



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

Bu proje Avrupa Birliđi ve Türkiye Cumhuriyeti tarafından
finanse edilmektedir



TURKEY_{in}
HORIZON 2020
COOPERATION. INNOVATION. COMPETITIVENESS

Technical Assistance for Turkey in Horizon 2020 Phase-II

EuropeAid/139098/IH/SER/TR

Turkey in Horizon 2020 II

Overview of EIC Accelerator

Full Application Process

Project Writing Training PWT13

Online, 14:00 – 17:00

10th March 2022



REPUBLIC OF TURKEY
MINISTRY OF INDUSTRY
AND TECHNOLOGY



COMPETITIVE
SECTORS
PROGRAMME



TÜBİTAK

Philip Sowden



Background in manufacturing, R&D and Project Management

SME programmes at regional, national & International levels

Worked with EC for over 30 years

SME Key Expert on two previous projects in Turkey

Responsible for SME programmes in the present project

Visited and advised over 150 Turkish SMEs



Today's Presentation

We shall take a look at....

- The EIC Accelerator
- The Full Application Process
- Feedback from evaluators and judges
- How to improve your chances of success



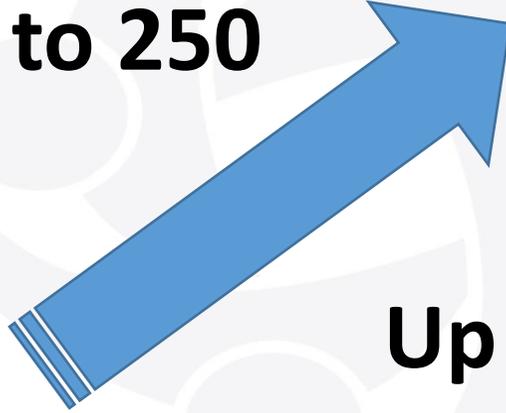
What is the purpose of EIC?



Mainly aimed at SMEs...



1 to 250



Up to €50m turnover



SMEs are vital to Turkish economy



99.8% of Enterprises
73.8% of Employment
64.5% of GDP



€1.16 billion spend in 2022

EIC programmes

PATHFINDER

TRANSITION

ACCELERATOR

PATHFINDER

PATHFINDER funds **research to develop
the scientific basis
to underpin breakthrough technologies**

TRANSITION

TRANSITION supports the **maturation
and validation of novel technologies**
beyond proof of principle (TRL 4-6) and
**business activities towards
commercialisation**

ACCELERATOR

ACCELERATOR supports start-ups and SMEs seeking to...

- **Scale up** high impact innovations with the **potential to create new markets**
- Innovations building on **scientific discovery** or technology breakthroughs (**deep tech**)
- Innovations where **significant funding** is needed over a **long timeframe** and are **too risky** for private investors

How is ACCELERATOR delivered?

Accelerator (TRL 5/6-9)

- For individual SMEs
- Development & scale up of deep-tech/
disruptive
innovations by start-ups/SMEs
- Blended finance (grants up to €2.5
million; equity investment up to €15
million or above)

ACCELERATOR Open – Apply any time

**FULL PROPOSALS and Challenges - Deadlines 23/03/22, 15/06/22
and 05/10/22**

2 Challenges:

- Technologies for open and strategic autonomy (healthcare, critical raw materials, security, etc.)
- Technologies for 'Fit for 55' (energy, buildings, land use, etc.)

What's in ACCELERATOR for Turkish SMEs?



Grant Only (with other finance)
Grant First (with equity follow up)
Grant and Investment (Blended Finance)
Investment Only

ACCELERATOR 2021



5,000 Short applications evaluated

144 selected for funding

96 Blended finance, 34 Grant first,
9 Grant only, 5 Equity only

3 weeks average time to inform at first stage

Total funding up to €991m

Changes for 2022

- Rebuttal process
- Investments above €15m on Accelerator
- Simplified 'Seal of Excellence' rules
- EIC Scale-up 100 Initiative – will identify 100 potential unicorn businesses for additional support
- Package of measures to encourage and reward women innovators
- High-level expert group on late-stage scale-up financing



Application Process for Accelerator

1

You have a disruptive/deep tech idea with potential to scale up
Submit short application to be assessed by remote evaluators

2

If accepted, there is help to prepare a **Business Plan** and draft a
proposal with AI tool and coaching. Submit a full proposal

