

FAQs SME Instrument

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01_Target group, role of partners & subcontractors

Can individuals apply before the company is established? Can a very small and young company apply?

Those SMEs are legally not excluded, but the commission aims at SMEs with HIGH growth potential with at least European market potential; as a start-up or very small company this might be difficult to argue, but most important will be the POTENTIAL.

Is there any definition of "innovative" SME? Are there criteria to justify that a SME is "innovative" enough to apply for the SME Instrument? How can a SME justify this?

Innovation has many facets; important ones are of course SUCCESS. How many new products/ technologies have your company launched successfully in the past years, how many patents filed, etc.? If you can show this for past innovations, evaluators might trust you that with your new idea you will be successful again.

What are the aspirations an SME has to have to be judged having a high growth potential (in revenues, employees - absolute number / percentage)?

The high growth potential is intended to help Europe achieve the EUROPE 2020 goals which is: jobs, jobs, jobs!

Can an SME be a partner in consortium but still be a subcontractor for other consortium?

As subcontractor that MIGHT be possible, but as PARTNER definitely NOT.

If an SME participates in another (non SME instrument) H2020 project, can this SME apply for an SME instrument proposal, too?

Yes, the restriction is only WITHIN the SME instrument

Can an SME participate as a partner in a consortium for e.g. PHC23 and also apply for an SME Instrument? We are currently applying for a project under LEIT: is this possible without colliding with the SME call?

An application for a collaborative project is not interfering with an application for the SME instrument.

An SME can apply only ONCE, is this calculated per phase or overall?

As long as your company has an application for phase 1 or 2 open, OR has a phase 1 or 2 project running, you cannot apply again. For phase 3 application which is not yet possible, we do not know.

May a consortium consist of e.g. 2 partners from one country?

No problem from where your consortia partners are coming from, provided that the SMEs are established in a EU-member state or associated country; SMEs can be from the same country - but make sure that you can show that the business idea will be disseminated Europe-wide esp. internationally (which might be easier with partners from different member states).

Can a research organisation participate as consortium member to develop RTD activities or should it be considered as subcontracting entity? Also in which phase should research organisations appear, already in phase 1 or in phase 2, where the RTD activity is conducted?

Research organisations can only be subcontractors, this is possible in both phases (depending on the topic); it depends on the applicants - what they intend to do during the phase 1 or phase 2, and for which kind of activities they ask for funding.

Is it essential that the consortium is preserved between Phase 1 and 2?

As phase 1 and phase 2 will be considered as different projects, and for different steps in the innovation cycle you might need different partners, yes you can change partners.

02_SME Instrument Phase 1 – template

If I understood well, only 1 WP is included in Phase 1. Management and dissemination WP are therefore not compulsory?

Phase 1 = 1 WP (feasibility study) with 1 deliverable (feasibility report, including a business plan)

03_SME Instrument Phase 2

Do we have equal chances to receive phase 2 by applying directly compared to someone going through phase 1 before?

The Commission would like to give higher chances for phase 2 applicants, but of course this depends on the number of applicants. SMEs that have gone through phase 1 first MAY have some advantage when applying to phase 2 - as the Commission likes to have SME go through all the phases (make it properly).

04_Financial issues

When will the lump-sum for Phase 1 be paid?

The lump sum will be paid in two portions - 40% with project start, the rest afterwards, at end of project. The projects that you might get financed as phase 1 and phase 2 are seen INDEPENDENTLY.

Are the 50.000 EUR for subcontracting or for internal personal costs?

The 50.000 EUR can be used for any kind of activity (personnel costs, subcontracting, costs for patent search etc).

Should the costs for Phase 1 be shown in the final report? What is the hourly rate of internal hours in phase 1?

The commission does not ask for financial details, so no hourly rate; just try to reach the 71,000 euro (of which the 70% will be reimbursed as the lump sum).

05_ Technology readiness levels – TRLs

How advanced should be the technology to apply for Phase 1?

TRL 6

Which TRL is related to Pre-clinical Studies for a drug?

Pre-clinical studies would be TRL 3 (maybe even lower); for the commission, clinical studies phase I and II is still research (could be TRL 4); so far we have never received such a "translation" of TRLs into medical research but will push for it.

Is TRL6 dedicated to the start or at the end of the project?

TRL6 is the minimum to start. At the end of phase 2 you should have achieved TRL9.

06_ Partner description

How extended should the CVs be? Is a 5-6 lines summary sufficient?

For the section 4 talking about the members of consortium, there is no page limit; but for sure you should not go too much into details - and only list experiences relevant for your proposal. Try to be precise and to the point.

