



This project is co-financed by the  
European Union and the Republic of Turkey

Bu proje Avrupa Birliđi ve Türkiye Cumhuriyeti tarafından  
finanse edilmektedir



Technical Assistance for Turkey in Horizon 2020 Phase-II  
EuropeAid/139098/IH/SER/TR

# Turkey in Horizon 2020 II

## SME Webinar 6

### Turkish SMEs bidding for H2020 funding – an overview

*Yasemin Eda Erdal*



REPUBLIC OF TURKEY  
MINISTRY OF INDUSTRY  
AND TECHNOLOGY



COMPETITIVE  
SECTORS  
PROGRAMME

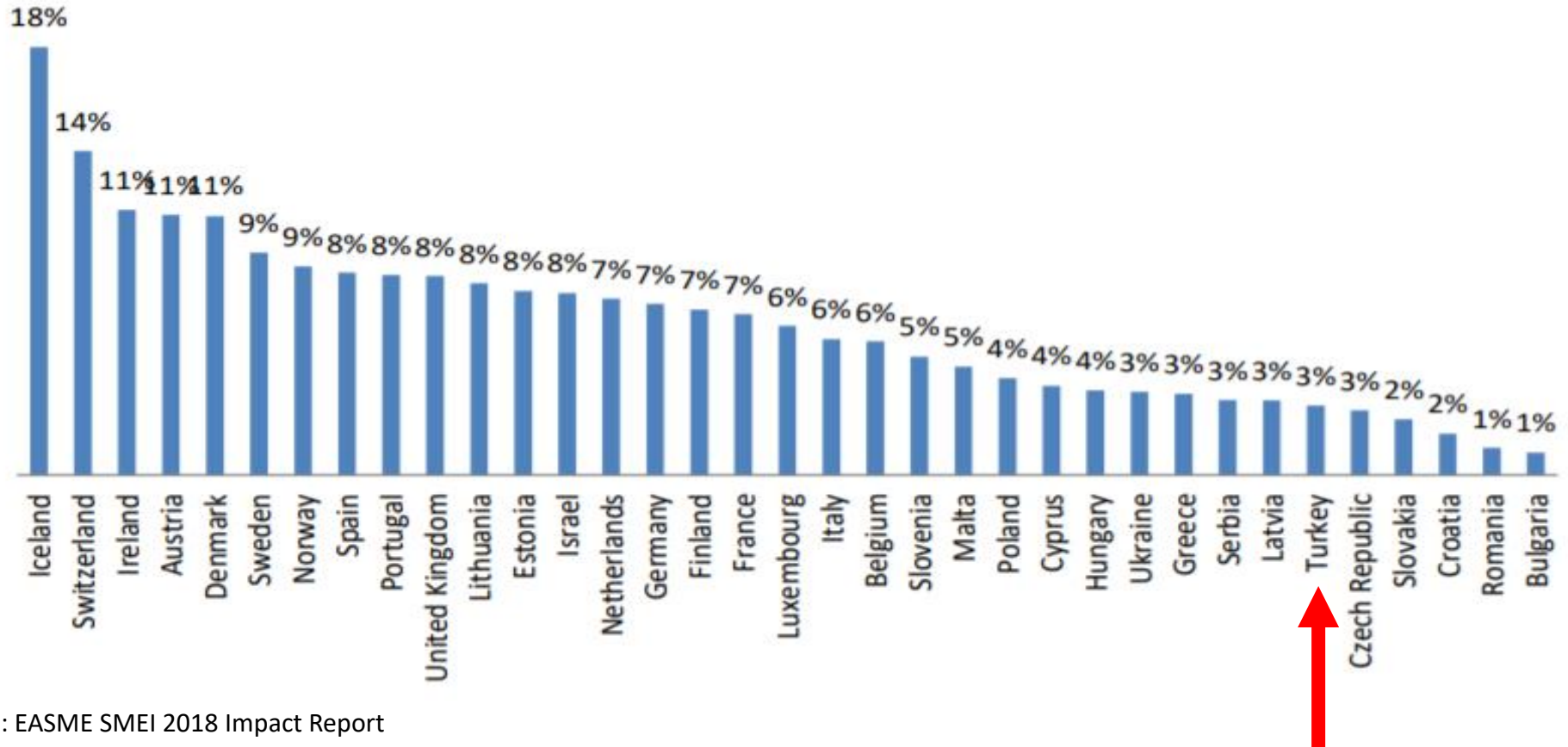


TÜBİTAK

# Short Bio

- Deputy Project Director of Turkey in H2020 Project and Manager of IDI's Turkey Office;
- Over 14 years of professional experience in Technology Transfer, Innovation Management, Proposal Evaluation
- Worked for 9 years in largest technoparks in Turkey
- Between 2014-2018 acted as an External Evaluator for H2020 SME Instrument Programme and for H2020 Fast Track to Innovation Programme.
- Evaluated almost 300 proposals
- Written 12 successful proposals (7 x Phase 1 and 5 x Phase 2)
- Written 20 proposals scoring above threshold (Seal of Excellence)

