87 ²⁹
SMEInst-08-2016-2017	9.50 ³⁰	12.42 ³¹
SMEInst-09-2016-2017	46.00 ³²	50.00 ³³
SMEInst-10-2016-2017	57.57 ³⁴	61.23 ³⁵
SMEInst-11-2016-2017	25.00 ³⁶	36.00 ³⁷

¹⁸ of which EUR 31.83 million from the 'Nanotechnologies, Advanced Materials, Biotechnology and Advanced Manufacturing and Processing' WP part.

¹⁹ of which EUR 35.32 million from the 'Nanotechnologies, Advanced Materials, Biotechnology and Advanced Manufacturing and Processing' WP part.

²⁰ of which EUR 7.50 million from the 'Nanotechnologies, Advanced Materials, Biotechnology and Advanced Manufacturing and Processing' WP part.

²¹ of which EUR 7.50 million from the 'Nanotechnologies, Advanced Materials, Biotechnology and Advanced Manufacturing and Processing' WP part.

²² of which EUR 11.37 million from the 'Leadership in Enabling and Industrial Technologies - Space' WP part.

²³ of which EUR 12.60 million from the 'Leadership in Enabling and Industrial Technologies - Space' WP part.

²⁴ of which EUR 35.00 million from the 'Health, demographic change and well-being' WP part.

²⁵ of which EUR 80.00 million from the 'Health, demographic change and well-being' WP part.

²⁶ of which EUR 18.00 million from the 'Health, demographic change and well-being' WP part.

²⁷ of which EUR 12.50 million from the 'Health, demographic change and well-being' WP part.

²⁸ of which EUR 25.46 million from the 'Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bioeconomy' WP part.

²⁹ of which EUR 37.87 million from the 'Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bioeconomy' WP part.

³⁰ of which EUR 9.50 million from the 'Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bioeconomy' WP part.

³¹ of which EUR 12.42 million from the 'Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bioeconomy' WP part.

³² of which EUR 46.00 million from the "Secure, Clean and Efficient Energy" WP part.

³³ of which EUR 50.00 million from the "Secure, Clean and Efficient Energy" WP part.

³⁴ of which EUR 57.57 million from the 'Smart, green and integrated transport' WP part.

³⁵ of which EUR 61.23 million from the 'Smart, green and integrated transport' WP part.

³⁶ of which EUR 25.00 million from the 'Climate action, environment, resource efficiency and raw materials' WP part.

³⁷ of which EUR 36.00 million from the 'Climate action, environment, resource efficiency and raw materials' WP part.

HORIZON 2020 - Work Programme 2016 - 2017
Innovation in SMEs

SMEInst-12-2016-2017	10.80 ³⁸	11.40 ³⁹
SMEInst-13-2016-2017	15.37 ⁴⁰	14.67 ⁴¹
Overall indicative budget	353.40	437.51

Up to 10 % of the annual budget will be used for phase 1 funding and at least 87% of the annual budget for phase 2 funding. At least 1% of the annual budget will be used for phase 3 related actions, 1% will be used to support coaching and mentoring activities supporting phase 1 and phase 2 and up to 1% will be used for evaluation.

Indicative timetable for evaluation and grant agreement signature:

For the SME instrument:

- Information on the outcome of the evaluation: Maximum 2 months after the corresponding cut-off date set out above for phase 1 and maximum 4 months after the corresponding cut-off date set out above for phase 2; and
- Indicative date for the signing of grant agreements: Maximum 3 months from the final date for submission in phase 1 and maximum 6 months from the final date for submission in phase 2.

Eligibility and admissibility conditions: The conditions are described in General Annexes B and C of the work programme.. The following exceptions apply:

	<ul style="list-style-type: none"> • Proposals for phase 1 are not required to provide a draft plan for exploitation and dissemination. • A proposal for phase 2 shall include a first commercialisation plan.
--	--

Evaluation criteria, scoring and threshold: The criteria, scoring and threshold are described in General Annex H of the work programme. The following exceptions apply:

	<ul style="list-style-type: none"> • The criterion Impact will be evaluated first, then
--	--

³⁸ of which EUR 10.80 million from the 'Europe in a changing world – inclusive, innovative and reflective Societies' WP part.

³⁹ of which EUR 11.40 million from the 'Europe in a changing world – inclusive, innovative and reflective Societies' WP part.

⁴⁰ of which EUR 15.37 million from the 'Secure societies – Protecting freedom and security of Europe and its citizens' WP part.

⁴¹ of which EUR 14.67 million from the 'Secure societies – Protecting freedom and security of Europe and its citizens' WP part.

	<p>Excellence and Implementation.</p> <ul style="list-style-type: none">• For phase 1 the threshold for individual criteria will be 4. The overall threshold, applying to the sum of the three individual scores, will be 13.• For phase 2 the threshold for the criterion Impact will be 4. The overall threshold, applying to the sum of the three individual scores, will be 12.• The final consensus score of a proposal will be the median of the individual scores of the individual evaluators; and the consensus report will comprise a collation of the individual reports, or extracts from them. Where appropriate, a Panel Review will be organised remotely.• Applicants can provide during the electronic proposal submission up to three names of persons that should not act as an evaluator in the evaluation of their proposal for potential competitive reasons. If any of the persons identified is an independent expert participating in the evaluation of the proposals for the call in question, they may be excluded from the evaluation of the proposal concerned, as long as it remains possible to have the proposal evaluated.
--	--

Evaluation Procedure: The procedure for setting a priority order for proposals with the same score is given in General Annex H of the work programme.. The following exceptions apply:

	<p>Due to the nature of the H2020-SMEInst-2016-2017 call, specific page limits apply. Proposals/technical annex should consist of a maximum of 10 A4 pages for phase 1 and 30 A4 pages for phase 2. The limits and the formatting applicable will be clearly shown in the ‘proposal templates’ in the Participant Portal electronic submission system. Sections not subject to limits will be indicated. Excessive pages will be watermarked.</p>
--	---

The full evaluation procedure is described in the relevant [guide](#) published on the Participant Portal.

Consortium agreement: In the case of two or more SMEs submitting a proposal, members of the consortium are required to conclude a consortium agreement in principle prior to the signature of the grant agreement.

SME Instrument Phase 3 – Dedicated Support Actions

The proposed actions are funded by the budget dedicated to the SME instrument under Horizon 2020.

1. SME Instrument Business Community - Interactive Platform (information portal and networking space)

A communication platform will be created as the backbone for organisation and support of the activities of SME instrument beneficiaries. It will provide access to different services offered under phase 3, facilitating:

- Promotion possibilities and online interaction with potential investors, large enterprises, and (public) procurers, who will be offered to create a profile on the platform for information sharing and exchange
- the management of the coaching and mentoring activities, by providing the interface between EASME, the Enterprise Europe Network, the business innovation coaches and mentors and the beneficiaries
- registration for and participation in relevant events (including overseas trade fairs – see 1.4 – and the events referred to under the SME Instrument Business Community Activities – see 1.2)
- registration for and participation in the courses offered by the SME Instrument Academy (see 1.3)
- access to existing services offered by the Enterprise Europe Network⁴², the EU Single Access to Finance Portal⁴³, the EU IPR Helpdesk⁴⁴, the European Observatory against infringements of IPR⁴⁵, the Procurement of Innovation Platform⁴⁶ and other offerings at EU, national, regional level that could be of potential interest

The technical maintenance of the platform will be supported up to the third quarter of 2018.

Type of action: Public Procurement – Existing Framework Contract – One specific contract

Indicative timetable: First quarter of 2016

Indicative budget: EUR 0.5 million

2. SME Instrument Business Community Activities

⁴² See <http://een.ec.europa.eu/services/overview>.

⁴³ See <http://europa.eu/youreurope/business/funding-grants/access-to-finance/>

⁴⁴ See <https://www.iprhelpdesk.eu/>.

⁴⁵ <https://oami.europa.eu/ohimportal/en/web/observatory/ip-for-business-and-consumers>

⁴⁶ See <https://www.innovation-procurement.org/>.

The SME Instrument Business Community activities will provide SME instrument beneficiaries a range of support, including:

*a) Participation in **dedicated networking events**, giving access to:*

- Face-to-face interaction with peers and various stakeholders, including representatives from the finance sector (see also b) and from large enterprises (see also c), coaches and Key Account Managers (KAM); this interaction can take the form of conferences or forum discussions on specific challenges related to commercialisation of innovative solutions for SMEs or innovation trends in markets, including on market and value chain reshaping potential of SME Instrument beneficiaries
- Communication of best practices and success stories from SME instrument beneficiaries
- Information on additional public funding and finance opportunities

*b) Participation in **access to finance events and activities** (organised by the EU or other parties⁴⁷) and **relationship building with the investment community**, in view of:*

- Facilitating access to seed finance for young companies
- Facilitating access to growth finance for more mature companies

Alternative sources of funding like crowd-funding networks and philanthropic investors will be adequately involved.

Where possible, activities should be organised in close link with the networking events for SME instrument beneficiaries (see a).

*c) Linkage with large enterprises in the framework of the **'Friends of the SME Instrument'** initiative:*

- open to all large enterprises with a presence in the EU or in a Horizon 2020 associated country that are active in domains of particular relevance for the Horizon 2020 specific objectives Leadership in Enabling and Industrial Technologies and the Societal Challenges
- kick-started by an initial group of 100 to 200 large enterprises, aiming for a good geographical and sectorial spread and balance
- aimed at stimulating R&I cooperation with external partners and faster scaling-up of new businesses
- covering the organisation of workshops, seminars, site visits and other initiatives during which concrete cooperation possibilities between SME instrument beneficiaries and large enterprises are outlined

⁴⁷ For instance pitching events organised by venture capitalists, seed accelerators, angel investors etc

Type of action: Public procurement - at least one new direct contract

Indicative timetable: First quarter of 2016

Indicative budget: EUR 2.35 million; at least EUR 650.000 of this budget should be dedicated to activities developed under b)

3. SME Instrument Academy

The SME Instrument Academy will offer a series of seminars and training events that will be open for participation to SME instrument beneficiaries.

