

The SusChem Guide to SME Funding in Europe

Small and medium sized enterprises (SMEs) represent the vast majority (more than 90%) of businesses in Europe and operate in all sectors.

SMEs are the backbone of Europe's economy and are key to economic growth, innovation and prosperity. In the past five years, they have created around 85% of new jobs and provided two-thirds of total private sector employment in the EU. However, accessing finance for research and innovation activities is often difficult for smaller enterprises.

This guide covers five of the main funding instruments for research and innovation available to SMEs in Europe. It addresses how SusChem can help SMEs to find project partners and maximise their opportunities with sustainable chemistry innovation.



What is an SME?

An SME is a company that employs less than 250 people and has either an annual turnover of no more than € 50 million or total balance sheet assets of no more than € 43 million.



What is SusChem?

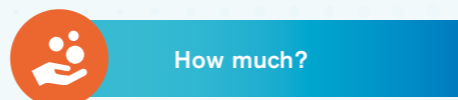
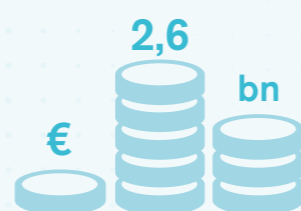
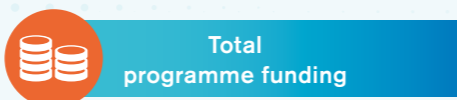
SusChem is the European Technology Platform for Sustainable Chemistry.

Since 2004, SusChem has provided a forum bringing together industry, academia, governmental policy groups and wider European society to formulate and implement research and innovation activities in industrial applied chemistry and biotechnology vital to establishing a more sustainable European society.

The platform provides input for the formulation of the work programme in Horizon 2020 and other EU initiatives.

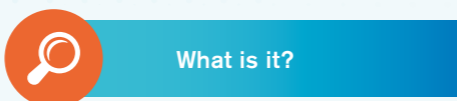
1. Five EU Funding Programmes that SMEs should know about

The SME Instrument



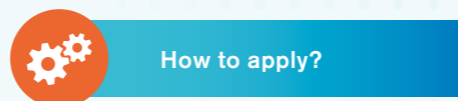
SMEs with a strong growth potential could receive up to € 2,5 million in funding and world-class business support and mentoring. Current funding covers 13 themes including nanotechnology, biotech-based industrial processes, eco-innovation and low-carbon energy systems.

13 themes

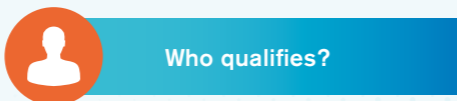


Horizon 2020's SME Instrument seeks to invest in and support Europe's next innovation leaders. The SME instrument has 3 phases:

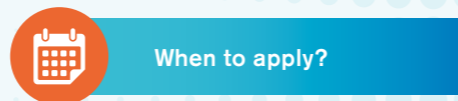
- 1 Concept & Feasibility
- 2 Demonstration, Market Replication, R&D
- 3 Commercialisation



SMEs are recommended to apply for **Phase 1**, but may also apply direct for subsequent phases. To apply for **Phase 1** you need to produce a 10-page business proposal.



Applicants should be established high growth, highly innovative SMEs with project proposals preferably at **technology demonstration level** or higher (TRL6 or more). If your company is based in an innovation hub, has received grants or venture capital funding, innovation-related tax benefits, or won a recent innovation prize then your chances of success are boosted.

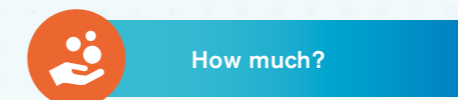


There are various call deadlines across the **YEAR**.