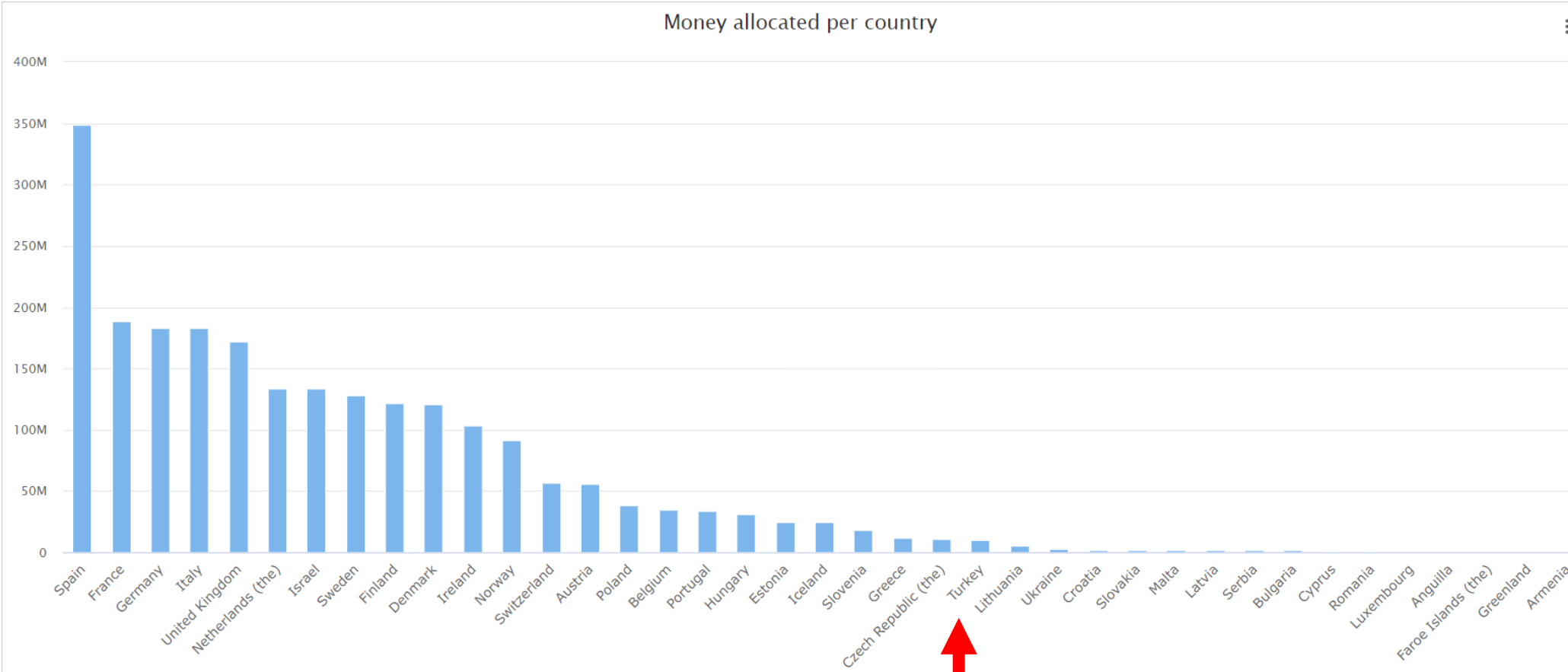
# Success Rate of Turkey vs. EU Average



Source: EASME SMEI 2018 Impact Report

# Funds Allocated per Country - SME Instrument (2014-2019)

Money allocated per country



9.811.800,23 €

# Statistics of Turkey in SME Instrument / EIC Accelerator (2014-2020)

## Phase 1

Year	Number of Winners from Turkey
2014	3
2015	4
2016	4
2017	8
2018	7
2019	16

## Phase 2

Year	Number of Winners from Turkey
2014	3
2015	1
2016	1
2017	3
2018	0
2019	2
2020	0

# ***What are the reasons for Turkey's low success rate?***

# Most companies are lacking strategic views

- Not fully aware of their potential - less ambitious
- Too easily satisfied with 'more of the same' –some don't want to grow!
- Sometimes there is poor 'absorptive capacity'- not open to outsiders' recommendations/views/opinions
- Little awareness of what competitors are doing
- Short-sighted on markets and what influences them
- Little investment in marketing or product development– prefer spending funds on physical items!
- Many businesses still do very well despite these issues – but they could easily do so much better!

