



## **Fast Track to Innovation Pilot (2015)**

**Call opening: January 6, 2015**

**First Cut-off Date: April 29, 2015**

### ***Frequently Asked Questions***

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## **A. ELIGIBILITY AND TYPE OF ENTITIES TARGETED**

### **1) Who can apply?**

Only consortiums of at least three and at most five legal entities of any type, all of whom are based in the EU-28 and/or in countries associated to Horizon 2020, can apply. Consortium partners must come from at least three different countries. In addition, specific conditions regarding “industry” participation apply.

### **2) What does “legal entity” mean?**

Please see the [glossary on the Horizon 2020 participant portal](#), under the letter “L”.

### **3) What does “industry” mean?**

In the context of the [dedicated section of the Horizon 2020 Work Programme on the Fast Track to Innovation Pilot](#), “industry” means private-for-profit organisations.

### **4) What does “for profit” mean?**

'For-profit legal entity' means entities that are not 'non-profit legal entities' as defined in Article 2 of the Rules for Participation and Dissemination ('legal entity which by its legal form is non-profit-making or which has a legal or statutory obligation not to distribute profits to its shareholders or individual members').

### **5) What are the specific conditions regarding industry participation?**

The [Work Programme](#) stipulates the following:

- Either: at least 60% of the overall budget of the proposal must go to the consortium partner(s) from “industry”
- Or: in a consortium of 3 or 4 partners, at least 2 of them should be “industry”
- Or: in a consortium of 5 partners, at least 3 of them should be “industry”

### **6) Why is the involvement of industry mandatory?**

The Fast Track to Innovation Pilot is an investment in delivering innovation onto the market and into society. Private-for-profit entities are essential for meeting this objective, as they are the ones most commonly conducting close-to-market innovation activities and are best placed to exploit the benefits of a successful technology transfer.

The Fast Track to Innovation Pilot is also an incentive for European industry to continue investing in high-risk innovation activities – possible game-changers for growth and jobs in tomorrow’s economy – and can give a boost to high-potential innovation projects.

**7) What does “first-time industry applicant” mean?**

A “first-time industry applicant” means a legal entity that is a private, for-profit organisation that has obtained a PIC (Participant Identification Code) for the first time, meaning that it has registered for the first time in the Beneficiary Register during the preparation of the proposal.

Proposers must indicate the first-time industry applicants in their consortium; European Commission services will check their first-time status.

**8) Does the size of my consortium (3, 4 or 5 partners) matter?**

No. It is up to the coordinator to define the best way of implementing the proposal, and with whom, and this can depend on many factors. Whatever the size of the consortium, it is considered a premise that a consortium concludes a specific consortium agreement before starting an action under the Fast Track to Innovation Pilot. This agreement should relate not only to the distribution of tasks and allocation of work, but also to matters such as ownership and responsibility, IPR arrangements, financial viability, and additional investment needed (beyond funding obtained through the FTI Pilot under Horizon 2020).

**9) Is there any restriction in terms of topic that could have an impact on the eligibility of my proposal?**

The Fast Track to Innovation Pilot is a bottom-up scheme, meaning that it has no defined topic. However, proposals must be related to a field under the specific objective "[Leadership in enabling and industrial technologies](#)" and/or to any of the "[Societal challenges](#)" of Horizon 2020. Interdisciplinary or cross-sectoral projects are encouraged.

Other than that, proposals are expected to add value to the economy and/or society at the European level, and are expected to leverage more investment from the private sector in research and innovation, and real prospects on wide market take-up (i.e. in several countries at least).

**10) From the various different technologies that are part of “Leadership in Enabling and Industrial Technologies” and out of the different “Societal Challenges”, does a consortium need to choose only one, or can it choose several technologies and / or challenges?**

The FTI Pilot cuts across all “Societal Challenges” and the specific objective “Leadership in Enabling and Industrial Technologies” under Horizon 2020. Although applicants are asked to link their proposal to a priority challenge or technological field in the administrative part of their proposal, proposals that are interdisciplinary / cross-sectoral are encouraged.

**11) Is it possible for a start-up (without balance sheet) to apply?**

Yes. The Fast Track to Innovation Pilot is open to any type of legal entity. However, applicants should keep in mind that the Pilot is not a company creation vehicle, but has been

designed to support market take-up of innovations with European or global commercialisation potential.

***12) Are Micro, Small and Medium-sized Enterprises (SMEs) a particular target audience for the support granted through the FTI Pilot?***

Yes, although it is important to understand that the FTI Pilot is not an SME-specific support measure. Important objectives of the FTI Pilot in terms of impact are fast development & commercial take-up and/or wide deployment of sustainable innovative solutions; SMEs that see the possibility to meet those objectives – if need be with the help of bigger partners – are strongly encouraged to apply for support.

