



EUROPEAN COMMISSION

Executive Agency for Small and Medium-sized Enterprises (EASME)

Update of 17/05/2016

Extension of deadline for submitting applications

New deadline: 30 June 2016, 17:00h (Brussels time)

Terms of Reference

Consultation of Enterprise Europe Network partners on the work programme for 2017-2018 H-2020 activities

H2020-EEN-SGA2-2017-2018

Enterprise Europe Network

The present consultation is provided at this stage on an indicative basis. All information on this invitation to submit proposals is subject to final confirmation pending the adoption of the amended Horizon 2020 Work Programme 2016-2017, expected by June 2016 by the European Commission. The information on this invitation to submit proposals is here for reference only, to allow potential applicants to familiarise themselves in advance with the requirements. Please note that if the Horizon 2020 Work Programme 2016-2017 is not amended, or amended with the introduction of terms and conditions not in line with the Terms of Reference of this consultation, EASME reserves the right to cancel or amend this invitation to submit proposals.

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1. INTRODUCTION – BACKGROUND

Small and medium-sized enterprises (SME) play a crucial role in reaching the objectives of the Europe 2020 Strategy¹. Whereas they are considered as crucial engines for growth and job creation, their competitiveness is affected by a limited exploitation of international opportunities and innovation prospects in the Single Market and beyond.

In this context, the Programme for the competitiveness of enterprises and small and medium-sized enterprises (2014-2020), hereinafter referred to as COSME², aims to promote growth and to strengthen the competitiveness and sustainability of enterprises in the European Union.

Article 10 of the COSME Regulation states that the European Commission shall support the Enterprise Europe Network³ (hereinafter referred to as "the Network") and describes three major activities of the Network:

- various advisory services for SMEs⁴;
- the facilitation of cross-border partnerships of enterprises;
- and the provision of a communication channel between SMEs and the EU.

Furthermore, it stipulates that the Network can deliver services on behalf of other Union programmes such as the Horizon 2020 programme, provided these fund the additional actions.

Horizon 2020 – the Framework Programme for Research and Innovation (2014-2020)⁵ – also recognises the Network as a main support instrument for innovation in SMEs. It therefore envisages a reinforced link with the Network to provide innovation support services as well as information and advisory services such as mentoring, coaching and partner search activities for SMEs wishing to develop innovation projects with a strong European or international potential

By combining Horizon 2020 and COSME support, the Network will become a true one-stop-shop for business and innovation support along the entire value chain, providing its

¹ COM (2010) 2020 final of 3 March 2010

² Regulation (EU) No 1287/2013 of 11 December 2013 (Official Journal of the European Union 2013/L 347/33 of 20 December 2013)

³ The Enterprise Europe Network was originally established in 2008 under the Competitiveness and Innovation Programme (2007-2013).

⁴ Advisory services of the Network include: provision of information and advisory services on Union initiatives and law; support for the enhancement of management capacities to increase the competitiveness of SMEs; support aimed at improving SMEs' financial knowledge, including information and advisory services on funding opportunities, access to finance and related coaching and mentoring schemes; measures to increase SME access to energy efficiency, climate and environmental expertise; and promotion of Union funding programmes and financial instruments (including the Horizon 2020 programme in cooperation with national contact points and the Structural Funds)

⁵ Regulation (EU) No 1291/2013 of 11 December 2013 (Official Journal of the European Union 2013/L 347/104 of 20 December 2013)

services in the wider context of and in line with the Europe 2020 strategy and specific EU programmes and initiatives aimed at small and medium sized enterprises⁶.

The European Commission is requested to coordinate the different sources of funding. The implementation of the Network in the Member States shall avoid duplication of activities in accordance with the principle of subsidiarity.

The Executive Agency for Small and Medium-sized Enterprises (hereinafter referred to as "EASME") will manage the invitation to submit the proposals once the revised Horizon 2020 work programme 2016-2017 is adopted and the grants that could result from that invitation.⁷ The EASME is, *inter alia*, entrusted by the European Commission with the implementation of parts of the COSME programme and the Horizon 2020 programme.

