

FIRST CALL FOR APPLICATIONS

Viability Assessment Projects in International Markets



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INNOWWIDE First Call for applications for Viability Assessment Projects in international markets

Opening date: 01/04/2019 Closing date: 31/05/2019¹

1. What is INNOWWIDE?

To compete effectively in new and emerging foreign markets European SMEs need to develop partnerships with strategic partners from countries outside Europe.

The INNOWWIDE pilot call aims to bring innovative European SMEs to the forefront of international markets by funding Viability Assessment Projects (VAPs) in cooperation with local stakeholders around the world, creating the conditions to increase the uptake of European innovative solutions in markets outside of Europe. The programme follows a bottom-up approach, with no specific topics to be addressed.

2. What is a VAP?

Viability Assessment Projects (VAPs) are a comprehensive, balanced and coherent set of preliminary technical, market, legal and socioeconomic assessments intended to validate the viability of international, innovative businesses solutions along emerging global value chains.

They should identify and assess key framework conditions that may favour or impede the effective deployment of collaborative solutions and models in target third countries.

VAPs also include a refined and viable definition of such business solutions and models, together with their implementation strategies.

Each VAP should:

- Feature a co-creation² partnership with a local partner (subcontractor) e.g. a supplier, customer, consultant, legal advisor, research and development provider, collaborator or absorber- from one VAP focus country. See section 4 for the eligible countries and categories.
- Include a wide variety of activities to explore the practical, technological and commercial viability of an innovative solution and how it fits to meet local conditions and demands.
- Last no more than six months

¹ A second call will be launched no later than the first half of 2020

² Co-creation is a management initiative, or form of economic strategy, that brings different parties together (for instance, a company and a group of customers), in order to jointly produce a mutually valued outcome. Co-creation brings a blend of ideas from direct customers or viewers (who are not the direct users of the product) which in turn creates new ideas to the organization. Cf. <u>Wikipedia</u>

- Be the first phase of a potential innovative technology cooperation project with an actor in that country in the short or medium term³.
- Have total eligible project costs of at least €86,000, to be funded at a maximum of 70%, with a fixed grant of €60,000
- Be carried out by a SME established in a EU member state or a Horizon 2020 Associated Country, which subcontracts a local partner

After the execution of the project, the SME should have a clear view regarding future activities in the target market with a strategic partner, that could encourage future investment decisions by potential buyers, investors, end users etc.

You will be asked to clarify why a VAP is needed, including an explanation of the constraints you are facing.

The project must give you insights into the following:

- Technical feasibility (inc. upgrade/transfer/integration)
- Business model
- Legal aspects
- Political aspects
- Investments needed
- Exploitation

The VAP should result in a report based on which:

- The SME and its local partner can decide to further invest in joint collaboration and investment
- Potential end users / clients would be willing to act as launching customer.

3. Which activities will be funded?

Funded VAPs must involve combinations of the following activities:

- 1. Co-creation and technology uptake facilitation (innovation and technology transfer services)
 - a. Definition of a complementary joint R&D Project for co-creation or technology adaptation with the local subcontractor or other local partner/s
 - b. Analysis of the IP environment
 - c. Technology scouting and novelty verification
 - d. Technology valuation
 - e. Technology legal situation analysis
 - f. Technology protection & valorisation strategy design
 - g. Technology partnership matchmaking
 - h. Small scale proof of concept awareness (trial and assimilation, further R&D preparatory work)
- 2. Market prospection
 - 2.1. Market research (desk & field studies):

³ The actor could be the subcontractor or another company/institution with R&D capability and ready to favour the exploitation of the cooperation project results

- a) Business opportunities early survey detection (pre-conceptualisation)
- b) Qualitative analysis (consumer analysis: segments, preferences, patterns, motivations, opinions, attitudes, values, culture, ...)
- c) Product commercial research (local customer experience oriented: concept, design, supply, use...)
- d) Market quantitative analysis (real, potential, tendencies)
- e) Competition analysis (market share, positioning, value propositions, value chains...)
- f) Analysis of potential partners for distribution and marketing
- g) Analysis of potential suppliers
- h) PESTLE Analysis (social, economic, environmental, technological and legal issues)

2.2. Compliance verification:

- a) Administrative & legal FTO / due diligence verification
- b) Social and cultural best practices identification and implementation planning

2.3. Business prospection trips (duly justified):

- a) Trade fairs/ conferences/ info days/ networking and matchmaking events
- b) Joint workshops/ meetings with potential partners
- c) Workshops with partners to prepare joint proposals/ projects

2.4. Specific promotional technical material preparation (technology valorisation oriented)

See the INNOWWIDE call guidelines for full details of the possible activities

In order to be eligible for funding, the projects should contribute the objective of bringing the SME's new product, service or process to the target market, through an innovative application of existing or new technologies, methodologies, or business processes.

To be eligible the proposal must include at least:

- 4 elements from Section 1 Co-creation and Technology Uptake Facilitation (Innovation and Technology Transfer Services)
- > 4 elements from Section 2.1 Market research (desk & field studies)
- > 1 element from Section 2.2 Compliance verification
- Sections 2.3 and 2.4 are optional and should be duly justified for the purposes of the VAP.