***13) Can legal entities from non-EU countries participate?***

Only legal entities that are established in [EU Member States](#) or [countries associated to Horizon 2020](#) are eligible for funding. However, legal entities established in other countries can be involved as third parties, for example as subcontractors.

NB: if a participant is an international European interest organisation or the EU's Joint Research Centre or an entity created under Union law not established in an EU Member State or in a country associated with Horizon 2020, it is deemed to be established in an EU Member State or Associated Country other than any EU Member State or Associated Country in which another participant in the same proposal is established.

***14) Are clusters or other commercial networks welcome?***

Yes. Any proposal will be judged on its merits and above all in terms of impact. If the clusters or networks are composed of three to five legal entities (meeting all eligibility criteria) and have a great innovation concept that is in need of funding to achieve full commercialisation, they can be eligible for funding.

***15) Can a self-employed worker be an eligible member of a consortium?***

Yes. However, although the FTI Pilot is open to this and any other type of legal entity, applicants should ensure that all eligibility criteria outlined [in the dedicated section of the Work Programme](#) are met; other than that, the business case should be convincing. Competition to obtain funding under the FTI Pilot is expected to be strong; if the value that can be created as a result from your proposed action is not substantial at the European level, it is recommended to look out for different opportunities for support for your proposal.

***16) Is there a limit to the number of FTI Pilot applications or projects that I can make or take part in at the same time?***

No. Provided all eligibility requirements are respected and that the contents of the proposals is not the same or similar, an organisation can be involved in and/or submit several proposals at the same time.

You should nevertheless note that FTI is a pilot scheme with a limited budget (EUR 100 million in 2015). For this reason, it is advisable to only select one action that would be worth funding under the scheme, meaning that it meets the highest standards in terms of impact and excellence in particular, and should have added value at the European level. In addition, only innovative concepts that are already at Technology Readiness Level (TRL) 6 or at a similar level for non-technological innovations will be considered for support (with exceptions only possible in very well justified cases).

***17) How close to the market should my proposed innovation be to be considered for funding under the FTI Pilot?***

The time to initial market take-up of the innovation that is proposed for funding should not exceed 36 months from the beginning of the funded action. This may be longer in well-justified cases (for instance, due to the specificity of a sector).

***18) I am working on the development of a medicine, and would like to know from what point that development could potentially be funded under the FTI Pilot?***

In principle, the drug should have already been tested in an “operational environment”, which implies that at least a phase 1 clinical trial has taken place (see [General Annex G to the Horizon 2020 Work Programme](#)).

In addition, applicants should remember that according to the [Work Programme](#), ideally the time between the start of an action funded under the FTI Pilot and initial market take-up should not exceed 36 months. This means that development should be quite advanced, and that in addition there should be real prospects on market uptake, which is an objective for which a strategy should be defined and documented in any proposal under the FTI Pilot.

***19) If I am in doubt about submitting my proposal in response to the FTI call or in response to a topical call, what should I do?***

If the activities that you hope to see funded are not very close-to-market, it is advisable to go for a topical call, taking into account the limited budget available for the FTI pilot in the next two years, and the expected strong competition to get funding under the Pilot.

***20) Does the Fast Track to Innovation Pilot have its own specific grant agreement?***

No. The [General Grant Agreement](#) for innovation actions applies.

## **B. PREPARING AND SUBMITTING YOUR PROPOSAL**

***1) How do I start?***

Contact your closest [National Contact Point](#) (NCP). NCPs will be able to advise you on whether or not the FTI pilot call is a suitable opportunity for your organisation or consortium.

**2) *Where can I find information online?***

Visit the [FTI-pilot call page](#). More administrative information can be found in the [section dedicated to the Fast Track to Innovation Pilot in the Horizon 2020 Work Programme](#).

**3) *Does the FTI pilot call support a specific topic?***

No. The FTI pilot supports actions undertaking innovation from the demonstration stage through to market uptake, including stages such as piloting, test-beds, systems validation in real world or working conditions, validation of business models, pre-normative research, and standard-setting. It targets relatively mature new technologies, concepts, processes and business models that need a last development step to reach the market and achieve wider deployment. Actions can be interdisciplinary, but must relate to any field under the specific objective "Leadership in enabling and industrial technologies" and/or to any of the specific objectives under the priority "Societal challenges" of Horizon 2020.

For full details, read [all about the FTI pilot call on the participant portal](#).