The seminars may cover topics like:

- *Tailoring business models to customers and markets* (market strategy and positioning, customer-centric product and service development, supply chain modelling, sales methods and processes...)
- *Doing business abroad* (protecting intellectual knowledge assets, intercultural business communication, EU business support, cross-border public procurement activities ...)
- *Business and innovation management* (intellectual property right strategy development and implementation, open innovation, business models for growth...)
- *Accessing finance* (investment readiness trainings, EU access to finance seminars⁴⁸, elevator/video pitching...)

The topics shall be proposed on the basis of regular online surveys with SME Instrument phase 1 and phase 2 beneficiaries, coaches and Key Account Managers (KAM).

SME instrument beneficiaries will register via the SME Instrument Business Community Interactive Platform. The activities of the Academy will be closely linked to other events, for instance the ones organised under the SME Instrument Business Community activities, to ensure complementarities. The courses can take the form of online modules and/or face-to-face events, organised on a regional basis or centrally.

The action funded will have an expected duration of 30 months initially.

Type of action: Public Procurement - one new direct contract

Indicative timetable: First quarter of 2016

Indicative budget: EUR 0.8 million

4. Access to New Geographical Markets – Overseas Trade Fair Participation Programme

⁴⁸ See: http://ec.europa.eu/growth/access-to-finance/days/index_en.htm.

SME instrument beneficiaries – on the basis of an expression of interest, including a strong rationale for representation and business development overseas – will be able to participate in a number of (thematically) specialised overseas trade fairs of specific relevance for market penetration.

A "Horizon 2020 SME Instrument" stand will be set-up and will host around 10-15 selected beneficiaries at each trade fair to showcase the results of their projects. Those trade fairs will cover both cross-sectorial and specific industry sectors, and be relevant to the different sectors of activity under the Horizon 2020 Societal Challenges and the specific objective Leadership in Enabling and Industrial Technologies. Brokerage events might be linked to these overseas trade fairs.

In order to prepare their participation and exploit to the fullest this opportunity, the participating SME instrument beneficiaries will receive a package of support services including:

- Training on third countries markets, IPR and business culture
- Support to pre-set meaningful business meetings; appropriate follow-up and evaluation of the quality of the business meetings will be ensured.

Type of action: Public procurement – at least one new direct contract

Indicative timetable: First quarter of 2016

Indicative budget: EUR 2.7 million

Call - For a better innovation support to SMEs

H2020-INNOSUP-2016-2017

Small, innovative companies create the majority of new jobs in the European economy. A strong rationale exists for public support to SMEs' innovation activities in order to overcome market failures specific to SMEs and to fully realise their growth potential. The public supports 'SME innovation' with grants, subsidised loans, equity and a wide range of innovation support services. However, SMEs receiving innovation support often remain dissatisfied with the services they receive; while at the same time the public expects a higher return from the support provided. The nature of innovation is changing: open data, open software, open hardware design and crowd-funding make it easier and cheaper to start enterprises with limited own resources – but the challenge arises from scaling these initial offerings to create growth and jobs. Social innovation is required at the interface between public services and private enterprise to maintain the high standard and security of living in Europe. While small enterprises face challenges in recruiting talent - among others as a result of increased mobility – researchers have problems pursuing academic careers and work below their qualifications.

As the nature and environment for innovation changes the public innovation support has not only to follow those developments but also become proactive in shaping them.

The following call for proposal is one element of a broader action to develop the ecosystem of innovation support to SMEs in Europe. Where appropriate, a highly specialised support service may be established at European level to complement existing national and regional services. Generally, the actions are designed to provide opportunities to Member States and regions to enhance their services through collaboration, peer-learning and uptake of new approaches. In the work programme 2016-17 emphasis is put on testing three new approaches to a better innovation support in large pilot actions that should deliver results in time for the start of discussion on the next framework programme for research and innovation. The Enterprise Europe Network, present in all European regions and co-financed by them, the National Contact Points (NCPs) and the Member States are expected to play an important role in implementing these pilot actions and transferring the result 'in-real-time' to their regions.

Proposals are invited against the following topic(s):

INNOSUP-01-2016-2017: Cluster facilitated projects for new industrial value chains

Specific Challenge: To develop new cross-sectoral industrial value chains across the EU, by building upon the innovation potential of SMEs. The EU needs to support the development of emerging industries, which will provide the growth and employment of the future. The reindustrialisation of the EU's industrial base has to focus on the development of long-term internationally competitive goods and services that require combining different competences and innovative solutions. The development of new industrial value chains calls for the

collaboration and integration of different innovation actors, including large enterprises and especially SMEs, across different sectors towards the implementation of a joint vision.

SMEs need help to generate, take up and better capitalise on all forms of knowledge, creativity, craftsmanship and innovation – including for the application of existing cross-cutting or emerging technologies, advanced manufacturing, ICT, eco-innovative and resource-efficient solutions, new business models, service innovation and design. The potential of clusters – that represent favourable ecosystems for innovation and entrepreneurship – need to be better exploited in this respect.

Scope: Cross-border and cross-sectoral collaboration, innovation and entrepreneurship across different regions and value chains shall be promoted. The coordination and facilitation shall be led by cluster organisations and other intermediary organisations, by following a systemic approach that combines different resources, tools and instruments. Innovation actors, especially SMEs with mutually reinforcing competences, shall be supported in view of creating new industrial value chains that foster the development of emerging industries in Europe.

To this end, proposals shall outline a strategic vision for building new industrial value chains across the EU Member States and Associated Countries. They shall specifically focus on integrating and supporting groups of SMEs in collaboration with other innovation actors in addressing specific problems and challenges. Cluster organisations or other SME intermediaries shall be invited to set up collaboration and networking activities for SMEs and create a favourable "open space" for cross-sectoral fertilisation and value chain innovation to take place. Each proposal should demonstrate the capacity to:

- 1) validate ideas for structured innovation projects driven by SMEs from different sectors and countries in collaboration with other innovation actors and facilitate the coordination towards new industrial value chains through this collaboration space.
- 2) support innovation activities and/or channel a mix of different targeted entrepreneurial and innovation support measures (such as mentoring, coaching, innovation and technical assistance vouchers, etc.) directly to the innovation actors of the validated innovation projects to further support their development, integration and large-scale demonstration in a strategic manner. At least 75% of the total proposed budget shall be allocated to support innovation in SMEs directly, whereby the SMEs benefit by either participating in the consortium or by being supported as third party enterprises.

Background information on the systemic approach and strategic focus to be envisaged is provided to applicants.⁴⁹ Synergies with the European Structural and Investment Funds that may further support such large-scale demonstration projects will also be actively encouraged,

⁴⁹ Information (e.g. results from ongoing studies and expert analyses) is available at the EU Cluster Portal at <http://ec.europa.eu/growth/smes/cluster/> and a background note has been made available at the topic related pages under Conditions & Documents at the Participant Portal at <http://ec.europa.eu/research/participants/portal/desktop/en/opportunities/h2020/topics/304-innosup-1-2015.html>

notably through the engaged SME intermediaries. “Large-scale” does not necessarily refer to the amount of financial support provided for a particular project but to the extent of the roll-out of a staged process of experimentation and implementation with accompanying support that reaches out to groups of mutually reinforcing SMEs. This approach aims at “demonstrating at large scale” the potential impact of innovative solutions to specific challenges, rather than supporting isolated projects or SMEs.

For the first stage of the submission procedure, applicants should provide a concept note (of max. 10 pages), which should include a clear description of the ideas and objectives for an innovation action towards the development of new industrial value chains as well as an explanation of the main activities, implementation modalities (including for financial support to third parties, if applicable) and expected results foreseen. The concept note should further describe how the proposed systemic approach and strategic focus promises significant impact on economic growth and job; demonstrates a European dimension and added value; and has the potential to act as a catalyst by contributing to and/or leveraging other activities supported, for instance, under the European Structural and Investment Funds, e.g. in the context of smart specialisation strategies.

An estimate of the total costs of the proposed action and contribution to be requested from the Commission shall also be provided. Only proposals that pass the evaluation threshold for the first stage will be invited to a second stage of submission for a full proposal with a detailed description of the budget and activities planned to be undertaken.

The Commission considers that proposal requesting a contribution from the EU of between EUR 2.5 and 5 million would allow this specific challenge to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting other amounts.

This action allows for the provisions of financial support to third parties in line with the conditions set out in part K of the General Annexes.

Expected Impact:

- Strengthen industrial leadership in the EU Member States and Associated Countries by reinforcing value chains that integrate innovative solutions in SMEs, along and across existing value chains.
- Stimulate the creation of new globally competitive industrial value chains across the EU Member States and Associated Countries to accelerate the development of emerging industries, which will boost industrial competitiveness and underpin future economic growth, jobs, and progress towards a resource-efficient economy.
- Further leverage and complement support for innovation in SMEs and other funding, which may be provided by national or regional authorities (including under the European Structural and Investment Funds) and/or by private investors (upfront or as follow-up investments), including in relation to the European Fund for Strategic Investments,

Knowledge and Innovation Communities, European Technology Platforms, European Innovation Partnerships etc.

- Contribute to regional smart specialisation strategies by capitalising upon concentrated and complementary competences for the development of new industrial value chains and emerging industries with a clear EU added-value.
- Provide a clear and measurable contribution to the innovation performance of the supported SMEs in the short-term – as revealed by indicators such as numbers of new or significantly improved products (goods and/or services), processes, new marketing methods, or new organisational methods –, and to its impact on resource efficiency and/or turnover. A wider impact is also expected in the medium-term.
- Improve the business environment of the supported SMEs by establishing open collaboration spaces that can involve innovation actors from different sectors and countries. This will lead to the creation of new ideas for innovation and new collaboration partnerships, which will be subject of further development and with the potential for further impact on business turnover.

Type of Action: Innovation action

The conditions related to this topic are provided at the end of this call and in the General Annexes.

INNOSUP-02-2016: European SME innovation Associate - pilot

Specific Challenge: The lack of access to skills, to latest knowledge and capacity to manage innovation processes effectively, have been identified as major barriers for innovation in SMEs. Individual SMEs are at a disadvantage to recruit specialised knowledge as they do not have the network Europe-wide and do not have as well-known brands as large enterprises. *Enterprise-led* mobility programmes, supporting enterprises in recruiting expertise, show a high level of satisfaction and return on investment. As this methodology is not currently used at European level, an enterprise-led approach is to be developed and tested through a pilot. This complements Marie Skłodowska Curie actions (MSCA) which focus on developing research careers, by providing additional work opportunities for experienced researchers in innovating SMEs.