3

Full proposal is assessed by **remote evaluators**

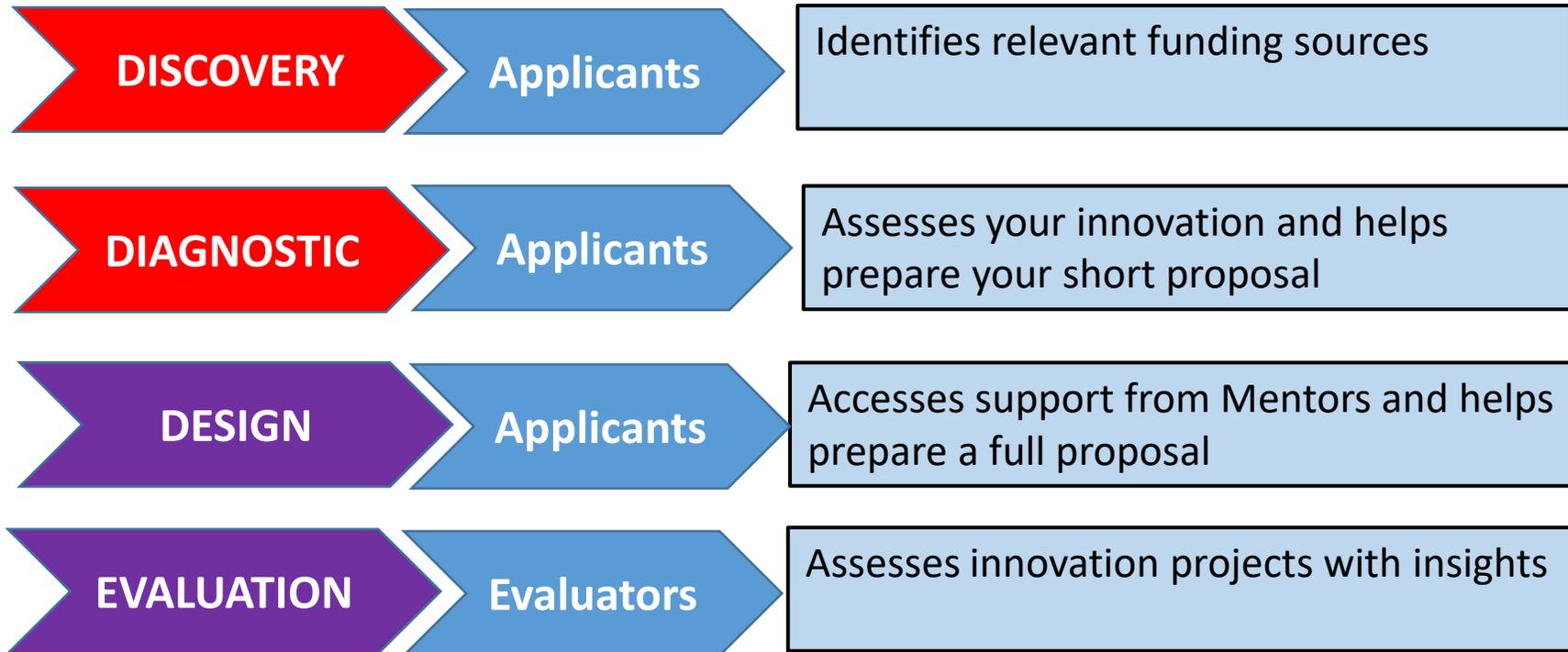
4

If accepted, the innovation project is **pitched** in front of **EIC Jury Members**. If selected you sign the **grant agreement**