4. Geographical coverage

The call targets three categories of geographical market: developed countries, large emerging economies and developing countries, with a similar allocation of funds for each of these three categories. The list of countries for each category is as follows:

- **Developed countries:** United States of America, Canada, Japan, Republic of Korea, Taiwan, Australia, New Zealand
- Large Emerging Economies: Brazil, Russia, India, China and Mexico
- Developing countries: Afghanistan, Algeria, American Samoa, Angola, Argentina,
 Azerbaijan, Bangladesh, Belarus, Belize, Benin, Bhutan, Bolivia, Botswana, Burkina
 Faso, Burundi, Cambodia, Cameroon, Cape Verde, Central African Republic, Chad,

Chile, Colombia, Comoros, Congo (Democratic People's Republic), Congo (Republic), Costa Rica, Côte d'Ivoire, Cuba, Djibouti, Dominica, Dominican Republic, Ecuador, Egypt, El Salvador, Eritrea, Ethiopia, Fiji, Gabon, Gambia, Ghana, Grenada, Guatemala, Guinea, Guinea-Buissau, Guyana, Haiti, Honduras, Indonesia, Iran, Iraq, Jamaica, Jordan, Kazakhstan, Kenya, Kiribati, Kosovo⁴, Kyrgyz Republic, Lao, Lebanon, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Maldives, Mali, Marshall Islands, Mauritania, Mauritius, Micronesia, Mongolia, Morocco, Mozambique, Myanmar, Namibia, Nepal, Nicaragua, Niger, Nigeria, Pakistan, Palau, Palestine⁵, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Rwanda, Samoa, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Solomon Islands, Somalia, South Africa, South Sudan, Sri Lanka, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Sudan, Suriname, Swaziland, Tajikistan, Tanzania, Thailand, Timor-Leste, Togo, Tonga, Turkmenistan, Tuvalu, Uganda, Uruguay, Uzbekistan, Vanuatu, Venezuela, Vietnam, Yemen, Zambia, Zimbabwe

5. Who can apply?

- SMEs⁶, including young companies and start-ups, from any sector looking to compete and start business in new and emerging markets around the world.
- The beneficiary SME has to be engaged in an economic activity owning technological capacities (selling products or providing services on the market at a given price). Newly established enterprises (start-up companies) or companies without economic activity (but expecting to enter soon into the market) may also qualify as SMEs.
- Self-employed, partnerships and associations or any other entity different from the above mentioned will not be eligible for INNOWWIDE funding.
- The beneficiary must be established in an EU Member State or a Horizon 2020 Associated Country⁷ and meet financial viability and ethical criteria specified in the INNOWWIDE guidelines
- The beneficiary must commit to establish project financial accounts and to report to the INNOWWIDE consortium details of the execution and results of the VAP.

6. How will applications be evaluated?

Applications will be evaluated according to the following criteria:

- Impact (40%) reducing barriers to market, level of demand, longer term prospects
- Excellence (30%) novelty, relevance for target market, competitive position, complementary R&D project excellence/quality
- Quality and efficiency of implementation (30%) appropriateness/feasibility of proposed approach and allocated resources

All funded projects will be checked for adherence to EU ethical standards.

⁴ This designation is without prejudice to positions on status and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of independence).

⁵ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue

⁶ <u>http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en</u>

⁷ A list of associated countries can be found here:

http://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/hi/3cpart/h2020-hi-listac_en.pdf

The financial viability of the applicants will also be checked before the approval of the applications. Those applicants which do not meet appropriate financial viability will be declared as non-eligible to receive the funding.

The guidelines for evaluating the applications are available at the INNOWWIDE website.

7. Funding conditions

The budget available for this call is $3M \in$ (approximately one third per country group). Each approved VAP will receive a fixed grant amount of $\leq 60,000$, representing a maximum of 70% of total eligible project costs, which should be a minimum of $\leq 86,000$. 50% will be disbursed at the beginning of the project. After 6 months, the beneficiary will be required to submit a VAP final report. Following approval of this report, the remaining 50% will be paid. There is no specific limit to the sub-contracting budget.

8. How and when to apply

- 1. Go to the INNOWWIDE website (www.innowwide.eu).
- 2. Complete registration form and follow instructions to set up an account
- 3. Complete all sections of the application form (including the SME self-assessment, the Ethics self-assessment and the Financial Information) and submit by 31 May 2019 at 12.00 CEST.
- 4. You will be contacted with the results of your application by 01/10/2019 at the latest.

9. Further information

- INNOWWIDE website: <u>www.innowwide.eu</u>
- INNOWWIDE guidelines: <u>www.innowwide.eu/guidelines</u>
- Guidelines for evaluating INNOWWIDE applications: <u>www.innowwide.eu/experts</u>

10. Contact details:

INNOWWIDE team info@innowwide.eu

INNO	WWIDE CALL T	IMELINE	
Call Launch	Start of evaluation		Results communication/ Grant signature
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01 APRIL 2019 31 MA	Y 2019 MONTH 3	MONTH 4	MONTH 6
• Call dosure		• End of evaluation	





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