Scope: This *SME-led pilot* is an innovation capacity building action to provide at European level a grant to *visionary*⁵⁰ SMEs which have experienced difficulty in recruiting the relevant skills nationally. SMEs are supported to employ a highly-skilled experienced researcher e.g an 'associate' for one year from September 2017. With their associate, these SMEs will

⁵⁰ Vision: 'A statement about what the organisation wants to achieve in terms of innovation. The vision should set a direction and a challenge that can inspire persons to commit and work towards, be sufficiently ambitious and not constrained by the organisation's current abilities, provide a target against which progress can be measured.' See Innovation management standard CEN/TS 16555-1 (July 2013)

explore for one year the potential of their innovative idea and turn it into an innovation project.

The action will consist of:

- SMEs are encouraged to publish a vacancy notice for highly specialised skills on the EURAXESS portal and other relevant platforms and media. This shall liaise them with interested specialist and be used to assess the attractiveness of the proposed package and help in fine-tuning their application to the pilot. SMEs would indicate in the vacancy notice their intention to apply for support under the pilot action⁵¹ and an eventual conditionality of the job offer to the award of a grant. SMEs are free to recruit immediately interested specialists; this would however prevent them from receiving a grant under the pilot action.
- The evaluation will focus on the demonstrated benefits of recruiting transnationally i.e. the impact for the SME to get access to skills not available on the national labour market; the excellence and impact of the innovative idea, as well as the coherence and effectiveness of the recruitment plan.
- Once awarded the grant, successful SMEs will be able to advertise their vacancy on EURAXESS and other relevant platforms and media, with clear indication that the pilot grant was awarded..

SMEs will employ for 12 months an associate to identify the potential of their innovation idea and turn it, or not, into a research or innovation project and hopefully further employment.

During these 12 months of employment, every associate is requested to participate in a core training programme on industrial innovation and business management⁵². Also during that period, SMEs get financial support to implement a training and development plan specifically for the associate, tailored to the needs of the associate and the enterprise to make the associate fully operational in the company.

In line with the orientation of the action and with the aim to accelerate the integration of the associate in the company's staff, the following costs shall be eligible for reimbursement under the grant: personnel costs of the associate and cost directly related to company's and the associates participation in the pilot action: in particular relocation costs of the associate, travel subsistence costs to the core training programme and costs, including travel and subsistence) for tailored training (as described in the personal development plan). Other costs like recruitment costs or travel costs to action specific workshops by the supervisor in the enterprise would have to be covered under indirect costs.

⁵¹ On EURAXESS, such vacancy notice will be in the form of a 'call for expression of interest' and will be made available both at the 'Jobs & Funding' section of the EURAXESS portal and its 'Partnering' one, which promotes the matching between EURAXESS users' offer and demand of collaboration (in multiple forms). It will outline clearly the type of contract, and the employment package (salary and conditions, relocation support).

⁵² See in 'Other actions'

It is intended to support up to 90 assignments from the indicative budget.

The following criteria will have to be met by the associate: i) PhD holder, ii) an expertise in line with the job advertisement; iii) transnational mobility as defined in the mobility rule of the Marie Skłodowska Curie Actions (MSCA).⁵³

The execution of the action will start on the starting date of the associates' employment, in September 2017 (exact date to be determined during the grant preparation phase). In case of non-execution, the Commission reserves the right to terminate the grant agreement according to article 50.3.1.1.ii of the General mono-beneficiary grant agreement for the Horizon 2020 programme.

The associates are expected to be offered employment contracts or equivalent by the hosting SMEs. It is expected that the 'associate' will commit him/herself for a full-time position, for the full duration of the grant.

To promote the pilot, innovating SMEs experiencing skills shortages will be contacted by the Enterprise Europe Network innovation consultants and assisted in formulating a vacancy notice to address the identified skills' shortages.

An accompanying study⁵⁴ will evaluate the impact of the pilot action and the satisfaction levels of awarded SMEs and associates as well as of a sample of non-awarded SMEs.

Expected Impact: Demonstrate that

- An idea can be transformed into an innovation strategy and a subsequent research and innovation projects once SMEs have access to the right skills;
- Public intervention at European level, can support innovating SMEs to overcome challenges in accessing scarce skills through a transnational mobility mechanism, increase their innovation potential;
- Experienced researchers develop appealing career opportunities in SMEs

Type of Action: Coordination and support action

The conditions related to this topic are provided at the end of this call and in the General Annexes.

INNOSUP-03-2017: Technology services to accelerate the uptake of advanced manufacturing technologies for clean production by manufacturing SMEs

Specific Challenge: Foresight studies show that the massive integration of advanced manufacturing will displace in a few years many of the current traditional manufacturing processes. In particular, energy and resource-efficient and low carbon technologies and the

⁵³ Reference to the MSCA mobility rule will be provided at call opening.

⁵⁴ See in 'Other Actions'

circular economy will be key drivers of innovation in SMEs. To remain competitive, manufacturing SMEs will increasingly need to rely on advanced manufacturing technologies for clean production. These technologies enable the development of new production processes, but also improve the manufacturing of existing products by reducing production costs, the reliance on raw materials and the consumption of energy, while diminishing the adverse impacts on the environment by reducing the generation of waste and pollution.

Currently, only one third of manufacturing companies in the EU has used advanced manufacturing technologies so far and plans to use them in the next year⁵⁵. The challenge is to provide technology support to SMEs who lack resources and/or competences to integrate innovative advanced manufacturing technologies for clean production.

SMEs' access to technology services and facilities remains difficult in many regions of the EU (a recent inventory shows that two thirds of the technology infrastructures providing services to SMEs in the field of advanced manufacturing are located in only four Member States⁵⁶). In this context, the High Level Group on Key Enabling Technologies (KETs) recommended in its report of June 2015 to ensure pan-European access of manufacturing companies to "premier-class" technology infrastructures in the field of KETs. As a first step, the Commission has published an inventory of existing technology infrastructures in the EU capable of providing SMEs with technology services and facilities in the field of KETs⁵⁷.

Scope: In order to ensure cross-border access of manufacturing SMEs to technology services and/or facilities enabling them to integrate innovative advanced manufacturing technologies for clean production into their production process, the action will consist of all the elements listed below:

- Establish one-stop shop access for SMEs to technology services and/or facilities from a network of technology infrastructures in the field of advanced manufacturing for clean production.

The technology infrastructures should have the capacity to deliver services such as prototyping, testing, pilot production, engineering, training as well as expertise and advice (in technology but also on the overall innovation process) in order to assist SMEs to integrate innovative advanced manufacturing technologies for clean production into their production processes. The service provided to the SME should be driven by its business needs and the implementation should be flexible and fast to cope with the pace of innovation and the SME requirements. The consortium will define capacity and quality criteria and the network should be open to all technology infrastructures able to deliver services in compliance with these criteria. Criteria for monitoring the quality and impact of the services provided to the SMEs should also be established.

⁵⁵

⁵⁶ Namely Germany, the UK, France and Spain

⁵⁷ http://ec.europa.eu/growth/industry/key-enabling-technologies/eu-actions/help-smes-access/index_en.htm

Proposals should outline how the network will develop a common coherent methodology to support SMEs in integrating innovative advanced manufacturing technologies for clean production into their production process, including how to reach out to SMEs across Europe.

Proposers are encouraged to link to existing or emerging regional and national networks in the field of advanced manufacturing for clean production, in particular in the context of smart specialisation.

- Using the established network with one-stop shop access, provide cross-border services to a critical mass of manufacturing SMEs, over a period of maximum 3 years, to enable them to integrate innovative advanced manufacturing technologies for clean production into their production process and make informed decision for further investment. The services should bring together all relevant actors and the experts necessary to enable SMEs to integrate innovative advanced manufacturing technologies into their production process and assist them in customising and applying these solutions in their respective environments.

The action is expected to include financial support to third parties in line with the conditions set out in part K of the General Annexes. The third parties are expected to be SMEs willing to integrate cutting-edge advanced manufacturing technologies into their production process in an innovative way which requires the purchase of a technology service and/or access to specific technology facilities. The consortium will define the criteria for selecting the proposals submitted by the SMEs (such as expected substantial improvement of the environmental performance, innovativeness, expected significant competitive advantage) as well as the criteria for identifying the technology infrastructures capable of providing the necessary services to the SMEs. The consortium will also define the process to select the best offer from the technology infrastructures within the network to provide the required services at the best value for money for each proposal submitted by SMEs. Grants awarded to third parties shall be provided as a lump sum not exceeding EUR 60,000 and should not cover the full cost of the service provided to the SMEs.

- Activities and measures to achieve the long-term sustainability of the scheme, including governance and dissemination. This includes the development of a business plan. Collaboration with national and regional authorities in charge of innovation support programmes is encouraged.

Proposals should cover advanced manufacturing technologies for clean production from a circular economy perspective. This can include advanced manufacturing technologies allowing reduced energy, materials and water consumption, reduced waste generation and emissions, the use and re-use of recovered and recycled materials, biomass and/or other renewable inputs, the making of modular products and easier disassembly and separation, as well as process control technologies.

Proposers are encouraged to link with ongoing activities in relevant Public-Private Partnerships (PPPs) such as the Sustainable Process Industry (SPIRE)⁵⁸ and the Factories of the Future (FoF)⁵⁹ and their stakeholders.

Proposers are encouraged to liaise with the Enterprise Europe Network, and cluster organisations, in particular for dissemination activities and identification of the manufacturing SMEs having a big potential and willingness to adopt innovative advanced manufacturing solutions for clean production.

The Commission considers that proposals requesting a contribution from the EU of up to EUR 4.9 million would allow this specific challenge to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting other amounts.

Expected Impact:

- Attract a significant number of new SMEs users of innovative advanced manufacturing technologies in the manufacturing sector, leading to significant and quantifiable increase in their productivity, environmental performance and/or in market shares due to increased quality and innovativeness of products;
- Creation of a self-sustainable ecosystem gathering technology infrastructures, SME users and suppliers of innovative advanced manufacturing technologies, and providing access to technology services and facilities through a marketplace, covering a large number of regions and their smart specialisation;
- Deployment of a critical mass of innovative solutions to apply advanced manufacturing technologies into the production processes of SMEs.

