

SEAL OF EXCELLENCE – A SECOND CHANCE FOR INNOVATIVE BUSINESS

Brussels, 6 April 2016: High quality proposals from innovative Small and Medium-Sized Enterprises not funded within Horizon 2020 SME instrument available call budget have additional chances to be funded. The action concerns, for this initial 'pilot' phase, only proposals applying for the SME instrument and in particular those evaluated above the quality threshold. Almost 6 months after the launch of the initiative called the Seal of Excellence, we can see the first results – a number of Members States and regions are about to launch the first calls supporting 'seal proposals', but some prefer to use their own national/regional budget as they feel uneasy with using ESIF and some see compliance with State Aid regulation preventing to exploit the full potential of the seal initiative.

The implementation of the Seal of Excellence was discussed at the Czech Permanent Representation to the EU on 4th April with representatives of EU institutions, businesses, Permanent representations to the EU, research centres and other stakeholders.

The Seal of Excellence initiative was launched in October 2015. **Magda de Carli** from DG RTD is sure that it is a small but important initiative to maximize the impact, quality and efficiency of investments in R&I: it provides a great opportunity to businesses to implement their excellent ideas and to ESIF Managing authorities and other funding bodies to benefit from a ready-made international evaluation investing in promising R&I projects with high socio-economic impact at local level. The legal basis and the political commitments are there, but the process has just started, therefore SMEs must be patient. She stressed that the applicants have to be aware that there is no guarantee of an 'automatic' alternative funding and/or of same H2020 funding intensity, that the alternative selection process should be kept as simple as possible and reminded that different type of supports can be provided (i.e. grants, loans, guarantees). More than 2,300 proposals submitted within SME instrument (between 45% and 84% of all proposals above the threshold) are not funded and have by now all received the Seal of Excellence. In the meanwhile, the Community of Practice gathering funding bodies interested in supporting 'seal' proposals, counts now 135 members, from national/regional public/private level organisations. Many of them have already launched or are about to launch the first targeted calls for 'seal' proposal (Phase 1 and Phase 2 of the SME Instrument). A number of SMEs start reporting on benefits coming from the seal.



Martina Dlabajová, Member of the European Parliament welcomes the initiatives as it gives a second chance to innovative business by providing them with a possibility to access alternative funding. She stressed that the schemes must be simple, efficient and transparent with a great impact on the ground and with available data. *'The Ministry of Industry and Trade of the Czech Republic is trying to implement the synergy with H2020 but we encounter several hurdles'*, explained **Petr Očko** who has recently become a Head of Technology Agency of the CR. He explained that the scheme for the Phase 1 is under the preparation. More difficult will be the scheme for the Phase 2 where the Ministry considers soft loans or to have bonification in applied research program.

Adéla Hradilová of South Moravian Innovation Centre (JIC) informed that the Brno region is running an SME-I Brno instrument which will allow from mid-April to finance automatically 'seal of excellence' proposals - excellent projects unfunded by SME instrument (Phase 1) -

submitted by SMEs located in South Moravia region. The region will provide the same H2020 funding level (rate of co-financing), pre-financing payments, lump sum and coaching. She stressed that the beneficiaries will be obliged to submit an application to phase 2 of the SME instrument. Another good example of synergies was presented by **Vladimir Cid Bourié** of



Spanish Office for Science and Technology in Brussels. As he explained, Spain has the biggest rate of excellent projects within SME instrument therefore a great scope to finance unfunded projects. There were 141 'seal of excellence' Phase 1 project proposals funded last year by the Spanish Ministry of Economy and Competitiveness (MINECO) through a targeted call with total budget of 8,6M€.

In the future, the seal might be extended to EU programmes where the projects can be submitted by single applicant such as Marie Skłodowska-Curie (MSCA), Proof of Concept (ERC), Research Infrastructure and Teaming project.

The debate was organized by CEBRE- Czech Business Representation to the EU, CzeLO – Czech Liaison Office for Research, Development and Innovation and Czech Permanent Representation to the EU.