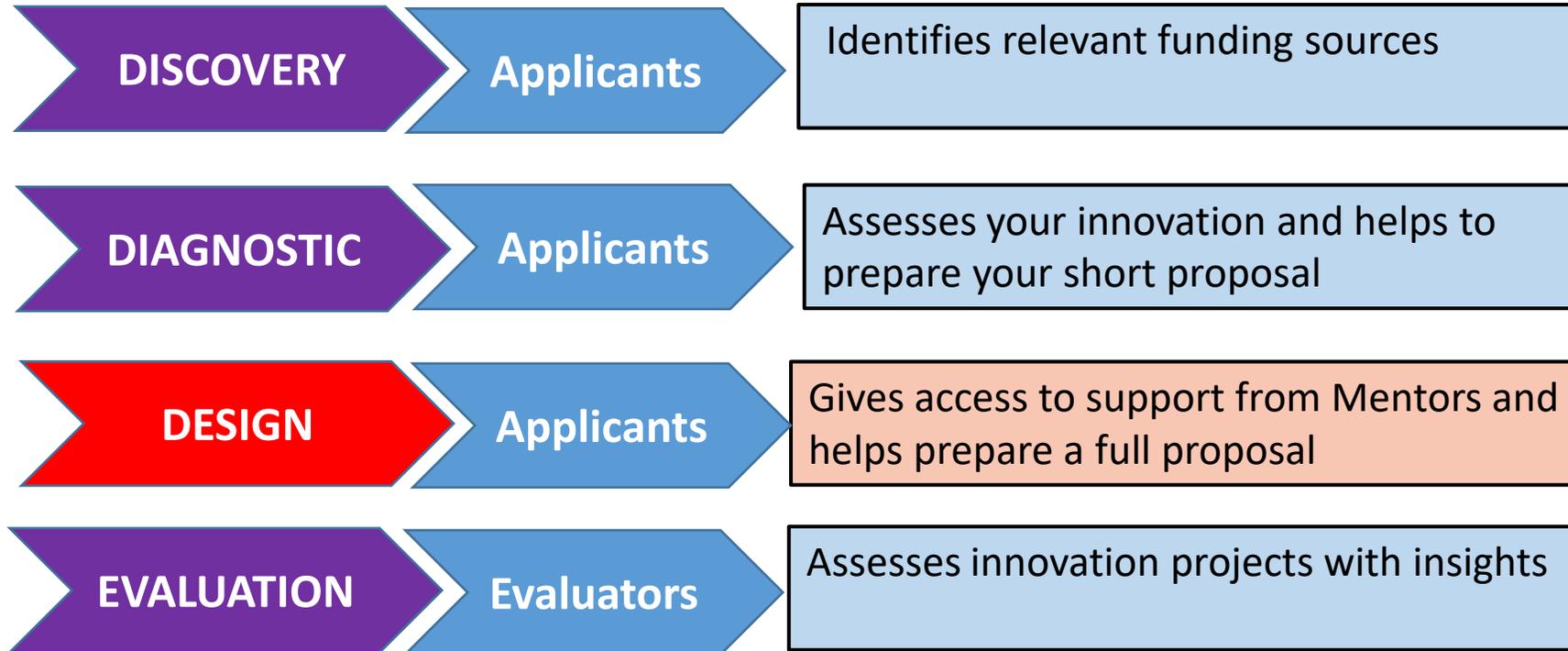
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For **investment component**, due diligence process is done, plus compliance checks. If successful, **Investment Agreement** signed

EIC AI-Based Platform: First Stage



Full Applications



Successful first stage applications

- Feedback from evaluators
- Business strategy/plan
- 3 free days of remote coaching
- Submit full proposal within 12 months of response date of first application



MEASURE YOUR TECHNOLOGY READINESS LEVELS - TRL

How technology ready is your service/product?



Technology Readiness Levels as adapted by the CloudWATCH2 project

Find out more about CloudWATCH2 TRL: http://bit.ly/TRL_MRL

Funding level versus Proposal Content

Grant First

Grant Only

Blended Finance

- Grant for 70% of TRL 5-8 costs
- Investment for 30% co-financing and/or for TRL 9
- Detailed Go2Market section including TRL 9
- Descriptions of TRL 5-8 activities if grant requested
- Due diligence before funding

Full Application



Short Application
+ Pitch Deck + Video
4 Evaluator Reports

Business Plan (created online)
Updated Pitch Deck
Freedom-to-Operate analysis
Data Management Plan
Financial information

optional →

Letters of Intent
Annex

Cost Eligibility | TRLs

TRL 5-8 'Innovation' activities

Prototyping, Piloting, Validating,
Demonstrating, and TRL 9 Planning

TRL 9 'Market Deployment' activities

Commercialization, sales, scale-up,
manufacturing, and manufacturing

- 5 Large Scale Prototype
- 6 Prototype System
- 7 Demonstration System
- 8 First of a Kind Commercial System
- 9 Full Commercial Application

Main Eligible Costs: Personnel, travel, equipment, products, services, indirect costs (25% of above)

Main Ineligible Costs: Currency exchange losses, interest, deductible VAT, excessive expenditure,...

Proposal Writing



- EIC provides **3-day business coaching** to help develop full proposal
 - You can **revise** most things from short application
 - **Address the evaluator comments** on your short application
- Ensure balance between **technical** and **commercial** content
 - Consider **emerging** developments and competition

