

## Frequently Asked Questions

### 1<sup>st</sup> VAP Call

FAQ Version 2 – 30<sup>th</sup> of April 2019

Before reading this FAQ, please consult thoroughly the INNOWWIDE call text and implementing guidelines. This document is intended to provide clarification on those materials. In addition, you may already log in to the [INNOWWIDE portal](#) and consult the application form.

#### **Is it possible for a company to submit more than one project?**

No, only one application is allowed. If more than one application is submitted, the applicant shall be invited by the INNOWWIDE team to select the most appropriate one before the start date and time for submission (1<sup>st</sup> of May 2019 at 09:00 CET). All subsequent remaining applications discarded by the applicant SME will be deleted from the portal by the INNOWWIDE team.

#### **Is the VAP scope limited to only one country or can it cover more than one?**

The VAP should target only one country. VAPs were designed to prepare a future bilateral RTDI project supporting a collaborative and innovative business model and having the target market as a pilot for future market development. While VAP efforts and activities should thus be focused solely on the targeted third country, early prospects for future commercial outreach in other countries apart from the targeted one would be welcome at the submission stage and implementation reporting periods.

#### **Does the foreign subcontractor need to be an SME?**

The foreign subcontractor does not need to be an SME, it can be any type of legal organization. There must be at least a main subcontractor in the target country, which would be a potential future RTDI project partner. Appropriate capabilities to accomplish VAP technical tasks and future co-creation and technology uptake facilitation will be checked.

#### **Is it possible to take part in the call with other partners (from EU or from the target market)?**

INNOWWIDE is mono beneficiary, there is no consortium. The third country entity will be a main subcontractor that the applicant needs to identify and establish a contract with to provide the services that are listed as eligible activities, and which would be a potential future RTDI project partner. Appropriate capabilities to accomplish VAP technical tasks, future co-creation potential and technology uptake facilitation will be checked.

EU entities may also be subcontracted but should have a minor role and need to be duly justified (i.e. low-value contracts – less than 5.000 € or slightly above if duly justified – and minor tasks e.g. publishing, preparation of promotional material, trade fair participation support, basic matchmaking support, clerical support, etc). There is also no limit to the size of the subcontracted local entity.

### **In which countries can INNOWWIDE applicant SMEs be based in?**

Applicant SMEs can be based in any EU country or H2020 Associated State (\*). SMEs from H2020 Associated States can apply under the same conditions as an EU SME. Other non-EU, non-Associated countries will be considered third countries and no applicant SMEs will be allowed to apply except as a subcontractor of any eligible applicant SME from the countries above.

Please consult the INNOWWIDE call text and guidelines for more information.

*(\*) Current H2020 Associated States: Albania, Armenia, Bosnia and Herzegovina, Iceland, Faroe Islands, Georgia, Israel, North Macedonia, Moldova, Montenegro, Norway, Serbia, Switzerland, Turkey, Tunisia and Ukraine (except form Crimea and Sebastopol).*

### **Are UK companies eligible in view of Brexit?**

Yes, UK companies are eligible.

### **Are projects targeting Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates eligible? They are not included in the call text or guidelines.**

Yes, they are eligible.

### **Is there a template for proposals?**

A pdf version, just for information, will soon be uploaded to the INNOWWIDE website with the items that will be required to fill in the application portal. The application form has to be completed directly on the application portal - [https://innowwide.smartsimple.ie/s\\_Login.jsp](https://innowwide.smartsimple.ie/s_Login.jsp).

### **What is the duration of a VAP? When will the projects start?**

A VAP lasts exactly six months, shorter or longer durations are not permitted. Projects funded under call 1 are expected to run from October/November 2019 to April/May 2020.

## What types of costs are eligible?

Eligible costs fall under the below categories and must be related to the selected project activities (see INNOWWIDE guidelines for more details). This should be outlined in the application form.

A. Personnel

B. Consumables

C. Equipment Depreciation

D. Subcontracting

E. Other

F. Indirect costs = 25% of the total costs excluded subcontracting and third-party contributions.  
(F)  $0,25 * (A)+(B)+(C)+(E)$

## How is man-work evaluated? Are staff costs eligible?

The grant is a "lump sum" to allow you to carry out a minimum number of activities out of a list of eligible ones. Staff, equipment, consumables and subcontracting costs for these purposes will be eligible if duly and technically motivated and justified in the application form, including labor costs and staff effort.

## Is INNOWWIDE compatible with other funding mechanisms? If the company has applied for another EU funded program, such as the SME Instrument, can it also submit an application for the INNOWWIDE VAP Call?

EC financial regulation prevents accumulation of more than one EC fund into the same project activity and expense. Consequently, any activity included in an INNOWWIDE project shall not be financed by any other EU-based funding scheme, including Regional Structural Funds. In case of doubt or significant overlap with proposals already financed, directly or indirectly, through EU funds, applicants are encouraged not to apply to INNOWWIDE. INNOWWIDE funding will be fully compatible with other non-EU state aid schemes as long as the total cost of the action is not exceeded.