Type of Action: Coordination and support action

The conditions related to this topic are provided at the end of this call and in the General Annexes.

INNOSUP-04-2016: SMEs for social innovation – Challenge platform

Specific Challenge: Too many societal challenges remain without solutions while too few SMEs engage into social innovation. The action aims at incentivising more SMEs to seize innovation opportunities arising from social needs or societal challenges, and thereby develop further solutions to those, in partnership with social enterprises.

Synergies between social enterprises and other SMEs remain mostly unexploited. Too often social innovators and entrepreneurs are isolated and encounter difficulties to find support, partners or investors. Too often they do not tap enough into the capacities of all types of

⁵⁸ www.spire2030.eu

⁵⁹ www.effra.eu

businesses which could help with the development or commercialisation of such innovations. Too often their solutions do not translate into larger-scale projects, do not trigger significant changes in public policies, or do not inspire similar projects elsewhere.

This also stems from the fact that, while the great majority of social enterprises are SMEs, traditional support to SME innovation aims at maximising economic returns and therefore hardly captures social enterprises. Social enterprises need more encouragement and incentives to start innovation activities. At the same time, concrete social innovation needs and opportunities must be further communicated to entrepreneurs, SMEs and knowledge institutions beyond the usual circles of social enterprises.

Scope: The action provides for a new demand-driven tool for social innovation. The action will allow social enterprises to formulate their own societal challenges on line, to call for solutions and to select themselves the best idea(s) meeting their demand. Concrete challenges arising from real situations could thereby receive answers from any SME willing to engage in the field of social innovation or find a way to diversify its activities. Social innovators and entrepreneurs would tap into the creativity and capacities of the whole business community. The market uptake of the solution would be assessed upfront.

The action requires the creation of an on-line 'challenge platform' and its facilitation (i.e. allow the innovation demand and supply to meet). In addition, the action foresees a financial support mechanism that would allow solution seekers and/or providers to receive support to test feasibility and economic potential of the solution and proceed with its implementation (such grants shall not exceed EUR 50,000). The 'challenge platform' could be hosted on or combined with the existing [Social Innovation Europe hub](#), so as to minimize development costs, take advantage of the already established community and broaden the mission of Social Innovation Europe, beyond information sharing and mutual learning for which it was created. Synergies should also be sought with initiatives and platforms dedicated to specific societal challenges and of relevance for social innovation and with the Enterprise Europe Network in the dissemination of the needs expressed by the social enterprises.

Likewise social enterprises with innovative solutions could use the platform and the Enterprise Europe Network to promote their solutions and seek partnership with SMEs for their commercialisation. For that dimension, however, no additional grant support will be foreseen.

To address the above-described challenge, proposals should at least specify the following:

- Developing and maintaining a web facility to allow innovation demand and supply to meet in a user-friendly and dynamic way;
- Building a mechanism to reach out to a large number of stakeholders dealing with social or societal issues (and in particular social enterprises) about the potential of tapping into SMEs capacities and, on the other hand, towards the whole SME community in order to raise awareness about market opportunities offered by 'social innovation';

- Assisting stakeholders dealing with social or societal issues (and in particular social enterprises) to formulate the challenges for which they need concrete solutions and to describe them as innovation opportunities, in a form suitable for all SMEs;
- Describing a detailed mechanism to award and manage financial support to third parties (re-granting) already in their application documents, as foreseen in part K of the General Annexes of the Horizon 2020 Work Programme 2016-2017. At least 70% of the total grant amount should be awarded in the form of small grants to third parties.

The Commission considers that proposals requesting a contribution from the EU of around EUR 3.5 million would allow this specific challenge to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting other amounts.

The action will complement the European Social Innovation Competition for which the challenge is set upfront (see section on Other Actions).

Expected Impact:

1. More SMEs engaged in the field of social innovation thereby finding new markets, creating new jobs and testing new business or growth models
2. More unmet social needs or societal challenges find solutions.
3. Concrete connections and further business opportunities are made possible between social enterprises and other SMEs.
4. More business intermediaries, incubators and investors engage in the field of social innovation, approach/support social enterprises and address their specific challenges.

Type of Action: Coordination and support action

The conditions related to this topic are provided at the end of this call and in the General Annexes.

INNOSUP-05-2016-2017: Peer learning of innovation agencies

Specific Challenge: Innovation support agencies, i.e. the regional and national agencies that design and/or implement innovation support programmes for SMEs are important intermediaries for SME innovation. Focus, design and delivery mechanism of innovation support programmes determine to a large extent the economic impact from the supported actions and the satisfaction of the beneficiaries with the support provided. The European Union has in different programmes, including for example the Seventh Framework Programme (FP7), the Competiveness and Innovation Framework Programme and INTERREG, supported mutual policy learning and exchange of ‘good practices’. However, the transfer of good practices in SME innovation support, the enhancement of existing and the establishment of new innovation support programmes for SME remains slow; and SMEs

benefitting from support programmes still often remain dissatisfied with the services received⁶⁰.

The PRO-INNO Europe 'INNO-Partnering Forum' (IPF, 2009-2012) has made some significant contributions to formulating the requirements for a permanent learning mechanism for SME innovation support agencies⁶¹: learning activities have to be based on clear methodologies and they have to be demand driven, launched at the moment agencies themselves recognise the need to revise programme formats. Furthermore peer learning activities need to benefit from a secretariat or an animation structure that assures horizontal flow of information among interested agencies. In a collaborative exercise the IPF has developed two methodologies in this respect: a quality management system implemented through a peer review system based on the EFQM methodology and a 'twinning+' methodology that combines elements of traditional peer reviews and twinning in small learning groups of interested agencies.

It is the objective of this action to make available to national and regional innovation agencies these two methodologies as elements of a permanent peer learning environment and to give incentives to the agencies to engage more frequently in peer learning activities.

Scope: The proposed activities will provide incentives in the form of small lump sum grants to national and regional innovation agencies for engaging in peer learning on all topics relevant for design and delivery of innovation support programmes for SMEs. The support to joint learning activities shall be available at any time when need and opportunity for policy learning in agencies arises. Peer learning is open for all topics for a better innovation support to SMEs. In the context of this action however, only the 'Twinning+' methodology as well as the quality management scheme for innovation agencies based on EFQM are recognised as learning methods. Participating agencies will be entitled to grants in the form of lump sums (EUR 15.000 / 50.000)⁶².

Expected Impact:

- The number of innovation agencies engaged in peer learning activities significantly increases.
- The results of the peer learning are taken up by national and regional innovation support programmes, including those co-financed by European Structural and Investment Funds.
- A broad range of new topics and approaches in innovation support to SMEs is investigated and developed by peer learning activities of national and regional

⁶⁰ See for example “Making public support for innovation in the EU more effective”, Commission staff working document SEC(2009)1197.

⁶¹ See <http://www.vinnova.se/PageFiles/604825187/The%20IPF%20synthesis%20report.pdf>.

⁶² Decision authorising the reimbursement on the basis of lump sums for the Action INNOSUP-5 'Peer learning for innovation agencies' under the Horizon 2020 Framework Programme

innovation agencies. Pilot agencies design and implement programmes based on these new approaches.

- The wider use of quality management in innovation agencies enhances efficiency of service delivery and customer satisfaction and accelerates the learning process.

Type of Action: CSA Lump sum

The conditions related to this topic are provided at the end of this call and in the General Annexes.

INNOSUP-06-2016: Capacity-building for National Contact Points (NCPs) for SMEs and Access to Risk Finance under Horizon 2020⁶³

Specific Challenge: Facilitate trans-national co-operation between NCPs focused on the Horizon 2020 specific objective "Innovation in SMEs" and "Access to Risk Finance" – including those established in countries associated with Horizon 2020 and interested third countries – with a view to identifying and sharing good practices and raising the general standard of support to programme applicants, taking into account the diversity of the research and innovation-driven SME community, and complementarity with other support entities and networks, for instance the Enterprise Europe Network.

Scope: Support will be given to a consortium of formally nominated NCPs in the areas of "Innovation in SMEs" and "Access to Risk Finance", and support to SMEs in Horizon 2020 at large. The activities should be tailored according to the nature of the areas, and the priorities of the NCPs concerned. Various mechanisms may be included, such as benchmarking, joint workshops, enhanced cross-border brokerage events, and specific training sessions linked to Access to Risk Finance, Innovation in SMEs and SMEs in Horizon 2020. Special attention should be given to enhance the competence of NCPs, including helping less experienced NCPs rapidly acquire the know-how accumulated in other countries.

The focus throughout should be on issues specific to "Innovation in SMEs" and "Access to Risk Finance" and supporting SMEs in optimising participation to Horizon 2020, while ensuring complementarity with activities of other NCP networks and the Enterprise Europe Network in the domain of SME support. The project should promote coordination with other NCP thematic networks, in particular in relation to the NCP network project for quality standards and horizontal issues. The proposal should show how this will be achieved.

Only NCPs who have been officially appointed by the relevant national authorities are eligible to participate in and receive funding for this action. In line with the objectives of the EU strategy for international cooperation in research and innovation, participation of NCPs from third countries is welcome.

⁶³ This activity directly aimed at supporting National Contact Points is excluded from the delegation to EASME and will be implemented by the Commission services.

The consortium should have a good representation of experienced and less experienced NCPs. Submission of a single proposal is encouraged. NCPs from EU Member States or Associated Countries choosing not to participate as a member of the consortium should be identified and the reason explained in the proposal. These NCPs are nevertheless invited and encouraged to participate in the project activities (e.g. workshops), and the costs incurred by the consortium for such participation (e.g. travel costs paid by the consortium) may be included in the estimated budget and be eligible for funding by the Commission.

The Commission considers that proposals requesting a contribution from the EU in the range of EUR 2 million would allow this specific challenge to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting other amounts.

The Commission will only fund one proposal under this topic, for an initial duration of 30 months.

Expected Impact:

- An improved and professionalised NCP service across Europe, thereby helping simplify access to Horizon 2020 calls, lowering the entry barriers for newcomers, and raising the average quality of proposals submitted.
- A more consistent level of NCP support services across Europe and in connection with the rest of the world.

