

“H2020 SME INSTRUMENT– Project Writing Camp”

Evaluators’ Approach

Yasemin Eda Erdal

Training Expert & Evaluator

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To cross the SME Instrument bridge:

Question:

Does this solution have a potential to become a big business?

Does it solve a real problem for many potential customers all over the world?

Password: Yes !



SME Instrument Success Rates in Turkey for Phase 1

	# of Applications	Successful Applications	Success Rate
2014	122	3	2,4 %
2015	124	4	3,2 %
2016	249	4	1,6 %
2017	N/A yet	2 %
Average	556	13	2,3 %



SME Instrument Success Rates in Turkey for Phase 2

	# of Applications	Successful Applications	Success Rate
2014	31	3	9,6 %
2015	37	1	2,7 %
2016	41	1	2,4 %
2017	N/A yet	2 %
Average	125	7 *	4,8 %

**6 of them are as coordinators, 1 of them as a partner*



Proposal Drafting

Max. 10 pages for Phase 1 and max 30 pages for Phase 2 technical annex

- Impact !
- Excellence
- Implementation

Business plan-logic

- Market relevance and positioning / exploitation strategy (IPR!)
 - Financing needs / framework conditions
 - Return on investment?
- Intended outcome, key performance indicators/success criteria.



Proposal Evaluation

- Fully remote
- Panel of four independent experts with **commercial and financial expertise!**
- Evaluators are mostly: private investors, finance experts, experienced and serial entrepreneurs, business and management consultants, senior managers
- Median of 4 evaluators
- Thresholds: **overall 13/15 for Phase 1 and 12/15 for Phase 2;** score for "**Impact**" needs to be **4/5 or higher!**

Evaluation Criteria

- Impact
- Excellence in innovation
- Quality and efficiency of the implementation

Evaluation Criteria- Impact

- Enhancing innovation capacity and integration of new knowledge
- Strengthening the competitiveness and growth of companies by developing innovations meeting the needs of European and global markets
- Other environmental and socially important impacts
- Effectiveness of the proposed measures to exploit and disseminate the project results



Evaluation Criteria- Excellence

- Clarity and pertinence of the objectives
- Credibility of the proposed approach
- Soundness of the concept, including trans-disciplinary considerations
- Ambition, innovation potential and comparison with the state of the art.

Evaluation Criteria- Implementation

- Coherence and effectiveness of the work plan, including appropriateness of the allocation of tasks and resources
- Complementarity of the participants within the consortium
- Appropriateness of the management structures and procedures, including risk and innovation management
- Appropriateness of the budget



What to Consider when Preparing a Proposal?

1. Disruptive Technology

- Disruptive technology is an innovation that creates a new market and value network and eventually disrupts an existing market and value networks, displacing established market leading firms, products and alliances.
- Instead of competing with the alternative products they create new demand in the market and they create their “blue ocean”, where there is no competition
- Examples: Skype, Ipad, Digital photography, smart phones, e-mail, Google

2. Technology Readiness Level at min 6

Technology readiness
levels (TRL)



Horizon 2020
Work Programme 2016-2017

General annex G of the Work programme 2016-2017,

Where a topic description refers to a TRL, the following definitions apply:

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

3. Big and Accessible Market and Superiority to Competitors

- Initial market research should have been done and detailed target market and competitor knowledge should be reflected in the proposal.
- Impact Criteria, where the market potential of the proposed innovation is evaluated, has the highest multiplier in the overall evaluation of the proposal
- The advantages of the product in the following areas should be emphasized:
 - Technology and its protectability (IPR)
 - Business Model
 - Access to markets and customers
- When the superiority/advantages against competitors is stated, you should use measurable indicators; such as 25% less energy consumption, 30% shorter ROI period.

4. *Growth Potential of the Company*

- The impact of the proposed innovation on the company turnover, profitability and employment levels should be emphasized. You shouldn't forget that the main motivation of this program is to create global companies that will compete with US and Asian companies.
- Therefore a 5 year cash flow estimation and employment estimation should be made in the proposal.

5. Strong Team & Management Capabilities

- When proposals are evaluated, what is more important than the proposed idea is to convince the evaluator that this company is capable of successfully implementing this idea.
- And the most important factor behind this is the Human Capital!
- Therefore the proper introduction of the whole team and their appropriateness to the relevant position is very important.
- A balanced team composed of both technical and management people is very important.