07_ PHC12-2014/2015 Topic related questions

What is the definition for a Known biomarker? What do you understand by drug biomarker? How do I need to interpret the and/or in the Health call?

Please use the definitions as shown here (and please see also the corresponding literature)

A **biomarker** is a characteristic that is objectively measured and evaluated as an indicator of normal biologic processes, pathogenic processes, or pharmacologic responses to a therapeutic intervention (NHI Biomarkers Definitions Working Group; 2001)

A **valid biomarker** is defined as "a biomarker that is measured in an analytical test system with well-established performance characteristics and for which there is an established scientific framework or body of evidence that elucidates the physiologic, toxicological, pharmacologic, or clinical significance of the test results

(FDA. Guidance for industry - pharmacogenomic data submissions. 2005)

Feasibility assessment: could this be clinical trials?

No, the feasibility assessment in phase 1 is addressing activities like risk assessment, description of bottlenecks, market study, user involvement, IP regime, partner search etc. Clinical studies are activities planned in phase 2.

Isn't PHC-12 funded at 100% in Phase 1 as well?

Yes for the PHC topic, funding rate is 100%

08_Submission

How do we know if our SME needs to be checked in participant portal?

Any SME must be (re)checked, if it was not validated within the last two years.

So is there a specific proposal template for Phase 1 PHC12, with the 100% funding rate in the table?

Yes. You can download it under

http://ec.europa.eu/research/participants/data/ref/h2020/call_ptef/pt/h2020-call-pt-sme-1_en.pdf

How come the first cut-off date for Phase 2 in October 2014 when the first cut-off for phase 1 is June 2014, less than four month before? For the coming PHC-12 call, can we directly ask for a Phase 2 project?

Yes. In principle you can directly apply for phase 2; this really depends on how far advanced you are with your market assessment/business plan (for phase 2 you really need some deep insight into your market and competitors!) At the end of phase 1, you will write a short final report. As summary of your findings, you will come up with a conclusion of your feasibility study.

This can be: yes it is feasible, but we need xyz budget for conducting this and this --> go and apply for phase 2; if you come to other conclusions (no freedom to operate; no market, market not attractive enough or too complicated,...) you will of course NOT continue the development and not apply for phase 2.

If the Phase 1 deadline is June, when would a successful SME be able to apply for Phase 2 (as the cut off for Ph2 is October 2014)?

You can apply for phase 1 at any time. If your proposal is above threshold, commission will collect proposals above threshold until the cut-off date and then create a ranking list. Proposals ranked highest (until budget limit is reached) are offered a contract. Time to contract might then take 2 -3 more months so that realistically speaking you will start with your phase 1 (or phase 2 project) sometime in autumn this year.

09_Evaluation

Once Phase 1 has been completed, the results will be somehow evaluated? Or will they be evaluated when presenting the application for Phase 2?

The obtained results in phase 1 will be reported at the end of this phase, but not evaluated once again. However, those results are the basis for the application in phase 2 (and consequently will thus be evaluated when submitting a proposal for phase 2).

How many evaluators are there / application?

At least 2 evaluators are planned to evaluate a proposal.

Proposals with marks above the thresholds but ranked low and not funded will still be in the list in the next cut-off date? Or will they be rejected so the applicant can make improvements?

They will be rejected with the possibility to resubmit an improved version.

How we should make sure that an evaluator does not have to see our proposal because of confidentiality reasons or competitive reasons?

During the submission process you can name up to 3 people (companies) you wish to exclude; honestly, I would also write it on the cover page of part B.

10_Success rates

Is the 10% success rate estimated from Phase 1 to Phase 2?

10% success is anticipated to be the success when APPLYING for phase 1.

11_Reporting

What are the reporting exigencies in Phase 1?

You have to provide a report at the end of the project. This will comprise a business innovation plan, recommendations for further, additional activities and your private financing needs as well.

During the implementation of Phase 2, will there be also "reporting periods" with project reviews by the EC as in FP7's Research for SMEs?

Yes, reporting periods such as once a year; the general rules H2020 apply.

12_Business Coaching

Do we know already how/who will provide the complementary business coaching?

Business Coaches are selected from a pool that is offered by the EC. You will select one of them based on his/her expertise, as of course there are specialists in the particular fields that can assist you. Together with the coach you will work on a coaching plan for phase 1 and coaching will be important also to help you in preparing the application for phase 2. This procedure is intended to be accompanied by the Enterprise Europe Network (EEN).

Business Coaches specialised in a sector are available?

Yes.

How can we become a member of the coaching pool? Is the pool of experts for coaching defined until 2020 or still open for submissions (and if so how)?

EASME is working on a database that is not ready yet. EEN will be included in this.