2. OBJECTIVES – ACTIVITIES

2.1. Purpose of the consultation

The purpose of this consultation of the Network is twofold: on the one hand, to inform partners on the forthcoming opportunities established in the H2020 Work Programme 2016-2017; and on the other hand, to set the conditions under which proposals may be obtained, provided that the amended Horizon 2020 Work Programme 2016-2017 be adopted.

Should the amended H2020 Work Programme 2016-2017 be adopted, the goal of the present consultation is to obtain proposals of a work programme 2017-2018 for services enhancing the innovation management capacity of SMEs under the Horizon 2020 programme for specific activities in the context of innovation support⁸, from the consortia that have been awarded a Framework Partnership Agreement (hereinafter a "FPA") as the outcome of the call for proposals COSME-WP2014-2-1 and COS-EEN-2014-2-04 Enterprise Europe Network 2015-2020.

The work programme of each consortium should be in line with the objectives, the justification and the implementation strategy of the consortium set out in its FPA, as well as with the general objectives described in the call for proposals mentioned above.

⁶ The policy background is laid out in the following documents: Commission Communication "An integrated industrial policy for the globalised era, putting competitiveness and sustainability at centre stage" (COM (2010) 614 final); Commission Communication "Think Small First – A Small Business Act for Europe" (COM (2008) 394 final and COM (2011) 78 final); 'Small Business, Big World— a new partnership to help SMEs seize global opportunities' (COM (2011) 702 final); A Stronger European Industry for Growth and Economic Recovery (COM(2012) 582 final); Entrepreneurship 2020 Action Plan (COM(2012) 795 final)

⁷ EASME was set up by Commission implementing decision 2013/771/EU of 17.12.2013 "establishing the Executive Agency for Small and Medium-sized Enterprises and repealing decisions 2004/20/EC and 2007/372/EC" (Official Journal of the European Union L 341 of 18.12.2013).

⁸ http://ec.europa.eu/research/participants/data/ref/h2020/wp/2016_2017/main/h2020-wp1617-sme_en.pdf

2.2. Objectives

Lack of innovation management capacity is recognised as an important barrier to creating economic impact (competitiveness, growth and jobs) from innovation activities in SMEs. Consulting services enhancing the innovation management capacity are not available to SMEs in many European regions as a result of a lack of offers, unaffordable market prices or poor quality. Horizon 2020's SME-instrument foresees offering mentoring and coaching services to beneficiaries to address this need.

Since 2014 the Network has introduced services "Enhancing the innovation management capacity of SMEs" and made available to SMEs higher quality innovation support services where these are absent or unaffordable on local markets.

In 2017/18, under the Enterprise Europe Network established for the period 2015-21 5000 SMEs across Europe shall receive a 7 to 10-day service package that includes an innovation management capacity assessment, a gap analysis and the provision of at least 5 days of targeted services to address recognised gaps. The assessment could be based on the IMP³rove methodology or methodologies already introduced in the regions that comply with the definition of innovation management and the elements of an innovation management system as in CEN technical specification CEN/TS 16555-1.

For beneficiaries of the Horizon 2020 SME instrument a – on average - 7-day assignment covering phase 1 or phase 2 of the SME instrument shall be used to identify gaps, suitable coaches and support their work that would address the recognised barriers to growth on the basis of a jointly agreed 'coaching plan'. Furthermore, within the 7-day service package assignments SMEs benefitting from Horizon 2020 project should, where appropriate, be assisted in managing their project with the EU. Beneficiaries that have completed phase 1 of the SME instrument but unsuccessfully applied for phase 2 and received the 'Seal of excellence' shall be supported in realising the proposed project and in further developing their innovation strategy and innovation management. These (project funding related) services shall be provided realising synergies with the Network's existing services under COSME.

The indicated duration of the assignment is an average, based on a typical, indicative service design. While the latter may serve as an orientation, it is not mandatory and may be modified, shortened or extended, within reason, to match the needs of the company. This may, however, not give rise to an increase in the total budget for the action: any increase in the number of days for an individual assignment must be compensated by reducing the number or the duration of other assignments.