6. Strong European Dimension

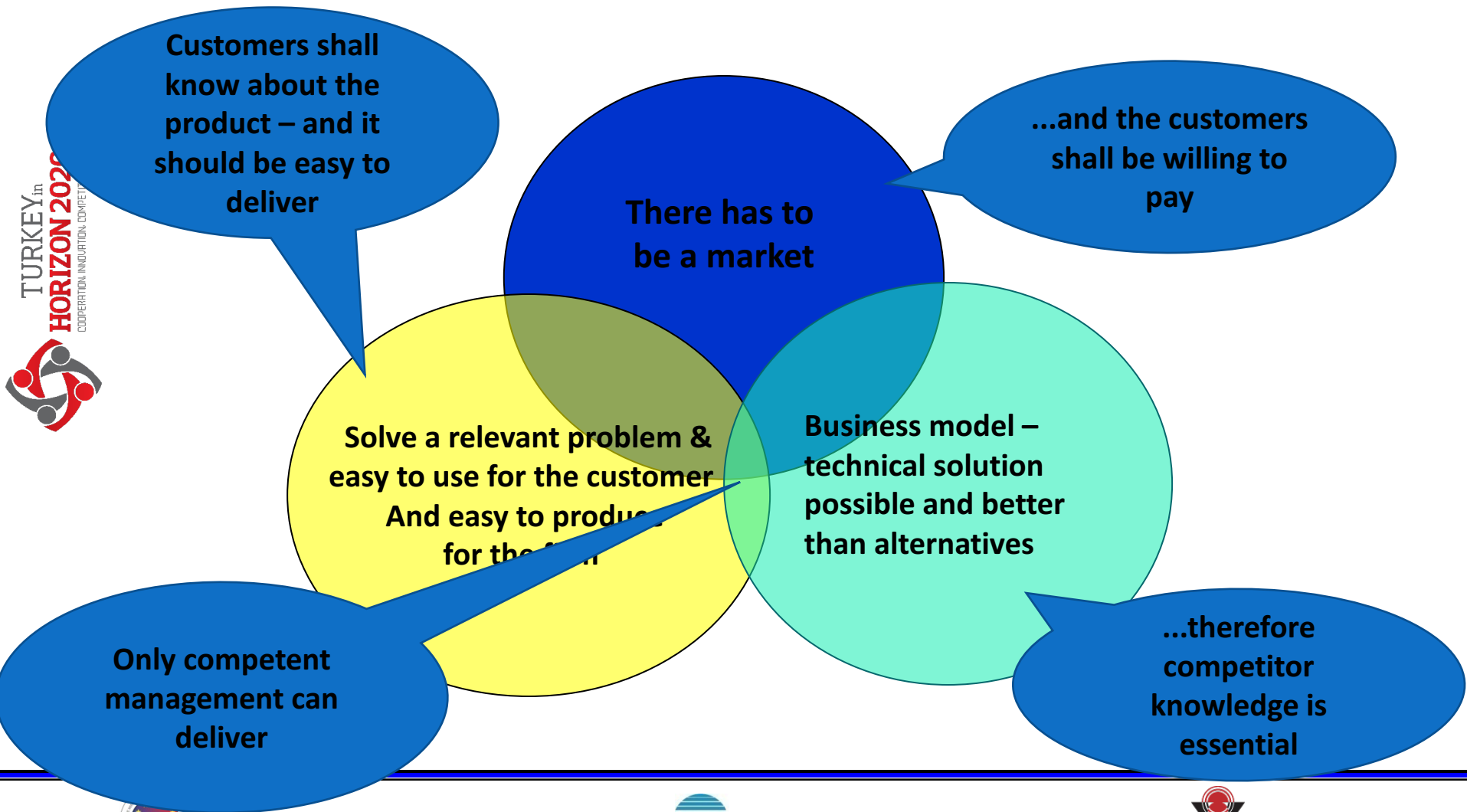
- What HORIZON 2020 aims is to provide solutions to European problems. Therefore the scope of the proposed innovation should address at least most of Europe instead of a partial solution.
- The mission, the vision and the targeted geography should address a wide region. It shouldn't be limited to home or only neighbouring countries.
- Also when making a competitor analysis, you should make a comparison against European and global competitors.