**4) *Is there a specific proposal template?***

Yes, you can find it via the participant portal, on the FTI Pilot call documentation page.

**5) *Can I delete the comments and guidance notes in the application template in order to have more space available for my application?***

Yes.

**6) *Are there guidelines describing or illustrating what should be included in my proposal?***

Yes, see the page on [the Fast Track to Innovation Pilot on the Horizon 2020 information portal](#). You can refer also to the specific proposal template for the FTI Pilot (see [the Participant Portal](#)).

**7) *What should the indicative duration of an action be under the FTI Pilot?***

Although there are no formal limits in the Work Programme, you should note that in terms of impact, the expectation is that initial market take-up of the innovation should happen no later than 36 months after the start of the action.

**8) *What does "business plan" mean?***

General business practices apply. The proposal template allows evaluators to extract information similar to what is contained in a standard, elaborated business plan; see, in particular, the section on 'impact'. There is no room to attach a separate business plan to your proposal.

**9) *Are there guidelines describing the technological readiness of prototypes, in order to help me to position my proposal?***

Yes. Please see the Technology Readiness Level (TRL) sequencer in [General Annex G of the Work Programme](#). The FTI Pilot requires applicants to present innovation projects that have reached TRL 6 as a minimum (or equivalent for non-technological innovations). As a rule of thumb, this means that the proposed activities should take place in an operational or production environment.

**10) *Can research and development activities be supported?***

The proposed action should consist in innovation activities with a TRL of 6 or higher (or equivalent for non-technological innovations); as the Work Programme explains: the Pilot “targets relatively mature new technologies, concepts, processes and business models that need a last development step to reach the market and achieve wider deployment”. However, in exceptional circumstances and if duly justified, some parts of the activities conducted may include some more basic research and development.

**11) *Can I submit a pre-proposal for a check?***

No. Please contact a [National Contact Point](#) for any questions about the possible suitability of your proposal for the FTI call.

**12) *If I submit a proposal in say March 2015, and it is rejected after the first cut-off date, can I resubmit it in October 2015?***

You can re-apply as soon as you receive a rejection letter. Nevertheless, we strongly recommend improving the proposed business case before resubmitting, and to take into consideration the relative scarcity of funding for this pilot scheme. You should consult a [National Contact Point](#) before any re-submission.

**13) *When should I submit my proposal?***

The FTI Pilot call is permanently open, with three cut-off dates planned per year. You can submit at any time from 6 January 2015.

## **C. EVALUATION OF YOUR PROPOSAL**

**1) *Our concept would be of great interest to our market competitors. How are you ensuring confidentiality during the evaluation process?***

Expert evaluators, Agency and European Commission staff are bound by an obligation to keep confidentiality and will incur serious sanctions in case of violations. European Commission and Agency services verify that no conflicts of interest could occur before a proposal is allocated to experts for evaluation.

**2) *How do the evaluation criteria reflect market ambitions and innovativeness?***

The main evaluation criterion is 'impact'. Mainly, but not exclusively, it covers the commercial prospects (understanding of the market, commercial strategy, etc.) and the prospective economic impact of the proposed innovation. The 'excellence' criterion focuses on the quality and the breakthrough nature/ambition of the innovation.

**3) *Will my proposal be considered more favourably if an industrial SME leads the consortium?***

The FTI Pilot is not a specific SME-support measure. It has been created mainly to allow private-for-profit entities (including SMEs) to finalise high-potential innovation and proceed to market deployment. Who the lead partner should be depends on the nature of the action proposed; what matters is that the action proposed will generate a series of expected positive impacts that are listed in the [Work Programme](#).

**4) *How will private investment be measured in the evaluation procedure? Is it favourable to make investors part of a consortium, or should there rather be defined contacts?***

Private investment as such will not be evaluated. As for the participation of investors in a consortium, there are no restrictions on the legal entities that can apply. It should be envisaged however that a consortium cannot consist of more than 5 different legal entities of at least three different EU Member-States or countries associated to Horizon 2020, and that industry participation in the consortium is mandatory.

It should be considered that the FTI Pilot has been designed to support innovation activities, and not financiers as such; any partner in a consortium seeking FTI Pilot support therefore should contribute to actually delivering the innovation with more than just money alone.

Defined contacts with investors are welcome, and can be described at proposal stage.

**5) *What type of feedback can I expect from evaluation?***

Other than the overall score for your proposal, you will receive information about your performance for each of the three main evaluation criteria (Impact, Excellence and Quality & Efficiency of the Implementation). You will also receive limited feedback on the main weaknesses of your proposal (if any), and this at the level of each main evaluation criterion.