Type of Action: Coordination and support action

The conditions related to this topic are provided at the end of this call and in the General Annexes.

INNOSUP-07-2017: Innovating SMEs - segmentation along lifecycle and sectors (analytical research activity)

Specific Challenge: Creating a higher societal impact from innovation support requires increasing its efficiency. In the recent past innovation support agencies recognised that successful innovation is not originating only from scientific research and technological development, but from new business models, the uptake of technologies, design and organisational changes. Furthermore 'internationalisation' of business activities is seen as a case of business innovation in some countries.

A better understanding of business innovation opportunities led to an even broader array of innovation support measures put in place for SMEs. But the question arose how to better identify and target those SMEs that can create highest impact from the specific support measures; and how to offer viable alternatives to those enterprises not yet ready to implement the most ambitious projects. Representatives from innovation agencies were describing this

process of matching design and delivery of support schemes to the needs, potentials and ambition of their client SMEs as '*segmentation of the client base*'.

Processes of value creation from innovation differ between industrial sectors. For example between capital intensive - but low-speed – innovation in the mining industry; the high speed innovation software development for example for gaming which is realised in networks; pharmaceutical industry with a dominant role of patents and industries with long and complex supply chains like automotive or aerospace.

Many regions try to identify potential high-growth SMEs and orient their support towards realising their full growth potential, yet the methodologies to identify high potentials vary substantially and innovation support programmes put in place are hardly designed taking account of the economic fabric or of the smart specialisation priorities of the region. Instead often a standard portfolio of innovation support measures is put in place.

Scope: The above describes three interwoven aspects of a challenge to segment the (SME-) clients of public innovation support in order to achieve a higher societal return from the investments into innovation support. The action shall contribute to documenting and analysing existing and potential new approaches to provide innovation support in a more effective and efficient way. Successfully segmenting 'innovating SMEs' – the clients of innovation agencies – is a key in that respect.

To address the described gaps proposals should address one or more of the following aspects:

- Develop methodologies to identify segments within the group of innovating SMEs (including SMEs that are not yet innovating but have innovation potential or need) and describe portfolios of innovation support measures that typically address well their needs along innovation cycles. To that end the proposed project should rely on existing datasets (Community Innovation Survey [CIS] or others) or conduct own targeted surveys.
- Analyse existing approaches to segment innovating SMEs and analyse existing portfolios of innovation support measures in how far they respond to the needs of important segments in the region.
- Analyse in how far popular innovation support instruments like tax credits, vouchers, grants are biased towards certain innovating SMEs or provide opportunities to overcome existing biases.

Projects to be supported are encouraged to conduct specific communication activities targeting the relevant associations of regional development agencies and innovation support agencies.

The Commission considers that proposals requesting a contribution from the EU of between EUR 0.30 and 1.00 million would allow this specific challenge to be addressed appropriately.

Nonetheless, this does not preclude submission and selection of proposals requesting other amounts.

Expected Impact: The result of the research action shall strengthen the capacity of national and regional ministries, innovation agencies and providers of innovation support, such as cluster organisations, science and technology parks or development agencies, to:

- better understand the patterns of innovation opportunities and activities in different segments of the SMEs according to age, size, business activity, industry sector, organisational features and other relevant aspects;
- better understand the impact of specific types of innovation support with low entry requirements on different segments of the SME population – of particular interest in this context are tax credits for RDI expenditure, voucher and small grant schemes to strengthen management capacity and technology uptake;
- target existing measures better to those SMEs that can create highest economic and societal impact;
- design new measures for specific segments of the SMEs to start or diversify innovation activities which create highest impact for their competitiveness.

Type of Action: Research and Innovation action

The conditions related to this topic are provided at the end of this call and in the General Annexes.

INNOSUP-08-2017: A better access to industrial technologies developed overseas

Specific Challenge: According to the OECD, the US and Japan dominate R&D stocks for technologies ready for uptake by industry. 40% and 28% of the R&D stock held in OECD countries are located in the US and Japan respectively. Korea further contributes a significant share as a result of an active technology development policy followed for decades.

Technologies are however hardly accessible for European SMEs – while multinational companies face less challenges in this respect. Access to technologies overseas is hampered amongst others by a mismatch of institutions and methodologies for technologies transfer. The friction from differences in approaches to technology transfer becomes evident in the daily work of the Enterprise Europe Network in which overseas entities became members on a self-financing basis. These network partners adopt the network's working methods but face the challenge that direct interaction is hampered by the geographic distance, as a result, real hand-on cooperation with overseas partners in the Enterprise Europe Network remain limited.

Scope: A limited number of experimental projects between the network sector groups and overseas partners of the Enterprise Europe Network shall be supported by grants. The objective is to better capitalise the industrial R&D stock of overseas OECD countries in the context of sector groups of the Enterprise Europe Network in collaboration with clusters. The

action should develop and test new service formats by taking up elements of the technology and knowledge transfer practices of the network partners in the US, Japan and Korea – and other countries as appropriate - to assist SMEs to tap the pool of industrial knowledge and technologies in these countries.

Project partners shall be partners in the Enterprise Europe Network; collaborating or supporting entities overseas do not have to be partners in the Enterprise Europe Network – cluster organisation in Europe shall be included as collaborating / supporting entities.

Expected Impact: The projects to be supported shall mainly achieve a structural impact by:

- Better integrating overseas partners in the sector groups of the Enterprise Europe Network, further developing the methods used by the Network for collaboration with overseas partners, and thereby providing a lasting better access to the results of applied industrial research in the US, Japan and Korea for European SMEs.
- From the supported actions a significant number of European SMEs will get into contact with the developers of technologies ready for application overseas and possibly conclude cooperation agreements.

Type of Action: Coordination and support action

The conditions related to this topic are provided at the end of this call and in the General Annexes.

Conditions for the Call - For a better innovation support to SMEs

Opening date(s), deadline(s), indicative budget(s):⁶⁴

Topics (Type of Action)	Budgets (EUR million)		Deadlines
	2016	2017	
Opening: 15 Oct 2015			
INNOSUP-06-2016 (CSA)	2.00		19 Jan 2016
Opening: 10 Nov 2015			
INNOSUP-05-2016-2017 (CSA-LS)	0.50	0.50	17 Mar 2016 18 Oct 2016 08 Mar 2017 18 Oct 2017
INNOSUP-01-2016-2017 (IA)	15.00		06 Apr 2016 (First stage) 08 Sep 2016 (Second stage)
Opening: 08 Dec 2015			
INNOSUP-04-2016 (CSA)	3.50		28 Apr 2016
Opening: 11 Feb 2016			
INNOSUP-02-2016 (CSA)	7.20		30 Jun 2016
Opening: 08 Nov 2016			
INNOSUP-03-2017 (CSA)		4.90	28 Mar 2017
INNOSUP-07-2017 (RIA)		1.00	
INNOSUP-08-2017 (CSA)		1.00	
INNOSUP-01-2016-2017 (IA)		18.50	04 Apr 2017 (First stage) 07 Sep 2017 (Second stage)
Overall indicative budget	28.20	25.90	

Indicative timetable for evaluation and grant agreement signature:

⁶⁴ The Director-General responsible for the call may decide to open the call up to one month prior to or after the envisaged date(s) of opening.

All deadlines are at 17.00.00 Brussels local time.

The Director-General responsible may delay the deadline(s) by up to two months.

For single stage procedure:

- Information on the outcome of the evaluation: Maximum 5 months from the final date for submission; and
- Indicative date for the signing of grant agreements: Maximum 8 months from the final date for submission.

For two stage procedure:

- Information on the outcome of the evaluation: Maximum 3 months from the final date for submission for the first stage and maximum 5 months from the final date for submission for the second stage; and
- Indicative date for the signing of grant agreements: Maximum 8 months from the final date for submission of the second stage.

Eligibility and admissibility conditions: The conditions are described in General Annexes B and C of the work programme.. The following exceptions apply:

INNOSUP-02-2016	<p>Applicants must be single SMEs⁶⁵.</p> <p>Only applications from SMEs established in the EU Member States or countries associated to Horizon 2020 are eligible.⁶⁶</p> <p>The applications must include a recruitment plan, the draft job description, the vacancy notice text for the associate as well as an advertisement plan (euraxess, other media). The vacancy notice must also give a clear indication of the type of contract and of the remuneration package. The application must contain a declaration of honour that the vacancy has not been filled upon submission of the application.</p> <p>The application should include a clear description of the associate's position in the organisation of the company.</p> <p>Proposals are not required to provide a draft plan for exploitation and dissemination.</p>
INNOSUP-05-2016-2017	<p>Only entities entrusted by national or regional governments to develop/or implement innovation support programmes for SMEs are eligible to apply.</p>

⁶⁵ By the nature of the action itself, this action is limited to individual SMEs as it aims to enhance the innovation capacity of individual SMEs lacking skills to turn an innovative idea into an innovation project. For the EU definition, please see: http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm.

⁶⁶ This action's objective is to enhance the innovation capacity of SMEs within the European Union and associated countries by giving them access to the right skills through a transnational mobility mechanism.

HORIZON 2020 - Work Programme 2016 - 2017
Innovation in SMEs

INNOSUP-06-2016	Applicants should be NCPs in the areas of "Innovation in SMEs" and "Access to Risk Finance".
INNOSUP-08-2017	As the action shall provide a better access to results of applied industrial research across Europe and shall achieve a structural impact on the methods of the Enterprise Europe Network, only partners in the Enterprise Europe Network – including in the targeted countries overseas – are eligible to participate under this topic.