Business Planning

Ideation/
 Excellence

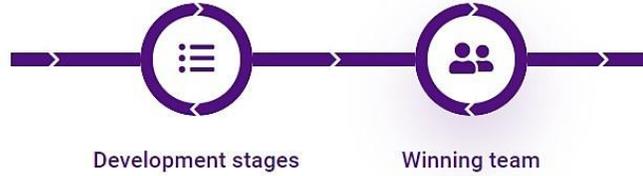
From initial
 idea



To stakeholder's
 needs

Development/
 Implementation

From expectations



To deliverables

Know



Market scoping Willingness to pay Competitors and Threats SWOT Analysis

Prepare



Readiness Corporate Strategy Business Model Finance Intellectual property

Go2Market/
 Impact

Enter



Strategy to Enter Barriers To Entry Legal and regulatory compliance

Scale



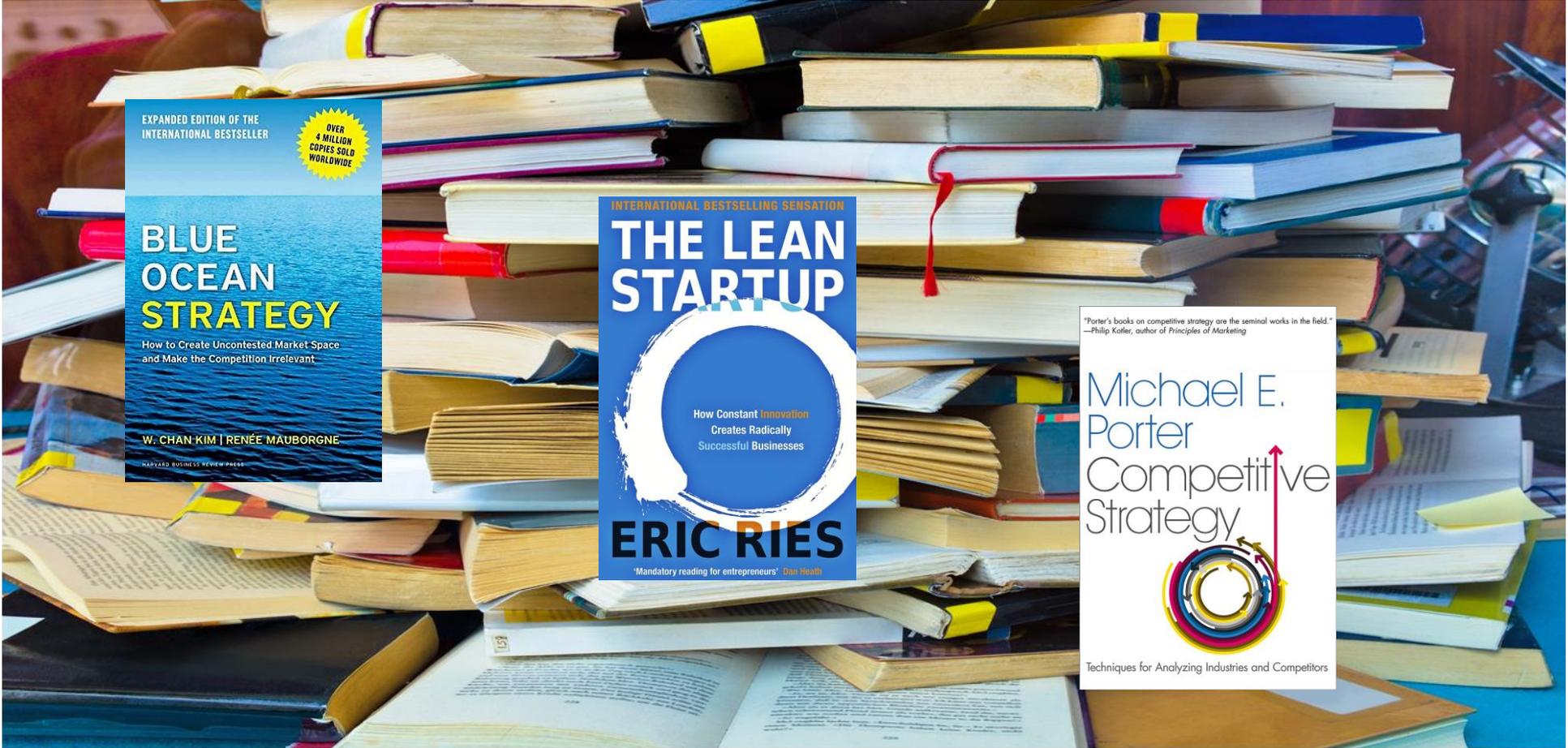
Scaling strategy Future developments

Impact

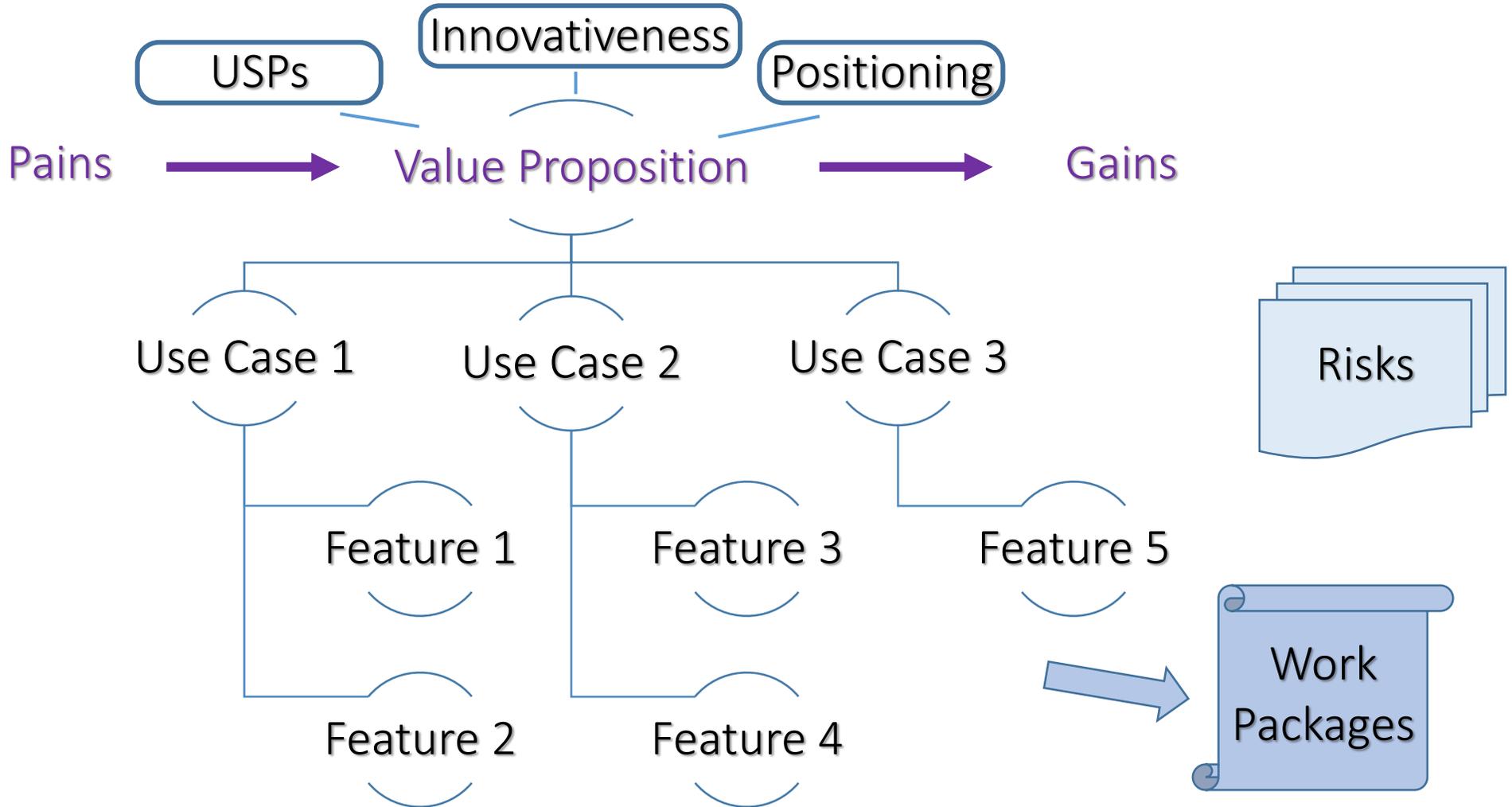


Effect of the solution Impact on the Market Societal impacts Future legal and regulatory compliance