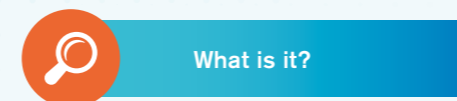
[The SME Instrument](#)

2. Five EU Funding Programmes that SMEs should know about

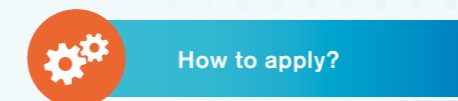
The Fast Track to Innovation (FTI) Pilot



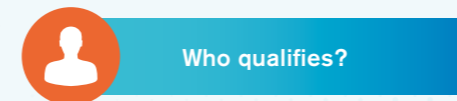
On offer is a maximum contribution from the Commission of up to € 3 million per proposal with time-to-grant of around **six months**.



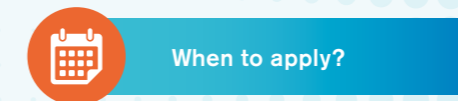
FTI is a bottom-up measure in Horizon 2020 to promote **close-to-market** innovation. FTI is being piloted in Horizon 2020 during 2015 and 2016.



The FTI pilot is implemented through one common and continuously open call. Proposals should build on a **business plan**, and focus foremost on achieving high impact. The size of the budget allocated to industry participants (especially SMEs) will be an important factor during evaluation.



Applicants must involve consortia of **3 to 5 legal entities** established in at least **3 EU Member States**. At least two of the participants must be from industry. Project proposals should involve close-to-market innovation preferably at technology demonstration level or higher (TRL6 or more). SMEs and first-time industry applicants are especially invited to submit proposals.

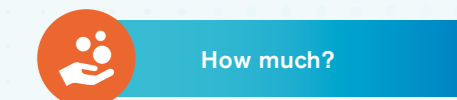


Proposals can be submitted at any time during the **two year pilot** with cut-off dates for ranking of proposals. For more details, check the link below:

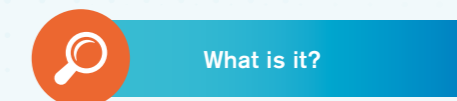
ec.europa.eu/easme/en/fast-track-innovation-fti-pilot

3. Five EU Funding Programmes that SMEs should know about

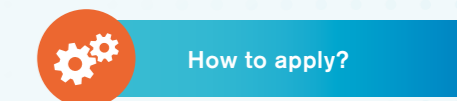
Eurostars



Funding varies from project to project. In average, the total cost of a project is € 1,4 million.

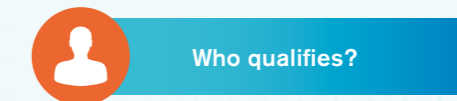


Eurostars is a transnational innovation programme supporting research-performing SMEs developing innovative processes, products and services to gain competitive advantage. The programme is administered by EUREKA! and covers all technology areas.

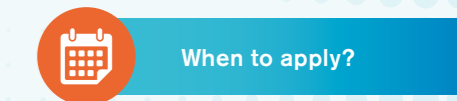


Applications must be made via the Eurostars website.

[Eurostars](#)



Applications are welcomed from SME-led project consortia consisting of at least two independent legal entities from at least two different Eurostar countries. Projects should not last more than **36 months** with the goal of rapid commercialisation of results. There are currently **34 countries** supporting Eurostars covering most of Europe and beyond.



Usually there are **two application submission deadlines** every year. The next deadline is on: www.eurostars-eureka.eu

2x YEAR

4. Five EU Funding Programmes that SMEs should know about

InnoVFin - Large Projects (EIB)

Total programme funding

Over all InnoVFin products 2007-2013



How much?

A minimum of € 25 million to maximum € 300 million to cover up to a maximum of 50 % of the total R&I project cost. Time-to-grant decision is typically 4 to 6 months.



What is it?

InnoVFin - Large Projects aims to improve access to risk finance for R&I projects, including demonstration projects, via long-term (up to 10 year) loans and guarantees.

The EIB also funds two dedicated initiatives for SMEs: **InnoVFin SME Guarantee** (guaranteeing debt financing from € 25 000 to € 7,5 million) **InnoVFin SME Venture Capital** that are managed at a local level through financial intermediaries (banks etc.).