Evaluation criteria, scoring and threshold: The criteria, scoring and threshold are described in General Annex H of the work programme. The following exceptions apply:

INNOSUP-02-2016	<p>The following additional aspects will be taken into account:</p> <p>Excellence: Ambition and innovation potential for the SME from the filled vacancy, eventually leading to radical innovations in the SME</p> <p>Impact: Demonstrated inability to recruit the required skills on the national labour market.</p> <p>Quality and efficiency of implementation: Coherence and effectiveness of the recruitment and personal development plan.</p> <p>The following aspects will not be considered:</p> <p>Excellence: "Soundness of the concept, and credibility of the proposed methodology".</p> <p>Impact: "Quality of the proposed measures to exploit and disseminate the project results (including management of IPR), and to manage research data where relevant".</p> <p>Quality and efficiency of implementation: "Appropriateness of the management structures and procedures" and "Complementarity of the participants and extent to which the consortium as whole brings together the necessary expertise".</p>
INNOSUP-04-2016	<p>Specific evaluation criteria for 'Quality and efficiency of the implementation':</p> <ul style="list-style-type: none"> • Quality of the proposed financial support mechanism, notably with the view of (i) selecting the organisations or challenges which may benefit from the scheme and, within the scheme, from financial support to third parties, (ii) calculating the amount of the financial support to third parties when an organisation or a challenge is entitled to one, and (iii) ensuring transparency and sound financial

	<p>management;</p> <ul style="list-style-type: none">• Synergies with existing web platforms or equivalent in order to minimize costs of ICT development and of communication towards targeted groups.
--	--

Evaluation Procedure: The procedure for setting a priority order for proposals with the same score is given in General Annex H of the work programme.

The full evaluation procedure is described in the relevant [guide](#) published on the Participant Portal.

Consortium agreement: Members of the consortium are required to conclude a consortium agreement in principle prior to the signature of the grant agreement, except for actions under the following topics: INNOSUP-02-2016 European SME innovation Associate - pilot (as the action supports single beneficiaries) and INNOSUP-05-2016-2017: Peer learning for innovation agencies (as the actions provides very small grants for activities implemented in a given format, with a result in the public domain).

Other actions⁶⁷

1. Service provision in 2017/18

Services in 2017/18 of the Enterprise Europe Network “Enhancing the innovation management capacity of SMEs” and providing ‘key account management’ for the beneficiaries of the SME instrument

Lack of innovation management capacity is recognised as an important barrier to creating economic impact (competitiveness, growth and jobs) from innovation activities in SMEs. Consulting services enhancing the innovation management capacity are not available to SMEs in many European regions as a result of a lack of offers, unaffordable market prices or poor quality. Horizon 2020’s SME-instrument foresees offering mentoring and coaching services to beneficiaries to address this need.

The Enterprise Europe Network is a European-wide network of public, public-private and private providers of support services to SMEs established for the period 2015-21 under the Competitiveness of Enterprises and Small and Medium-sized Enterprises Programme (COSME). The COSME programme provides that other EU programmes can make use of and contribute to the Network’s structures and activities.

Since 2014 the Enterprise Europe Network has introduced services “Enhancing the innovation management capacity of SMEs” and makes available to SMEs higher quality innovation support services where these are absent or unaffordable on local markets.

1. Service provision in 2017/18

In 2017/18, under the Enterprise Europe Network established for the period 2015-21 7000 SMEs across Europe shall receive a 7 to 10-day service package that includes an innovation management capacity assessment, a gap analysis and the provision of at least 5 days of targeted services to address recognised gaps. The assessment could be based on the IMP³rove methodology or methodologies already introduced in the regions that comply with the definition of innovation management and the elements of an innovation management system as in CEN technical specification CEN/TS 16555-1.

For beneficiaries of the Horizon 2020 SME instrument a – on average – 7-day assignment covering phase 1 and phase 2 of the SME instrument shall be used to identify gaps, suitable coaches and support their work that would address the recognised barriers to growth on the basis of a jointly agreed ‘coaching plan’. Beneficiaries that have completed phase 1 of the SME instrument but unsuccessfully applied for phase 2 and received the 'Seal of excellence' shall be able to receive advice in realising the proposed project and in further developing their innovation strategy and innovation management. These services shall be provided realising synergies with the network's existing services under COSME. Furthermore, within the 7-day

67

service package assignments SMEs benefitting from Horizon 2020 project support should, where appropriate, be assisted in managing their project with the EU.

For the year 2017/18, 7,000 ‘service package assignments’ shall be allotted to the coordinators of the Enterprise Europe Network consortia. In each consortium, Network partners willing to participate in this action have to demonstrate that relevant staff members have the necessary skills to undertake assessments of innovation management capacity. The costs incurred for the duration of the assignments will be covered by the grant.

The maximum grant amount proposed to a consortium covering a region will be calculated by a combination of (i) a projection of expected cases for "key account management" based on past success of the region in the SME instrument, (ii) the number of inhabitants in the geographic area covered by the Enterprise Europe Network consortium, and (iii) known daily rates of senior staff in the network projects in the country and a contribution to travel and subsistence costs related to specific training. To ensure critical mass of resources and return in investment in new skills the minimum grant amount proposed to any region will correspond to at least 25% of the cost of a full-time senior consultant in the project.

The eligible costs of the action are restricted to the personnel costs of the qualified staff members and the travel costs to specific training and community building events organised by EASME⁶⁸ and indirect cost at the standard rate for coordination and support actions. They shall be reimbursed according to the same system of annual productive hours used in the framework partnership agreement of the Enterprise Europe Network consortium.

Countries not participating in the COSME programme have been invited to propose the establishment of “Enterprise Europe Network - Business Collaboration Centres” on a self-financing basis. In case the countries are associated to Horizon 2020 the Business Collaboration Centres would be eligible for support for the action described above.

Expected impact:

Direct impact from the action will be a significantly enhanced growth and profitability of SMEs receiving the services as compared to a control group. Innovation processes will be conducted more efficient and more effectively.

Indirect impact is expected from the introduction of high quality innovation management capacity assessment and support services in all regions across Europe. In an increasing number of regions the initial introduction in the context of the described action will lead to integration of the IMP³rove toolbox in regional innovation support. The specific impact criteria for coordination and support actions related to "dissemination of results" shall not be applied.

Legal entities:

the coordinators of the 2015-21 Enterprise Europe network projects on behalf of the regional

⁶⁸ Travel costs to the SME shall only be eligible in exceptional and duly justified cases

and national consortia. , The detailed list of coordinators and maximum grant amounts is provided on the Enterprise Europe Network website (<https://ec.europa.eu/easme/sites/easme-site/files/documents/EENcoordinators.pdf>)).

Type of Action: Grant to identified beneficiary - Coordination and support actions

The standard evaluation criteria, thresholds, weighting for award criteria and the maximum rate of co-financing for this type of action are provided in General Annexes D and H of the work programme.

Indicative timetable: Last quarter of 2016

Indicative budget: EUR 9.20 million from the 2016 budget and EUR 9.05 million from the 2017 budget

2. Supporting assessments of 'innovation management capacity' by the Enterprise Europe Network

The services of the Enterprise Europe Network 'Enhancing innovation management capacity of SMEs' have to be aligned to CEN/TS 16555-1. This requires the availability of a high quality assessment tool and a variety of tools to address in client enterprises the weaknesses identified. Markets for specialised innovation management consultancy remain weakly developed in most regions. Only in a small number of regions staff already qualified in innovation management consulting and assessment tools aligned to CEN/TS 16555 were available. Consequently the large majority of regional consortia in the Enterprise Europe Network proposed to rely on the 'IMP³rove tool' and the training services of the 'IMP³rove Academy' to support their service delivery. Several Member States have integrated services provided by the IMP³rove Academy in their national/regional SME support system or expressed their interest to do so in the future.

The IMP³rove platform had initially been developed for the European Union since 2007. The core of the IMP³rove platform is a benchmarking database for 'innovation management performance' with more than 4600 quality checked datasets (as of March 2015). The EU and others owners of IP have supported the establishment of the not-for-profit IMP³rove-Academy and have exclusively licensed to the Academy the IMP³rove related Intellectual Property Rights.

To deliver the services 'enhancing the innovation management capacity of SMEs' the partners in the Enterprise Europe Network require:

1. An assessment tool fully compliant with CEN/TS 16555 including a quality management benchmarking database with an assured availability,
2. training in use and operation of this tool,
3. support in the interpretation of assessment report,

The EU has committed itself to making tools and training available free of charge to Network Partners which contribute to maintaining and further developing the benchmarking database and getting better insight in SMEs innovation management.

Expected impact:

Direct impact is expected from the contribution to the coaching and mentoring service to the beneficiaries of the SME instrument and the services 'enhancing the innovation management capacity of SMEs' Furthermore the support provided would secure the quality of the benchmarking by accelerating the inflow of new data sets allowing to replace the oldest data collected in 2008/09.

Indirect impact is expected from the introduction of high quality innovation management capacity assessment and consulting services in all regions across Europe. In an increasing number of regions the initial introduction in the context of the Enterprise Europe Network of the described action should lead to integration of the toolbox in regional innovation support.

Type of Action: Public Procurement - One new direct contract

Indicative timetable: Third quarter of 2016

Indicative budget: EUR 0.75 million from the 2016 budget

3. Further developing consulting capacity in innovation management in the Enterprise Europe Network

The services of the Enterprise Europe Network 'Enhancing innovation management capacity of SMEs' have to be aligned to CEN/TS 16555-1. This requires the availability of a high quality assessment tool and a variety of tools to address in client enterprises the weaknesses identified. Markets for specialised innovation management consultancy remain weakly developed in most regions. Only in a small number of regions staff already qualified in innovation management consulting and assessment tools aligned to CEN/TS 16555 were available.

To deliver the services 'enhancing the innovation management capacity of SMEs' the partners in the Enterprise Europe Network require not only a well-recognised tool for making assessments but also:

1. introductory general training in 'innovation management' for staff new to these consulting tasks,
2. specialised training / capacity building in the different parts and process of enterprise's innovation management system.

The EU has committed itself to making tools and training available free of charge to Network Partners which contribute to maintaining and further developing the benchmarking database and getting better insight in SMEs innovation management.

Expected impact:

Direct impact is expected from the contribution to the quality of the services 'enhancing the innovation management capacity of SMEs' Furthermore the support provided would secure the quality of the benchmarking by accelerating the inflow of high-quality new data sets allowing to replace the oldest data collected in 2008/09.

Further direct impact is expected from increasing the qualification of those offering innovation management capacity assessment and consulting services in all regions across Europe in the context of the Enterprise Europe Network.