Amazon has 7,000 books on Business Planning for Innovation

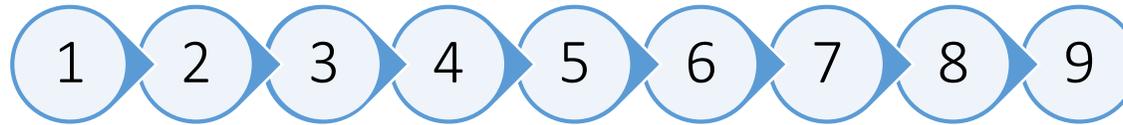


Ideation | Opportunities, Risks, Innovation



Development | Stages, Team

Technology Readiness Level



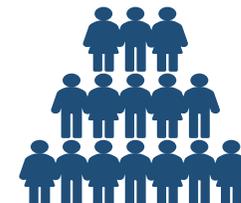
Business Readiness Level

Market/Scale up

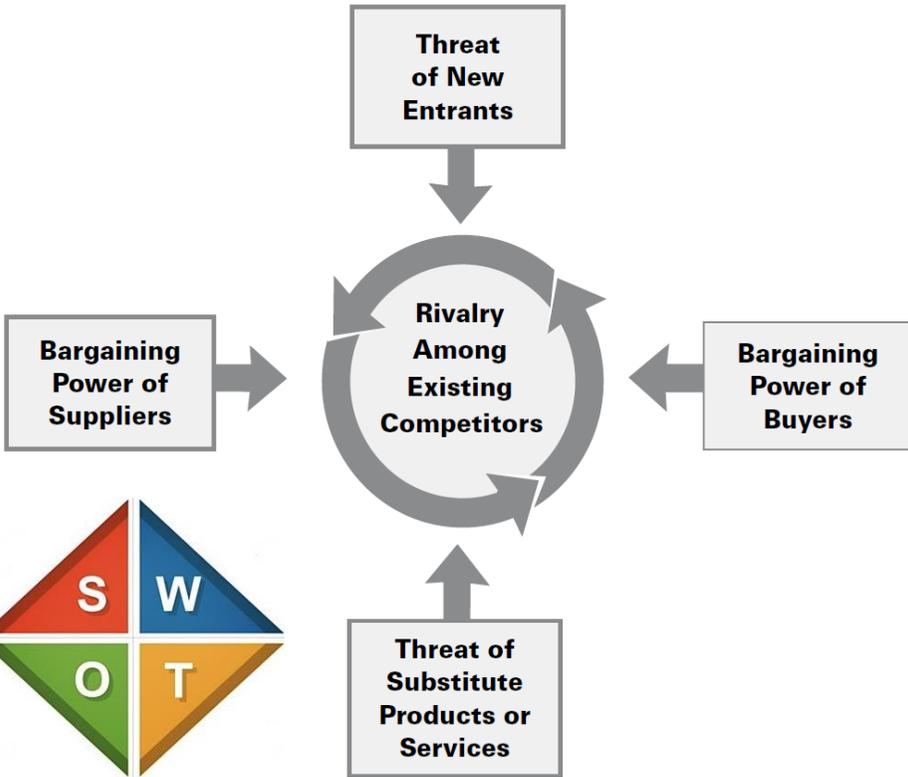
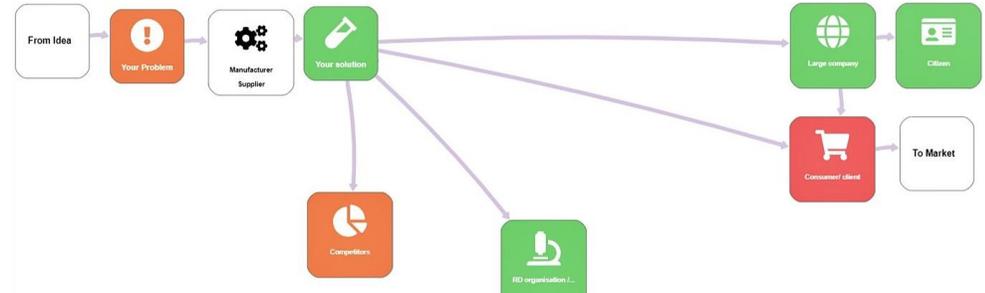
Work Packages			
≥3 WPs for Innovation		≥2 WPs for Market/Scale up	
Tasks	Deliverables	Tasks	Deliverables
Milestones		Milestones	