# Some issues from SMEs we have met...

- Proposed product already exists in several countries
- They don't use company's main sector/technology expertise
- Developing products outside core target market or customer base
- More investment in time/funding is needed than they have available – *project not sustainable from the start!*
- Company too busy to develop essential strategy
- Too busy to spend enough time preparing H2020 bids to the required standard
- Confusion over business and associated revenue models
- Not enough manpower to assess and market internationally
- Businesses often managed wholly by technical people



# ...in summary

- Businesses find it easier to apply for national R&D grants
- Often no formal business strategy
- Projects simply respond to customer requests – customer takes control of R&D and no appreciation of wider market
- Not focused on marketable product: instead R&D project based business model
- Poor balance of management skills – mainly technical/scientific...
- ... therefore, technology and research is what really excites them!

# But it is not a desperate situation !

- Very talented, very smart engineers and scientists
- Very good technological developments in Technoparks
- Increases in national Venture Capitalist and private funds, which in turn is increasing the motivation of tech companies to be more market oriented
- TÜBİTAK is very supportive in Horizon application process - both technical and financial - and highly motivating coordinator support and grants

( <https://ufuk2020.org.tr/en/supports-and-awards> )

# How could SMEs do better?

- Essential to go through a full strategy review process before attempting a formal application
- Be committed to making the investment in time and money
- Essential data should be gathered ahead of drafting a formal business plan
- Good foundation needed before building a bid!
- Without these processes a bid simply becomes a time-consuming form-filling exercise in an often failed attempt to win funding



# How could we improve the situation further?

- Accelerator proposal is not just a regular grant proposal it reflects the business plan of your company
- Essential to have regularly updated 1-3-5 years Business Plan/Strategy document for company
- The application process needs a change in the mindset of the SME founders/ managers
- It needs more than participation in just 1-2 days of training. So be ready to commit more time!
- Management has to be fully involved in the preparation of proposals even if professional consultants are used
- No external person can know your business or your strategy better than you. They can just guide you – you must guide them!



# Pitching Bids to EC Judges

- The most important criteria the judges will be evaluating will be TEAM, TEAM, TEAM!
- Actual examples from Team related panel questions:
  - Who is the CEO?
  - What will be the value of your company in 5 years with and without the funding?
  - What are the tasks allocated to working company shareholders?
  - Balanced team dynamic?
  - Who will sell the product? Which markets first, and why?
  - Does the person in charge of sales have any sales experience in that specific sector?
  - What % of team members are women?
  - Why are there so few women in your team?



# Pitching (Cont.)

- Business and Revenue Model will be under close scrutiny
- Give real life examples based on actual experience
- B2C model - convince judges with real numbers such as take-up of beta software version, number of visitors to an App, etc.
- B2B model - tell panel about existing relations/connections/sales to potential customers
- Be consistent and confident with cash flow assumptions - judges may calculate during pitch and may conclude Cash Flow expectations are unrealistic!
- Try to make as many pitches as possible in front of VCs even if you are not actually looking for one
- Final Recommendation - Practice makes perfect!

Thank you!  
Any Questions?



REPUBLIC OF TURKEY  
MINISTRY OF INDUSTRY  
AND TECHNOLOGY





Contact:

Office Address

*Turkey in Horizon 2020 Project  
And Sokak 8/12 Akasya Apt. 06680 Çankaya/Ankara  
06520 Çankaya/Ankara,Turkey  
Tel: +90 312 467 61 40  
<http://www.turkeyinh2020.eu/>  
info@TurkeyinH2020.eu*



REPUBLIC OF TURKEY  
MINISTRY OF INDUSTRY  
AND TECHNOLOGY



COMPETITIVE  
& INNOVATIVE  
GROWTH PROGRAMME



TÜBİTAK



Teşekkür ederim!

Thank you!



REPUBLIC OF TURKEY  
MINISTRY OF INDUSTRY  
AND TECHNOLOGY



COMPETITIVE  
AND INNOVATIVE  
PROGRAMME



TÜBİTAK