Type of Action: Public Procurement - One new direct contract

Indicative timetable: Third quarter of 2016

Indicative budget: EUR 0.70 million from the 2016 budget

4. Expert evaluation Enterprise Europe Network-services 'Enhancing the innovation management capacity of SMEs' and supporting services of the IMP³rove Academy

An evaluation shall be carried out by the Commission. It shall examine the status of the newly introduced services in the Enterprise Europe Network, the impact the new service has on the regional / national SME innovation support and on the beneficiaries of the SME instrument. The IMP³rove Academy shall be evaluated in how far it contributed effectively to competence building of the network partners and to a better definition and understanding of 'innovation management' in the business consulting community in Europe and beyond. Furthermore the experts shall investigate in how far new assessment and consulting approaches for 'innovation management' have been developed since the publication of CEN/TS 16555-1 and in how far these approaches could guide the further development of services in the Enterprise Europe Network.

An expert group, including – but not restricted to - academic and consulting industry experts, including users and non-user of the IMP³rove toolbox, shall be set up to carry out the evaluation.

A special allowance of EUR 450/day will be paid to the experts appointed in their personal capacity who act independently and in the public interest.

Type of Action: Expert Contracts

Indicative timetable: 2017

Indicative budget: EUR 0.08 million from the 2017 budget

5. Accompanying study to the European SME innovation Associate – pilot (INNOSUP-02)

The action 'European SME Innovation Associate' will provide grants to up to 90 *visionary*^[1] *SMEs* which have experienced difficulty in recruiting nationally scarce skills for the development of ambitious innovation strategies. SMEs will be supported to employ for one year a highly-skilled experienced researcher to develop an innovative idea into an innovation project. For details on the action see INNOSUP-02-2016.

To that end a comprehensive accompanying study shall investigate inter alia the following aspects:

- Does encouragement of mobilisation of experienced researchers and their training in 'innovation management' address the needs of SMEs experiencing difficulties in accessing skills in very early stages of innovation activities? Would the mobilisation of junior researcher address the SMEs' needs better?
- Is the tested design appropriate to address the challenges with respect to mobilisation of SMEs, application, evaluation and award of grants, duration of the assignment, financial and grant management aspects?
- Do benefitting SMEs accelerate innovation activities as compared to non-benefitting?
- Can experienced researchers realise additional career opportunities following the support?

The objective of the study is to develop recommendations for an eventual scale-up at European level of the scheme or the uptake of certain elements in national / regional programmes. The study will evaluate impact of the pilot action and the satisfaction levels of awarded SMEs and associates as well as for a sample of non-awarded SMEs. For that purpose, the study will also take into consideration other, already existing EU actions, such as Marie Skłodowska Curie actions (MSCA) and the European Institute of Innovation and Technology (EIT).

Expected impact:

Concrete recommendations, based on factual evidence from the work with benefitting SMEs and researchers and control groups, for an eventual scale-up of the scheme or the uptake of elements in existing regional / national or European programmes.

Type of Action: Public Procurement - one new direct contract

Indicative timetable: Second semester of 2016

Indicative budget: EUR 0.30 million from the 2016 budget

6. Core training to the European SME Innovation Associate - pilot (INNOSUP-02)

The action 'European SME Innovation Associate will provide grants to up to 90 *visionary*^[i] SMEs which have experienced difficulty in recruiting nationally scarce skills for the development of ambitious innovation strategies. SMEs will be supported to employ for one year a highly-skilled experienced researcher to develop an innovative idea into an innovation project. For details on the action see INNOSUP-2-2016.

As experienced researchers may not have had industrial innovation or business management training, and may not have had prior experience working for companies, especially SMEs, a training programme on industrial innovation and business management will be provided to all the associates of the pilot. The required courses attendance will total around 12 working days, and involvement will also be required to on-line training. The provision of this core training is expected to take place between October 2017 and June 2018. The industrial innovation management training will be designed as to involve supervisors.

The objective of the action is to support experienced researchers to acquire/develop skills in innovation management and business management, which they will apply directly during their assignment as associate.

Type of Action: Public Procurement - one new direct contract

Indicative timetable: Third quarter of 2016

Indicative budget: EUR 0.40 million from the 2016 budget

7. SMEs for social innovation – European Social Innovation Competition

To promote social innovation, the Commission organised the European Social Innovation Competition over three editions, in 2013, 2014 and 2015. It proved its viability and impact and therefore two more editions will be launched in 2016 and 2017. Their organisation is supported through an action under the Horizon 2020 work programme 2014-2015.

The Competition is a unique space offered to social innovators, be they young or experienced entrepreneurs. It met a real demand with nearly 2,000 applications received within the first two editions from individuals and organisations, including SMEs. The added-value of the Competition lies in the fact that the Union is best placed to connect the social innovation community and foster mutual learning across borders. Europeans face the same issues (e.g. care to elderly people or urban regeneration) but projects often remain small and isolated. The Competition is a 'challenge race' for the best ideas, but building teams' capacities and encouraging them to cooperate are key objectives equally.

The action aims at continuing the Competition. The Competition is expected to keep a design whereby many more ideas than the sole prize winners are supported with mentoring. For that purpose it is foreseen to increase the incubation dimension of the Competition, so that more

social innovators are coached; support is provided on longer period and at larger scale; and ultimately more ideas turn into marketed solutions and sustainable enterprises.

The action will consist of the procurement of a service contract in 2017 to assist the Commission in organising the 2018 edition of the European Social Innovation Competition, with an enhanced incubation dimension.

This action has been designed in full complementarity with the Action *INNOSUP-04-2016: SMEs for social innovation – Challenge platform*.

Type of Action: Public Procurement - one new direct contract

Indicative timetable: First quarter of 2017

Indicative budget: EUR 0.70 million from the 2017 budget

8. Internationalisation of Innovation in SMEs: enhancing support to co-creation and joint venturing with partners from third country economies

Europe's ability to maintain or increase its innovation footprint on a global scale will play an important role in raising its potential for economic growth. European SMEs, on average engage relatively little with partners from third country economies, especially for cooperation in the field of Research and Innovation (R&I). This can be explained by many factors, including firm-related, regulatory, cultural, financial, commercial, political factors or those relating to Intellectual Property Right protection.

Building on the outcomes of the action on "Internationalisation of innovation in SMEs" in the "Innovation in SMEs" part of the Horizon 2020 Work Programme 2014-2015, a global partnership forum in Europe is to be held in 2017. It will create a meeting place for a number of European SMEs that are looking to internationalise their activities, either by engaging in co-creation with a third country partner, or by customising a recent innovation to the needs of specific markets abroad. Cross-border, cross-continental and cross-sectorial collaboration, innovation and entrepreneurship across different regions and value chains shall be promoted at this partnership forum, which will provide fertile ground for European SMEs to establish long-term R&I collaboration with partners from third country economies for co-creation or commercialisation purposes.

European R&I-driven SMEs that have been supported under Horizon 2020, or under other initiatives in the field of R&I that are supported by the EU (like EUREKA), will benefit from high-quality information and expertise concerning cross-continental R&I cooperation and international market access, but also from a matchmaking service, through the presence of potential clients and/or investors at the forum. The action will foster a network of excellence for the promotion of European born global companies.

Tactics and techniques to tackle potential bottlenecks for R&I cooperation and transcontinental joint ventures will be the subjects of information sessions, which are to propose practical ways forward to European SMEs that are interested in internationalising

their R&I activities. The event will propose opportunities for the European SMEs to present themselves to investors, but also to potential R&I partners. Business-to-Business (B2B) meetings between European SMEs and third country investors and other partners will be organised during the event.

The informative sessions of the event should take into account any existing initiatives at European or national levels that promote R&I cooperation on a cross-continental basis and that are helpful to European SMEs.

The impact of the action will be closely monitored to evaluate results for the SMEs taking part in the event.

Approaches that extend the initiative onto the internet – for instance through linkage with the European Commission's SME internationalisation portal⁶⁹ – will be encouraged.

Expected impact:

- Strengthen industrial leadership in the EU and Associated Countries by creating value chains that allow SMEs to upgrade and customise innovative solutions in order to reach higher impact on third country markets.
- Stimulate the creation of new globally competitive industrial value chains to accelerate the development of emerging industries, which will boost industrial competitiveness and underpin future economic growth, jobs, and progress towards a resource-efficient economy.
- Further leverage and complement support for innovation in SMEs and other funding, which may be provided by national or regional authorities (including under the European Structural and Investment Funds) and/or by private investors (upfront or as follow-up investments), including through joint ventures with third country economy partners.
- Improve the business environment of R&I-driven SMEs by expanding their horizon and removing barriers and bottlenecks for global R&I cooperation. This will lead to the creation of new ideas for innovation and new collaboration partnerships, which will be subject of further development and with the potential for further impact on business turnover.

Type of Action: Public Procurement - one direct service contract

Indicative timetable: First quarter of 2016

Indicative budget: EUR 0.60 million from the 2016 budget

⁶⁹ See <https://webgate.ec.europa.eu/smeip/>.

9. Design and development of a tool to support and improve the decision making process of investors for financing high-growth potential innovative SMES

The Long Term Investment Working Group set up by DG RTD during the Greek Presidency of the Council Conference that took place in Athens on 12 and 13 June 2014 has shown that the lack or dispersion of available data on innovation, of existing analysis of their market potential, as well as the expensive costs to access to both of them, are strong obstacles to assess the technological and financial viability of innovative projects and enterprises for investors.

The Horizon 2020 InnovFin Advisory report on "Access-to-finance conditions for KETs companies" published and discussed on 31 March 2016 in Den Haag during the "Innovative Enterprise – Financing Ideas from Europe" conference of the Dutch Presidency of the Council, confirmed this outcome and allowed to understand more in depth the difficulties faced by innovative SME while attempting to access finance. The report shows the difficulty of the decision making for investors when confronted to high growth potential innovative companies, especially those led by disruptive market-creating innovation. Indeed, enhanced technology and market expertise is needed but not always available to assess the technological viability of projects. Complex technology and "asymmetric knowledge" between the companies and lenders worsen the general risk aversion of investors. Indeed as shown by Nobel Price Akerloff, asymmetries leading to a single price equilibrium mixing different qualities dynamically converge to a market collapse. The transaction cost related to the technological assessment is relatively higher for smaller funding needs.. As a consequence Innovative SMEs struggle to access to finance.