**6) *How long will I have to wait before getting feedback about my proposal?***

Typically, it will take European Commission services at most three months after the cut-off date to come to a conclusion of the evaluation of all FTI Pilot proposals submitted before that given cut-off date. As an example, if you have submitted a proposal before the first cut-off date of the FTI Pilot, which is 29 April, 2015, you can expect the results from the evaluation at the latest at 29 July 2015.

**7) *What are the cut-off dates for the FTI Pilot?***

For 2015, these are 29 April, 1 September and 1 December.

## **D. FUNDING AND FINANCIAL ADMINISTRATION**

### **1) What financial validation is required in order for my proposal to be funded?**

In line with [the specifications in the Horizon 2020 online manual published on the Participant Portal](#), only coordinators in projects requesting EU funding of €500 000 or more will be subject to a financial viability check. Concretely, they need to be able to prove that they have the resources to implement the project.

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### **2) So financial viability checks will not be conducted for all partners in a consortium?**

Correct.

### **3) I have doubts about my organisation's financial viability. What should I do?**

If you want your organisation to coordinate an FTI project but have doubts about its financial viability, please use the [financial self-check tool](#).

### **4) Where should additional funding come from for covering the 30% gap in funding of eligible costs of private-for-profit legal entities / industry participants?**

It must come from these participants themselves, and can originate from a variety of sources: e.g. own resources, private investment, etc.

Please note that double EU funding for the same action is prohibited, unless [Article 37 of the Horizon 2020 rules for participation \(on cumulative funding\)](#) is applicable.

### **5) To what extent is sub-contracting allowed?**

Actions funded under the FTI pilot do not differ from standard innovation actions funded under Horizon 2020. This implies that sub-contracting is possible, but must be justified. Work can be subcontracted to operators in line with the 'best-value-for-money'-principle and provided there are no conflicts of interest<sup>1</sup>.

Please note that for significant levels of subcontracting, the motivation or the capacity of applicants to carry out actions could be subject to doubt and would have to be very well justified.

### **6) Are the costs of consultants considered as eligible costs?**

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<sup>1</sup> See the rules for subcontracting outlined in chapter 4, section 1 of the [annotated multi-beneficiary model grant agreement](#), page 111 and following.

If you need help to, for example, analyse an IPR issue or assess the possibility to enter a specific foreign market with your product, service or process, the FTI grant can be used to hire expert advice to do so, and the costs will be considered as eligible costs.

**7) *Is there a minimum budget to apply for the funding of an action under the FTI pilot?***

No.

The [Work Programme](#) indicates that the “indicative EU contribution per project is expected to be between EUR 1 million and EUR 2 million”. This does not preclude the submission and selection of proposals requesting other amounts, up to a ceiling of EUR 3 million.

**8) *What pre-financing is actually possible?***

This is determined on a case-by-case basis. The level can never exceed 90% of the total grant.

**9) *Is a bank guarantee required?***

No.

**10) *Are different funding models possible for different partners or tasks?***

The funding model is the same as for all innovation actions; this means that for-profit entities can have their eligible costs covered by an EU grant up to 70% of the total amount, while for non-profit entities this can go up to 100%.

**11) *How do I declare the costs of my action?***

The general Horizon 2020 financial rules apply. More details are in the [Horizon 2020 funding guide on the Participant Portal](#), in particular in the relevant section on Grant Management.

**12) *What are eligible direct costs (partly) covered by FTI Pilot funding?***

These are direct costs related to the implementation of the project, such as personnel costs, travel, equipment, infrastructure, goods and services. Please refer to article 6 of the ([mono-beneficiary](#) or [multi-beneficiary](#)) model grant agreement for full details.

In general, costs are eligible if they correspond to the tasks agreed upon in the grant agreement. Costs are ineligible if this is not the case or if they are reimbursed under another funding scheme.

**13) *Are marketing and sales costs considered as eligible direct costs?***

If communication and interaction activities with potential investors or customers, or dissemination of milestone achievements during the project (under a work-package 'communication and dissemination activities') are necessary to implement the project, then those costs are eligible.

Activities or products purely intended to support commercial purposes do not qualify as eligible costs.

***14) What about periodic reporting?***

The number of reporting periods will depend on the duration of the action. In general, actions lasting up to 18 months will only have to deliver one report.

**E. OTHER FORMS OF SUPPORT**

***1) What are the differences between the Fast Track to Innovation Pilot and the SME Instrument under Horizon 2020?***

Although both the FTI Pilot and the SME Instrument offer close-to-market support to speed up market delivery of innovation resulting from actions framed within either the Horizon 2020 pillar “Societal Challenges” and/or the specific objective “Leadership in Enabling and Industrial Technologies (LEITs)”, the FTI Pilot differs from the SME instrument in a number of important ways.

