Who can apply?
For-profit SMEs, including young companies and start-ups, from any sector. You must be established in an EU Member State or a Horizon 2020 associated country.

What topics are covered?
There are no set topics. Negative impacts on climate and the environment should be avoided.

How does it work?
The SME Instrument provides full-cycle business innovation support. It has three phases, including a coaching and mentoring service.

> Feasibility study: Phase 1

Phase 1 helps you get a grip on the R&D, technical feasibility and commercial potential of a ground-breaking, innovative idea and develop it into a credible business plan for scaling it up.

Activities can include, for example, risk assessment, market research, user involvement, analysis of regulatory constraints or standards regimes, intellectual property management, partner search, or feasibility assessment.

Your goal in Phase 1 is to formulate a solid, high-potential innovation project with a European or global growth-oriented strategy.

Your proposal must be based on an initial business plan and outline the specifications of a more elaborate one, which will be the outcome of the project.

Phase 1 funding is a lump sum of €50,000 [Commission Decision C(2013)8198 authorising the reimbursement of cost under the form of a lump sum for SME Instrument Phase 1 actions under Framework Programme Horizon 2020 states that the total eligible cost for a Phase 1 project is €71,249. Applying the co-financing rate of 70%, the amount of the grant is established at €50,000]. Projects should last around 6 months.

> From concept to market: Phase 2

Phase 2 helps you develop your business concept further into a market-ready product, service or process aligned with your company's growth strategy. Activities could, for example, include trials, prototyping, validation, demonstration and testing in real-world conditions, and market replication. If the activity concerns a primarily technological innovation, a Technology Readiness Level (TRL) of 6 or above is envisaged. You can subcontract work essential for your innovation project.

You can apply to Phase 1 as a means of preparing for Phase 2, or you can apply directly to Phase 2.
Your proposal must be based on a strategic business plan that was either developed in Phase 1 or by another means. Your proposal must specify the expected outcome of the project and criteria for success, as well as the expected impacts on your company in both qualitative and quantitative terms (e.g. on turnover, employment, market size, IP management, sales, return on investment, or profitability).

You must pay particular attention to IP protection and ownership, and present convincing evidence or measures to ensure the possibility of commercial exploitation (often known as 'freedom to operate'). You should also address regulatory and standardisation issues.

Grant funding is provided (funding rate 70%) of between €0.5 million and €2.5 million. You can request a higher or lower amount, duly justified, when applying. Your project should normally take 12 to 24 months to complete, but could be longer in exceptional and well-justified cases.

> Commercialisation: Phase 3

**Phase 3** helps you take advantage of additional EU support extended via a range of business support services offered on the EIC Community Platform, open to SMEs benefiting from the different EIC calls for proposals. This support can take the form of training, links to investors, partnering and networking with other EIC SME clients and larger firms and services to help you access international markets, e.g. via participation in overseas trade fairs. Phase 3 is not necessarily subsequent to Phase 1 or Phase 2; it provides specific support to EIC SME clients, mainly to help them access new markets or customers and link with investors. It does not provide direct funding. In the 2018-2020 period, Phase 3 is open to SMEs receiving grants under the FTI and FET-Open schemes, in addition to SMEs receiving grants from the SME Instrument budget.

All Phase 3 support services are accessible through a single, dedicated entry point, which serves as an information portal and networking space. [See 'EIC Support Actions']

**Coaching**

If you are an SME benefiting from grant funding from the SME Instrument, FTI or FET-Open, we offer business coaching to help your business scale up and grow.

**Coaching covers business development, organisational development, cooperation, and financing.**

For SME Instrument clients, up to 3 coaching-days are available in Phase 1, and up to 12 coaching-days in Phase 2. SMEs taking part in FTI or FET-Open are offered up to 12 coaching-days.

The free-of-charge coaching service is facilitated by the Enterprise Europe Network (EEN). Coaching is delivered by one or more qualified, experienced business coaches recruited from a database managed by the European Commission. All coaches meet stringent criteria regarding business experience and coaching skills. Throughout your project, the EEN will complement the coaching support. EEN offers a service package covering an assessment of your firm's innovation management capacities and the identification of a suitable coach or consulting package to address the gaps, EEN also provides access to its innovation and internationalisation services.

**Mentoring**

If you are an SME benefiting from grant funding from the SME Instrument, FTI or FET-Open, we will offer mentoring to individual founders, CEOs and leaders.

**Mentoring aims to develop leadership skills such as resilience, tenacity and strategic insight.**

The mentoring scheme will involve one-to-one meetings with an experienced entrepreneur, who will share expertise and provide impartial guidance and support.

Mentors will be CEOs of firms that have moved beyond the start-up stage. To begin with, mentors will be drawn from a pool of SME Instrument Phase 2 current and former clients willing to act as mentors on a pro bono basis.

Mentors and mentees will be matched up via the EIC Community Platform and during EIC Events and other suitable events.

We will introduce the mentoring scheme during 2018, and announce more details nearer the launch-date.
Are you an innovative, high-flying small or medium-sized business with European and global ambitions?
Have you got an idea for an innovation that targets new markets and could boost the growth of your company?
Are you looking for substantial funding to develop and scale up your idea?
And could you make use of business development resources and coaching to take your company forward? Then the SME Instrument is for you.

The SME Instrument supports high-risk, high-potential small and medium-sized enterprises to develop and bring to market new products, services and business models that could drive economic growth.

The SME Instrument is for innovators with ground-breaking concepts that could shape new markets or disrupt existing ones in Europe and worldwide.

**Competition for SME Instrument support is tough.**

The SME Instrument is very selective.

Only the most convincing and excellent proposals can be funded after a thorough evaluation by multinational panels of technology, business and finance experts.

Selected companies receive funding and are offered business coaching to scale up their innovation idea, and can also receive mentoring. They are helped in networking with other SME Instrument clients, with other companies of all sizes, and with potential co-investors and follow-up investors across Europe. As an SME Instrument client, you will gain visibility and boost your chances of success in European and international markets.

**Europe needs more radical, market-creating innovations to improve productivity and international competitiveness and generate new jobs and higher standards of living.**

These innovations must meet user and customer needs and tackle societal, technological and business challenges in a sustainable way.

Have you got what it takes? Then apply now!

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See parent programme

See all projects funded under this programme or topic

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