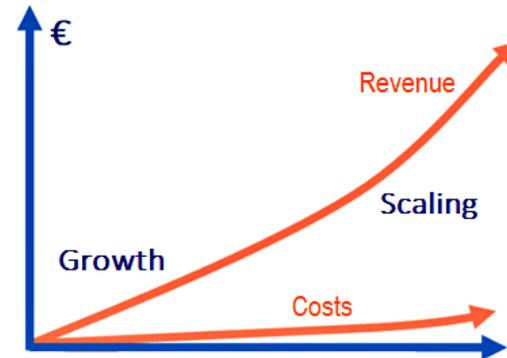
→ recruitment →



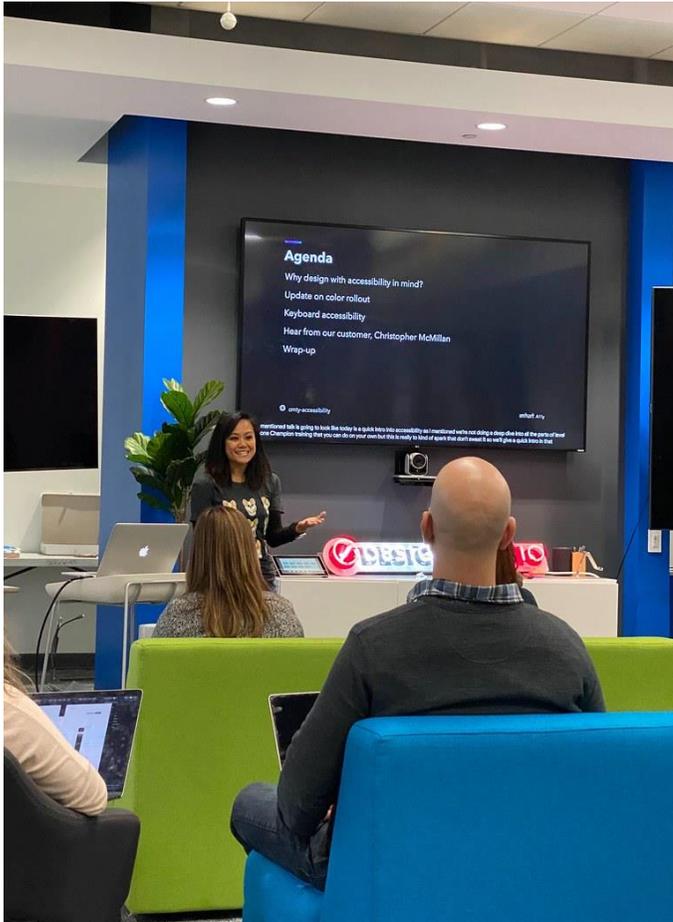
Go2Market | Know, Prepare, Enter, Scale, Impact



Business Model		
Key Activities	Value Proposition	Customer Relationship
Resources		Channels
Costs		Revenues

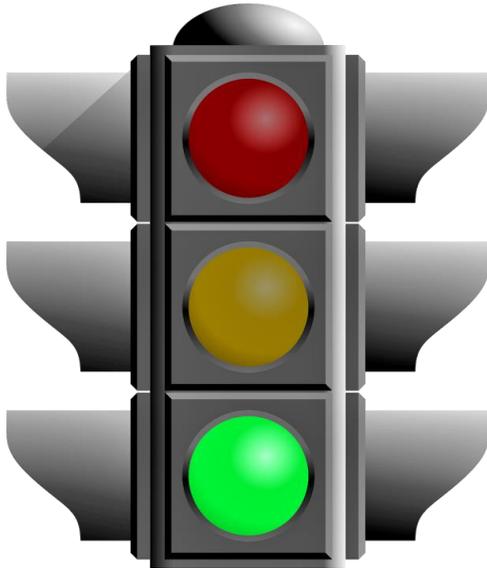


Pitching your project



- 10-12 slides
- No template
- Can be changed from initial set
- Used in Jury Interview
- Summarize, visualize, and complete information given
- Timing to ensure everything is covered
- Rehearse, rehearse, rehearse!

Freedom-to-Operate (FTO) Analysis



- No template
- Describe Intellectual Property (IP)
- Outline any restrictions on IP Rights
- State freedom to develop and commercialize without IP problems

Data Management Plan (DMP)

- No template
- Summarize
 - ❖ What data will be collected, processed and/or generated
 - ❖ Which methodology and/or standards will be applied
 - ❖ How data will be shared and/or preserved during the project and beyond

Financial Information

P&L

Revenues

Gross Margin

Selling, General and Administrative expenses

R&D expenses

Other operational expenses

EBITDA

Interest

Other revenues/expenses (including grants)

EBT

Taxes

Net Income

CASHFLOWS

Cashflows from operating activities (net)

Cashflows from investing activities (net)

Cashflows from financing activities (net)

of which

Proceeds from grants

Proceeds from issuance of debt

Repayment of debt

Proceeds from issuance of equity

Dividends

Net increase/decrease in cash and cash equivalents

BALANCE SHEET

Total assets

of which

Cash and cash equivalents

Inventory

Accounts receivable

Property and Equipment

Intangible assets

Other assets

Outstanding liabilities

of which

Accounts payable

Short-term debt

Long-term debt

Other liabilities

Equity

of which

Share capital

Retained Earnings

Other equity

- Downloadable Excel Template available
- Covers next 3 years
- No pre-determined financial ratios or projections to meet

Letters of Intent

- Optional
- No Template
- Letters of Intent/Support, Reference Letters, E-mails,...
- From Investors, Potential Customers, Stakeholders,...