Unlike the SME Instrument, the FTI Pilot does not target exclusively SMEs; nor does it allow single applicants to submit proposals. It addresses itself to consortiums of limited size (min. 3, max. 5 partners) which foresee an important role for industry (i.e. private-for-profit entities, including SMEs) in their proposed innovation actions.

The FTI Pilot is a one-stage scheme for helping industry-driven consortiums to mature and deliver advanced innovation concepts onto the market and into society, while the SME Instrument aims to provide seamless business innovation support to SMEs from the stage of studying the commercial and technical viability of a well-developed idea to its launch onto the market. It also equips funded SMEs with skills to become sustainable innovators, via business coaching support. Both schemes aim to keep the time-to-grant short (six months for both SME instrument phase 2 and FTI Pilot; three months for SME instrument phase 1).

Though both schemes are based on a bottom-up approach, only the FTI pilot scheme is fully bottom-up, meaning that it does not support specific topics and that applicants themselves can set the topic within the “Societal Challenges” and the “LEITs”.

The calls for both the SME Instrument and the FTI Pilot are permanently open, meaning that applicants can submit their proposal at a time of their choice. For Fast Track to Innovation pilot support, applicants can submit their proposal during the course of the next two years (pending adoption of the Work Programme 2016-2017), while for SME Instrument support applicants are able to submit proposals over the duration of Horizon 2020.

**2) *What are the differences between the Fast Track to Innovation Pilot and other innovation actions?***

While actions under the Fast Track to Innovation Pilot are also innovation actions, they must give a prominent role to industry (private-for-profit entities), more emphasis to impact and have a shorter time-to-grant (6 months instead of 8 months) compared to other innovation actions.

Proposals follow the logic of a business plan; more than anything, the final objective is successful commercialisation of the proposed innovation, which means that marketing and sales strategies are well defined.

Applicants under the FTI Pilot all need to be legally established in the EU-28 or in countries associated to Horizon 2020, which is not the case for standard innovation actions. A consortium applying for FTI Pilot support can have a maximum of five entities, while for regular innovation actions the maximum number of entities in a consortium can be a lot higher.

Funding under the FTI Pilot is capped to EUR 3 million (maximum EU contribution in the form of a grant), while for regular innovation actions, there is no such uniform, specific limit.

## **F. FOR CANDIDATE EVALUATORS**

**1) *Is it possible to apply to be evaluator for the FTI Pilot even though my company is part of a consortium that has submitted a proposal under the Pilot?***

No, as this would give rise to a conflict of interest. Evaluators under Horizon 2020 can never evaluate their own proposals or any proposals competing with them.

**2) *Where and when should I apply if I want to evaluate projects supported by the FTI Pilot?***

You must [register as an expert](#) via the Participant Portal.

**3) *Are there any guidelines or training for evaluators, particularly on the type of entities this scheme actually targets?***

Evaluator training materials will be available in the first quarter of 2015.

**4) *What type of contract will be offered to expert evaluators?***

Please refer to the [appropriate section of the Funding Guide](#) on the Participants Portal for more information.

**5) *What is the level of remuneration offered to experts per day of work?***

EUR 450 per full day of work.

**6) *How many evaluators are there per proposal?***

Four.

**7) *What will their profiles be?***

The panel of four evaluators consists of experts with both commercial and financial backgrounds, and technical backgrounds. All will have experience with what needs to be in place for an innovation to be successfully launched onto the market.

## **G. MORE INFORMATION**

**1) *Where can I find additional information and guidelines related to the Fast Track to Innovation Pilot?***

To see the basic features of the Fast Track to Innovation Pilot, please refer to [the dedicated page on the Horizon 2020 information portal](#).

If you do not know where to start, please consult your [National Contact Point](#).

If you are looking to apply, please visit the [FTI pilot call page](#) via the [Participant Portal](#).

To know what information you need to provide to be selected and funded for an FTI Pilot action, please review the proposal template available on the [Participant Portal](#).

**2) *Is the European Commission organising any information days on the Fast Track to Innovation Pilot?***

Besides the kick-off information event in Brussels on 9 January 2015 (link to video to be made available here), the Executive Agency for Small and Medium-sized Enterprises (EASME) may organise some events during the course of 2015. Please keep an eye on the [EASME website](#). Also other Commission services may organise events to promote the FTI Pilot. Please keep an eye on the [newsroom of the Horizon 2020 information portal](#).