A core solution to improve access to risk finance for innovative enterprises should target these informational asymmetries at their source to help investors decision making by signalling positively technologically rigorous and promising projects, and avoiding a mixed equilibrium between non-viable and viable projects leading to higher interest rate and to the migration of very promising projects outside the EU. Hence, such a solution would lower the risk premium as well as the administrative cost for technological assessment that are ultimately paid by innovative project managers, and therefore should reduce the cost of financing for innovative project managers. Such tool could help improving EU Access to Finance conditions for innovators by better selecting projects, making a better allocation of resources, and a better use of EU private existing fundings by channelling them to companies in position to succeed in their projects, therefore participating to the creation of growth and jobs. Such tool could also help improving the reputation of investing in EU innovative companies by increasing the success probability of such investments which could ultimately lead to attract new investors in the field.

Subject matter of the contract envisaged: technical assistance

Type of Action: Public Procurement - One direct service contract

Indicative timetable: First quarter of 2017

Indicative budget: EUR 3.00 million from the 2017 budget

10. Assessing the Investment Potential of SMEs Emerging from Horizon 2020 activities

This action will be achieved with the assistance of a group of investment specialists, operating in a personal capacity, to assess the investment potential of SMEs emerging from Horizon 2020 activities. The work of the relevant expert sub-groups will be essential to get a better overview of the investment-readiness landscape in Europe, to ensure that entrepreneurs are better prepared to negotiate effectively with potential investors (in particular in the context of Horizon 2020 instruments), to increase the number of investments made into early-stage firms and to ensure a greater commercialisation of scientific knowledge in Europe.

SMEs that are emerging from activities supported under the Horizon 2020 priority 'Societal Challenges' and the specific objective 'Leadership in Enabling and Industrial Technologies' and that are keen on relatively short-term commercialisation of innovation will be particularly supported.

The experts will have expertise in the field of financial instruments, such as bankers, venture capital (VC) and other risk-capital fund managers, business angels, and individuals working in corporate VC, family offices, accelerators and incubators; as a group, they will also have adequate knowledge of the thematic domains under which the innovations under Horizon 2020 are developed. They will be selected on the basis of objective criteria. In order to attract experts of sufficiently high calibre, a special allowance of EUR 450/day will be paid to highly qualified, specialists appointed in their personal capacity who act independently and in the public interest.

Type of Action: Expert Contracts

Indicative timetable: 2016/2017

Indicative budget: EUR 1.00 million from the 2016 budget and EUR 0.50 million from the 2017 budget

11. External expertise

This action will support the use of appointed independent experts for the monitoring of running projects.

Type of Action: Expert Contracts

Indicative budget: EUR 0.17 million from the 2016 budget and EUR 0.15 million from the 2017 budget

12. National support schemes and state aid for RDI-driven SMEs: return on investment

As part of the follow-up to the Commission's revision of the EU State Aid guidelines [the State Aid Modernisation (SAM) exercise which culminated in June 2015], a number of

important policy questions as regards support for research and development and innovation (RDI) and the implementation of the revised guidelines were encountered. In particular these policy implementation issues include national (Member State) evaluation schemes, transparency and the publication of information, and effective financing of SMEs and companies in their growth phase.

Building on the outcome of studies such as "State support schemes for RDI in the EU's international competitors in the fields of Science, Research and Innovation" financed under the Seventh Framework Programme (FP7) and studies on specific support instruments, an expert group will investigate the role of national support schemes and state aid for SME innovation capacity and the extent to which SME competitiveness is increased as a result. A special allowance of EUR 450/day will be paid to the experts appointed in their personal capacity who act independently and in the public interest.

The results of the above-mentioned study, which focuses in particular on international aspects of aid to RDI and the potential impact on international competition, will be an important input and starting point for the expert group. The expert group will be required to examine, analyse and assess policy options in relation to a number of implementation issues that have arisen as mentioned above (and including evaluation schemes, transparency and effective financing) in order to assess the impact of state aid and national support schemes relative to the benchmark targets and analysis established by organisations such as the OECD, the EIB, and academic institutions. Market entry and growth possibilities for small and young companies will be studied in particular. The action is expected to have a duration of 24 months.

Type of Action: Expert Contracts

Indicative timetable: 2016/2017

Indicative budget: EUR 0.12 million from the 2016 budget and EUR 0.12 million from the 2017 budget

13. Eurostars Joint Programming Initiative: Interim Evaluation

An interim evaluation shall be carried out by the Commission in accordance with article 15 of the Decision n°553/2014/EU of the European Parliament and the Council of 15 May 2014. The interim, mid-term evaluation should examine the Eurostars-2 Joint Programme at programme and project level. Special emphasis will be put on the implementation and the economic impact of the programme. The evaluation shall also audit the governance of the programme and assess its evolution in particular as far as its impact in the market is concerned.

An expert group shall be set up to carry out the evaluation of the market-oriented collaborative R&D programme supported by the EUREKA network. A special allowance of EUR 450/day will be paid to the experts appointed in their personal capacity who act independently and in the public interest. The experts will be competent in the field of

evaluating collaborative science and innovation support programs, and support to market-oriented innovation in SMEs.

The results of the mid-term evaluation of Eurostars-2 Joint Programme will be taken into account in the Interim Evaluation of Horizon 2020.

Type of Action: Expert Contracts

Indicative timetable: Fourth quarter of 2016

Indicative budget: EUR 0.12 million from the 2016 budget

14. Fast Track to Innovation Pilot: Final Evaluation

A final evaluation shall be carried out by the Commission. The final evaluation should examine the Pilot at programme and project level. Special emphasis will be put on the economic impact of the programme. The evaluation shall also review the management and governance of the programme. Final recommendations will include a SWOT-analysis of the programme, and will also include recommendations on how to mitigate possible weaknesses and address possible risks.

An expert group shall be set up to carry out the evaluation of the pilot. A special allowance of EUR 450/day will be paid to the experts appointed in their personal capacity who act independently and in the public interest. The experts will be specialised in assessing close-to-market innovation support programs at the transnational level.

Type of Action: Expert Contracts

Indicative timetable: First quarter of 2017

Indicative budget: EUR 0.12 million from the 2017 budget

15. Eureka Annual Membership Fee

This action will support coordination activities aimed at increasing complementarities and synergy between EUREKA and the Horizon 2020 Programme in areas of common interest. The EU is a member of EUREKA and, as such, contributes to the budget of the EUREKA Secretariat. Membership fees are expected to total about EUR 2 million for the whole duration of the Horizon 2020 Programme.

Legal entity: EUREKA Secretariat is an "Association Internationale sans but lucratif"(AISBL) under Belgian Law located in Brussels, Rue Neerveld, 107 B-1200.

Type of Action: Subscription

Indicative timetable: 2016/2017

HORIZON 2020 - Work Programme 2016 - 2017
Innovation in SMEs

Indicative budget: EUR 0.27 million from the 2016 budget and EUR 0.27 million from the 2017 budget

Budget⁷⁰

	Budget line(s)	2016 Budget (EUR million)	2017 Budget (EUR million)
Calls			
H2020-SMEInst-2016-2017		See footnote ⁷¹	See footnote ⁷²
H2020-INNOSUP-2016-2017		28.20	25.90
	<i>from 02.040203</i>	26.20	25.90
	<i>from 08.020203</i>	2.00	
Other actions			
Expert Contracts		1.42	0.97
	<i>from 02.040203</i>		0.08
	<i>from 08.020203</i>	1.42	0.89
Public Procurement		2.75	3.70
	<i>from 02.040203</i>	2.15	0.70

⁷⁰ The budget figures given in this table are rounded to two decimal places.

⁷¹ To which EUR 11.37 million from part 5 iii (budget line 02.040201) and EUR 5.31 million from part 12 (budget line 02.040301) and EUR 15.81 million from part 9 (budget line 05.090301) and EUR 15.72 million from part 11 (budget line 06.030301) and EUR 39.33 million from part 5.ii (budget line 08.020201) and EUR 35.00 million from part 8 (budget line 08.020301) and EUR 19.15 million from part 9 (budget line 08.020302) and EUR 23.00 million from part 10 (budget line 08.020303) and EUR 41.85 million from part 11 (budget line 08.020304) and EUR 19.69 million from part 12 (budget line 08.020305) and EUR 7.80 million from part 13 (budget line 08.020306) and EUR 60.00 million from part 5.i (budget line 09.040201) and EUR 18.00 million from part 8 (budget line 09.040301) and EUR 3.00 million from part 13 (budget line 09.040302) and EUR 6.00 million from part 14 (budget line 09.040303) and EUR 9.37 million from part 14 (budget line 18.050301) and EUR 23.00 million from part 10 (budget line 32.040301) will be added making a total of EUR 353.40 million for this call

⁷² To which EUR 12.60 million from part 5 iii (budget line 02.040201) and EUR 5.82 million from part 12 (budget line 02.040301) and EUR 15.94 million from part 9 (budget line 05.090301) and EUR 16.93 million from part 11 (budget line 06.030301) and EUR 42.82 million from part 5.ii (budget line 08.020201) and EUR 80.00 million from part 8 (budget line 08.020301) and EUR 34.35 million from part 9 (budget line 08.020302) and EUR 25.00 million from part 10 (budget line 08.020303) and EUR 44.30 million from part 11 (budget line 08.020304) and EUR 30.18 million from part 12 (budget line 08.020305) and EUR 8.40 million from part 13 (budget line 08.020306) and EUR 66.00 million from part 5.i (budget line 09.040201) and EUR 12.50 million from part 8 (budget line 09.040301) and EUR 3.00 million from part 13 (budget line 09.040302) and EUR 4.50 million from part 14 (budget line 09.040303) and EUR 10.17 million from part 14 (budget line 18.050301) and EUR 25.00 million from part 10 (budget line 32.040301) will be added making a total of EUR 437.51 million for this call

HORIZON 2020 - Work Programme 2016 - 2017
Innovation in SMEs

	<i>from 08.020203</i>	<i>0.60</i>	<i>3.00</i>
Grant to Identified beneficiary		9.20	9.05
	<i>from 02.040203</i>	<i>9.20</i>	<i>9.05</i>
Subscription		0.27	0.27
	<i>from 08.020203</i>	<i>0.27</i>	<i>0.27</i>
Estimated total budget		41.84	39.89