Key Points- Summary

- Disruptive solution
- TRL 6
- Innovation activities instead of R&D
- Big and accessible market
- Superiority to competitors in terms of;
 - technology
 - commercialization strategy
 - implementation capacity
- Strong European dimension
- High growth on turnover and employment of consortium members
- Strong company profile, sufficient infrastructure and intangible resources, balanced human resources and relevant experiences



Eligibility Check



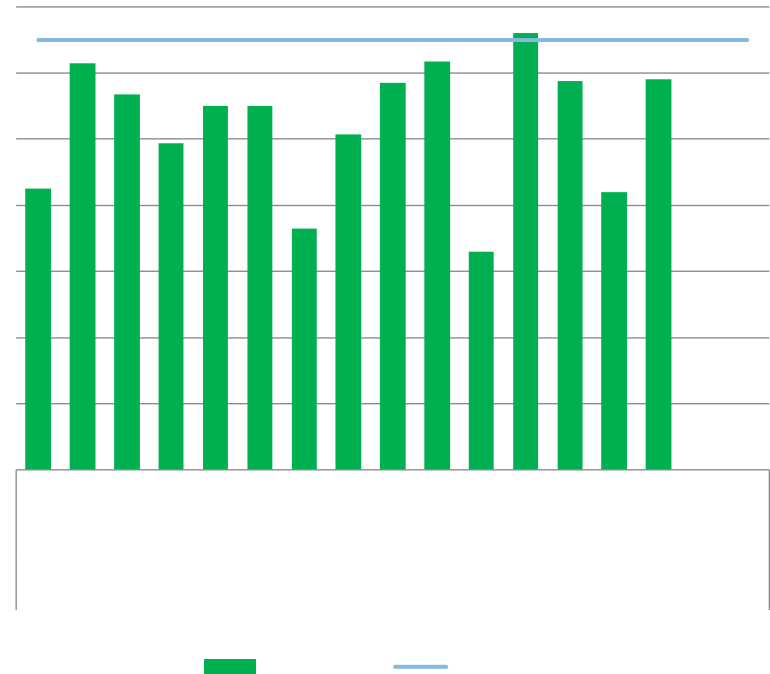
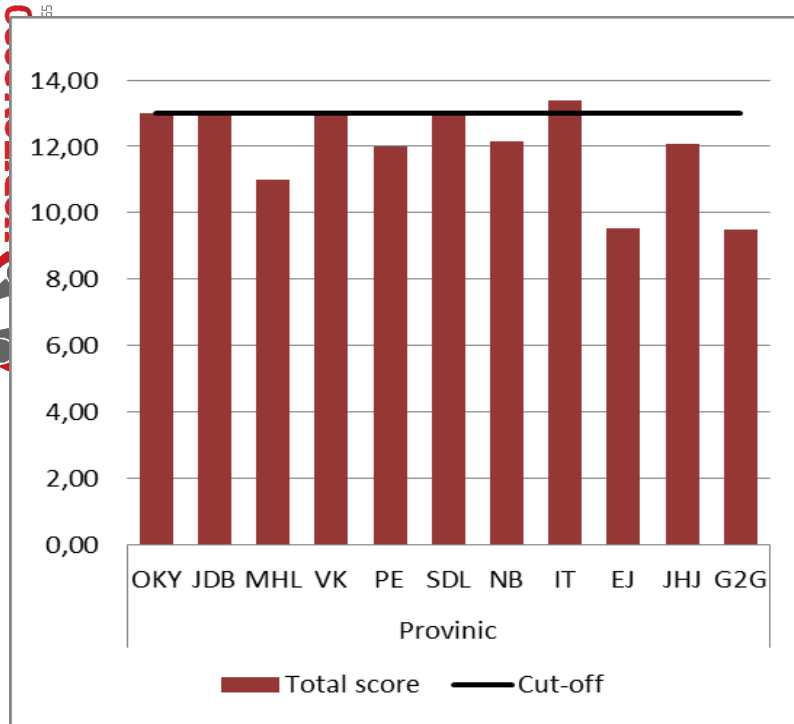
Main Mistakes Done in Proposals:

- Too much focus on technology rather than business opportunity
- Not enough/ convincing info on USP (Unique Selling Proposition)
- Not convincing about its market potential
- Missing market analysis to assess competition
- Innovation dimension is too low, rather incremental improvement
- Mainly ideas, with little effort on commercialisation concept
- Weak team- not balanced in terms of experience and abilities

Different Perspectives on Evaluation

Academician, Researcher

Investor, Consultant



Contact:

Office Address

Turkey in Horizon 2020 Project
No:6/2 Mustafa Kemal Mah. 2119. Sok.
06520 Çankaya/Ankara, Turkey
Tel: +90 312 219 69 80
<http://www.turkeyinh2020.eu/>

Teşekkür ederiz!

Thank you!

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