## If my company's product has been funded through SME instrument, is it eligible for VAP funding under the INNOWWIDE scheme?

Yes, so long as the same specific activities are not funded under both instruments.

## **Is INNOWWIDE funding part of the de minimis regime for EU funds?**

INNOWWIDE funding is central EU funding under Horizon 2020 and therefore exempt from calculation under the de minimis regime.

## **Will my company be audited after the project?**

It is not expected for the companies to be audited, except if there is clear evidence of malpractice and misuse of the grant money.

## **Regarding the local partner company to be subcontracted, which is the maximum expected subcontracted amount? Are there any restrictions concerning the organization and its relationship with the European counterpart?**

There are no subcontracting thresholds nor ceilings, even though a minimum staff effort from the applicant SME is at least expected in terms of project oversight, management and preparatory work for future collaborative RTDI activities. The weight of subcontracting is to be decided by the applicant. Subcontracting amounts will be accepted if duly justified, needed to accomplish eligible activities and relevant in terms of added value, balanced collaboration, future international collaborative R&D&I and market outreach prospects.

Third country subcontractors must be independent from the applicant SMEs. Subsidiaries of the applicant SME do not qualify as third country subcontractors. They can participate in the VAP under the auspices of the parent company, i.e. as local offices of the applicant SME, but subcontracting an autonomous local entity is obligatory and the subcontracted tasks must be relevant.

Main subcontractors may be directly chosen in view of a duly justified future R&D&I collaboration (i.e. justifying that the chosen main subcontractor is the best one for it).

For other subcontractors (i.e. service suppliers) best quality cost ratio is to be assured (documented request for 3 offers, except for minor subcontracts – less than 5.000 €).

## **How many subcontractors are allowed in a VAP?**

More than one subcontractor is allowed, up to a reasonable number and upon duly justified reasons. However, only one main subcontractor, based in the target country, needs to be named in your application. The partnership with this subcontractor must focus on the co-creation activities cited in the INNOWWIDE call text and guidelines. Other subcontractors, if needed, do not need to be named at the submission stage. A contract between the applicant SME and each main local subcontractor will be required at Grant Agreement stage.

## **Could a European SME, formally established and registered in one of the target countries, be eligible as subcontractor if it's able to demonstrate and develop the target actions of the call?**

The subcontractor could be a European SME formally registered in a target country, so long as they are autonomous from the contracting SME. However, please be aware that successful projects need to demonstrate sufficient local knowledge/experience on the part of the subcontractor.

## **Is it possible for a third country company to be part of more than one project, as a subcontracted entity?**

Yes, it is possible for the same subcontracted company to collaborate in more than one project, as long as the contracting companies (i.e. the EU companies that submitted the VAPs) are totally independent from each other.

## **When do we need to have a contract signed with our subcontractor? Is the contract part of our submission?**

The contract with the subcontractor will be needed upon signature of the grant agreement, which for selected projects will take place in August or September 2019. For the submission, you only need to provide some details of the subcontractor and evidence of contact with it (emails).

## **How does the allocation of the grant work? Does INNOWWIDE pay both organizations, the European and the third country one?**

The grant will be distributed in two instalments 50% at project start and 50% at project end, upon delivery of the final report.

The funding will be given to the European SME that applies to INNOWWIDE. The subcontract with the entity from the third country will be done by the European SME beneficiary. INNOWWIDE will only transfer money to the European SME beneficiary not to the third country subcontractor(s).

## **Does the VAP project require the participant to develop local product manufacturing? Could we use the funding to support our entry into a new market via a distribution channel development?**

The project must feature at least the exploratory/assessment phase of a R&D partnership with a local entity. Distribution channel development on its own would be insufficient. Please refer to the INNOWWIDE guidelines for further information.

## **The INNOWWIDE guidelines mention certain documents to submit for SME status validation (2.7.3). When should these documents be submitted?**

These documents are only required once the SME has been selected for funding. You are not required to submit these documents with your application.

## **The Financial Viability Calculator section of the application form appears to contain an error, there is a minus sign for row 47. What shall I do?**

This was replaced with a corrected version on 11/04/2019 (the minus sign for row 47 was replaced with a plus sign). If you uploaded the calculator before 11/04/2019, please contact the INNOWWIDE team.

## **Do startups have to submit financial data via the application form's Financial Viability Calculator? E.g. early stage medtech companies are seldom self-sufficient and almost never profitable. Is this a problem to apply for the INNOWWIDE program?**

Startups with no closed accounts are exempted from submitting the financial viability calculator and can simply upload a blank Excel file instead. Therefore their financial situation will be taken into account. However they have to submit a business plan.

## **I can login to the application form and save it, but I cannot submit it – why?**

Submissions will open on the 1<sup>st</sup> of May at 09:00 CET. This is to ensure that all applicants have access to the same information for this pilot call before submitting their application. A final version of this FAQ will be published before this date to provide complete information to all participants on the call.



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