Annex

- Optional Upload, max. 10 pages
- No Template
- **Do not repeat** the info in online forms and mandatory uploads
- Useful to share **brief** summaries of team, company, images, graphs, tables, illustrations, or testimonials
- **Do not overload** with full employee CVs, extensive company history, feasibility reports, lots of market data and a full business plan



Full Proposal Evaluation



- 3 key criteria; 3 evaluators
 - No scores, no ranking, only 'Go' and 'No Go'
 - **3x3 Go** votes - project will pass to Jury Interview
 - Evaluation Reports accessible in **5 weeks**.
 - Jury Interviews after **9 weeks**
-
- Proposals not evaluated comparatively but **on their own merits**
 - Even **1 No Go** means **failure**. So, consider the diversity of evaluators when drafting your proposal

Excellence

- Breakthrough and market-creating nature, ideally disruptive innovation
- Technological feasibility – high risk, high potential idea
- Novel – beyond ‘State of the Art’
- Convincing outcome and criteria for success



Impact

- Scale-up potential
- Broader impact
- European/Global dimension
- Convincing market fit and competition analysis
- Viable commercialisation strategy
- Key partners
- ‘Challenge Call’ criteria, if any
- Evidence of ‘freedom to operate’



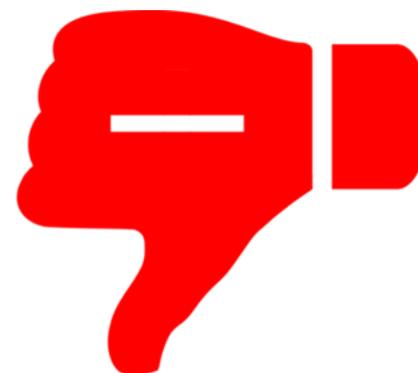
Level of Risk, Implementation and Need for EC Support

- Technical and business experience of team – good balance and plans to recruit any missing competences
- Availability of resources; human, physical and subcontract
- Good understanding of risks in getting to market and plans to mitigate risks
- Realistic and achievable timeframe
- Convincing milestones, outcome and criteria for success



Full Proposal Resubmission

- **First** time rejection...
 - Improved proposal can be submitted to one of next **2 full application** cut-offs.
- **Rebuttal** procedure
 - Use it to **inform**, not defend and question evaluator competence and judgement
- **Second** time rejection...
 - No resubmission allowed for 12 months.
 - Then, a new or improved proposal can be submitted as **short application**.



Feedback from Evaluators

Top reasons for **'NO GO'**

1. **Lack of understanding of the market and competition**
2. Quality and composition of team
3. Business model
4. Lack of involvement of early users/customers
5. Novelty/disruptiveness of innovation
6. Wrong timing in terms of TRL, USP, feasibility

Top reasons for **'GO'**

1. **Novelty and disruptiveness of the innovation**
2. Quality and composition of team
3. Understanding and knowledge of the market competition
4. Involvement of users and early customers
5. Business model
6. Appropriate timing

Feedback from Jury members

More clarity is needed on...

- Distinct technical milestones
- Ownership of IPR
- Allocation of budget and corresponding resources
- Understanding of technical and business risks
- Actual and expected TRLs
- Interdependence of work packages and tasks
- The team for future exploitation
- The credibility of the business objectives



In conclusion...



Fundraising efforts help to win Accelerator support

Design your project for **full market deployment**

Focus on **value chain performance**

Highlight **Gain/Pain** metrics

Proven **need** + best **innovations** + most committed **teams** to implement is winning formula

Winning is not just about the **best drafted proposals**

If in doubt, **resolve it** – don't leave it to evaluators to doubt too!

Further References

[EIC Accelerator Call](#)

[EIC AI Platform](#)

[Turkey in Horizon 2020 event recordings](#)

[EIC Work Program 2021](#)

[EIC Accelerator web site](#)

[Accelerator FAQ](#)

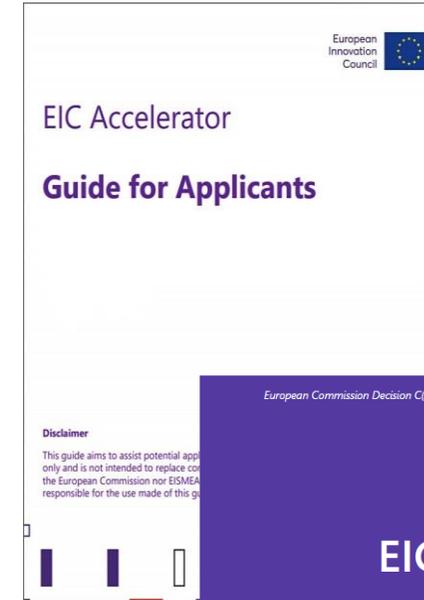
[Guide for Applicants](#)

[EIC Applicants' Day Presentatitons](#)

[European Green Deal](#)

[TUBITAK Horizon 2020](#)

[EIC EISMEA TUBİTAK Horizon Europe](#)



Thank you for joining us today!