How to apply?

Applications for the InnoVFin Large Projects scheme should be made directly to the European Investment Bank (EIB).

InnoVFin - Large Projects (EIB)



Who qualifies?

Applicants must be based in an EU Member State or from a Horizon 2020 associated state.



When to apply?

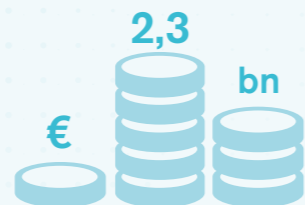
Proposals can be submitted at **any time**.



5. Five EU Funding Programmes that SMEs should know about

COSME

Total programme funding



How much?

COSME funds a portfolio of initiatives. One of its main aims is to provide SMEs with enhanced access to finance. It facilitates this in two ways:

The Loan Guarantee Facility that supports financial institutions to provide more loan and lease finance to SMEs (the average guaranteed loan is ~ € 65 000)

The Equity Facility for Growth that provides risk capital to equity funds investing in growing SMEs up to a few million Euros.

What is it?

The EU Programme for the Competitiveness of Small and Medium-sized Enterprises (COSME) supports SMEs by facilitating access to finance, supporting access to markets and competitiveness, and encouraging an entrepreneurial culture.

COSME also funds the Erasmus for Entrepreneurs initiative - a cross-border exchange scheme for aspiring entrepreneurs to learn from experienced small business leaders and enhance their skills.

How to apply?

Applications are via the COSME Access to Finance web portal. Apply for the Erasmus for Entrepreneurs scheme via its own website.

COSME



Who qualifies?

The programme is open to all European SMEs at every stage of their lifecycle from **start-up** through **expansion** to **business transfer**.



When to apply?

Proposals can be submitted at **any time**.



How can SusChem help?

SusChem's vision is for a competitive and innovative Europe where sustainable chemistry and biotechnology provide solutions for future generations. Achieving this vision requires an innovation ecosystem including large and small enterprises, research organisations and academia working together to capitalise on Europe's strengths. Fostering collaboration between larger chemical industry players and SMEs is a key priority for SusChem. And SMEs can benefit from **SusChem's Strategy, Mobilisation and Dissemination activities**.



Strategic innovation

SusChem's Strategic Innovation and Research agenda (SIRA) outlines the role of the chemical and biotechnology sectors in boosting innovation in Europe today and our priorities for using sustainable chemistry research and innovation to tackle major societal challenges.

Mobilisation for innovation

With our network of 12 National Technology Platforms (NTPs) across Europe, SusChem mobilises industry, academics and other stakeholders to work in partnership and deliver our priorities.

Through our stakeholder and brokerage events, special topic workshops, the **GRANT-IT platform and National Technology Platforms events, SMEs can find the partners, skills and expertise they need to access EU innovation funding.**

SusChem NTPs work on sustainable chemistry initiatives within their own country, support national engagement in EU collaborative projects and programmes and contribute to transnational collaborations. Working with SMEs is a key priority.

Innovation dissemination

SusChem helps to share information and enables knowledge transfer between a wide range of stakeholders across Europe.

Our communication channels include **SusChem ETP and NTPs websites, blogs, workshops and our Education & Skills initiative.**

Disclaimer

This guide covers five of the main funding instruments for research and innovation available to SMEs in Europe. It is not an exhaustive list of funding schemes from the European Commission, Regions and Countries in Europe.

More information

The SME Funding Programmes online

1. The SME instrument
2. Fast Track to Innovation (FTI)
3. Eurostars
4. InnoVFin - Large Projects
5. COSME

Contact SusChem Secretariat at

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Publication 2017

Other useful links

- Erasmus for Young Entrepreneurs
- EASME, Executive Agency for SMEs
- European Commission's Directorate General GROWTH and SMEs
- Horizon2020
- SusChem SIRA

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