SMEs in Horizon 2020 – SME instrument in 2014-2014 calls

In addition to participating as a consortium member in collaboration projects small and medium-sized enterprises will be encouraged to participate across Horizon 2020 programmes through a new dedicated three-phased SME instrument. It aims to fill gaps in funding for early-stage, high-risk research and innovation by SMEs as well as stimulating breakthrough innovations. The European Commission has set a 20% budgetary target for SME funding in LEIT & SC (of which collaborative projects 2/3, SME instrument 1/3).

SME Instrument:
- Targeted at innovative SMEs showing a strong ambition to develop, grow and internationalise
- Only SMEs will be allowed to apply for funding and support - single company support possible
- Bottom-up approach within the frame of the societal challenges and enabling technologies - each SC & LEIT defines a broad topic
- No obligation for applicants to cover all three phases; each phase open to all SMEs
- Combination of demonstration activities (testing, prototyping etc.), market replication encouraging the involvement of end users or potential clients, and research
- Mentoring & coaching to accelerate impact from support provided
- Funding rate 70% ("close to market projects") + indirect cost flat rate 25%

Phase 1: Concept and feasibility assessment - Lump sum of ≤ 50 k€ ~ 6 months

Phase 2: R&D, demonstration, market replication - € 1-2.5 billion EC funding ~ 12 to 24 months
Input: "Business plan 2" plus description of activities under Phase 2 (~ 30 pages). Activities: Development, prototyping, testing, piloting, miniaturisation, scaling-up, market replication, research -> Output: "Investor-ready Business plan 3"

Phase 3: Commercialisation - No direct project funding. Aims to promote instrument as quality label for successful projects, facilitate access to private finance, support via networking, training, information, addressing i.a. IP management, knowledge sharing and dissemination. SME window in the EU financial facilities (debt facility and equity facility), possible connection to public procurement activities.

Calls for the years 2014–2015:
H2020 specific challenges of the topics which make use of the dedicated SME instrument are described in the respective parts of the WP 2014-2015. List of topics and indicative budgets (€ million 2014+2015):

5. Leadership in enabling and industrial technologies (LEIT)
5i. Information and Communication Technologies
5ICT-35-2014/2015 Open Disruptive Innovation Scheme (ODI) (45 + 45)
5iii. Nanotechnologies, Advanced Materials, Biotechnology and Advanced Manufacturing and Processing
5NMK-26-2014/2015 Accelerating the uptake of nanotechnologies or advanced materials by SMEs
5NMK-27-2014/2015 Accelerating the uptake of research in the fields of advanced manufacturing and processing by SMEs (NMK-26/NMK-27 21,8 + 23,8)
5BIOTEC-5-2014/2015 SME boosting biotechnology-based industrial processes driving competitiveness and sustainability (3,8 + 2,4)
5iii. Space “SME Instrument” 2014 and 2015 - bottom-up within the theme (8,5 + 8.75)
8. Health, demographic change and wellbeing
PHC-12-2014/2015 Clinical validation of biomarkers (66,1 + 45,1)

9. Food security, sustainable agriculture and forestry, marine and maritime and inland water research and the bio-economy
SFS-8-2014/2015 Resource-efficient eco-innovative food production and processing (9 + 17)
BG-12-2014/2015 Supporting SMEs efforts for the development - deployment and market replication of innovative solutions for blue growth (3 + 5)

10. Energy Challenge
EE-17-2014/2015 Development and demonstration of energy-efficient products, processes and services by SMEs (6 + 9)
LCE-22-2014/2015 Exploiting the R&I potential of SMEs in a low carbon energy system (27,97 + 28,26)

11. Smart, green and integrated transport
IT-1-2014/2015 Small business innovation research for Transport (35,87 + 38,96)

12. Climate action, environment, resource efficiency and raw materials
SCS-20-2014/2015 Boosting the potential of SMEs for eco-innovation and a sustainable supply of raw materials (17 + 19)

13. Europe in a changing world – inclusive, innovative and reflective Societies
REFLECTIVE-11-2015 Innovative use of cultural heritage by SMEs (0 + 4)
INT-14-2015 A business model and forum for internationally sharing the innovation of social entrepreneurship (0 + 0,35)
INSO-9-2014 Innovative mobile e-government applications by SMEs (4 + 0)
INSO-13-2015 SME business model innovation for inclusive societies (0 + 6,65)

14. Secure societies – Protecting freedom and security of Europe and its citizens
DRS-18-2014/2015 Critical infrastructure protection topic 7: SME instrument topic: “Protection of Urban soft targets” (7 + 7,4)


Other possibilities for SMEs:

Fast Track to Innovation pilot action (FTI) will be implemented in the form of a full scale pilot action to be launched in an FTI call in 2015. 100 proposals with an expected budget of around €200 million are foreseen to be funded under the new pilot action. It will support innovation actions under the specific objective “Leadership enabling and industrial technologies” and under the societal challenges, relating to any technology field.

Furthermore, SMEs will also be encouraged to participate in other parts of Horizon 2020, such as the Marie Skłodowska-Curie actions or the activity on Future and Emerging Technologies.

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Online Sources of Information:
• SME-Techweb: http://ec.europa.eu/research/sme-techweb
• European Commission Participant Portal: http://ec.europa.eu/research/participants/portal/page/home
• EU Research and Innovation Programmes: http://www.tekes.eu