Direct impact from the action will be a significantly enhanced growth and profitability of SMEs receiving the services as compared to a control group. Innovation processes will be conducted more efficiently and more effectively. Indirect impact is expected from the introduction of high quality innovation management capacity assessment and support services in all regions across Europe. In an increasing number of regions the initial introduction in the context of the described action will lead to integration of the IMP³rove toolbox in the regional innovation support.

2.3. Activities

Two distinct types of activities are envisaged, which shall be provided as comprehensive service packages following the processes and guidelines that are laid down for this purpose in the guide for applicants. They shall be delivered by suitably qualified senior

innovation experts. They shall be fully integrated into the work programme and linked to the other support services of the Enterprise Europe Network. In each region, the available service packages shall be distributed across the two types of activity described below, reflecting demand from local companies.

a) Key account management under the SME Instrument of Horizon 2020

All **beneficiaries of the SME Instrument** are entitled to receive key account management services from the Enterprise Europe Network. The aim of the service is to:

- identify weaknesses in the innovation capacities of the beneficiary that hinder the realisation of growth opportunities and of the full commercial potential of SME Instrument participants
- identify suitable coaches (based on the assessment above) to address the identified weaknesses and moderating the coach-client relationship
- accompany the beneficiary through the SME instrument project

Key account managers have the responsibility to ensure that beneficiaries of the SME Instrument receive the most appropriate support services which enhance the probability of a successful exploitation of the innovation project and which are conducive to the sustainable growth of the beneficiary beyond their participation in Horizon 2020. Their services are deployed throughout phases I and II of the SME Instrument.

Key Account Managers shall also make links with standard Network services that could be relevant in the context of phase III of the SME Instrument, and shall advise SME Instrument beneficiaries with regard to their participation in other phase III activities.

Key account management (KAM) services are only accessible to beneficiaries of the SME Instrument. Network partners will be informed about successful applicants for the SME Instrument in their region and are expected to get in touch with them in order to arrange for the deployment of key account management services. Key Account Managers are expected to contact companies swiftly at all stages, respecting the general timeline for the provision of KAM services provided by EASME.

b) Services to enhance the innovation management capacities of SMEs

Service packages not required to deliver key account management services shall be used by Network partners to help SMEs to **enhance their innovation management for more effectiveness and efficiency**. A diagnostic audit of the innovation management of the client SMEs shall be carried out, on the basis of which a tailored action plan to improve the SME's capacity to manage innovation processes shall be developed and implemented by the SME.

This service is aimed at SMEs with potential for growth via product, process, service or business model innovation and significant innovation activities but weak economic return on these activities. The service can be usefully applied to screen enterprises for their ability to design, launch and implement major innovation projects that support their development strategy

The objective of the service is to make the innovation system, as defined by the CEN/TS 16555-1 standard, in the company more efficient and effective. This includes the full innovation process from idea generation to market introduction and generation of profit. The general practices and skills of the company for external cooperation for innovation are an integral part of the analysis.

Based on an action plan agreed with the client, the Enterprise Europe Network shall address some or all identified bottlenecks and/or accompany and supervise the work of other public or private sector consultants addressing these bottlenecks. Any cost arising from such third party involvement is not eligible under the Enterprise Europe Network project and therefore has to be covered by the SME receiving the service.

The selection of suitable recipients will be made at regional level by consensus at consortium level between all Enterprise Europe Network host organisations involved in these in-depth services in their geographic area. Each consortium has to ensure that proper procedures are in place to identify and select suitable companies for the service in a fair and balanced way. In this context, it is irrelevant whether the potential recipient has ever been awarded support from the SME Instrument. The impact of the service package on the capacities of the SME must be demonstrable and reported to the EASME.

The two types of service packages may not be provided to the same client in parallel.

Tools and methodologies for services to enhance the innovation management capacities of SMEs

The EU commissioned the development of an assessment tool for 'Benchmarking innovation management performance' that received international recognition and is fully aligned to the technical specification of CEN/ CENELEC TS-16555. The tool is made available free of charge to Network partners delivering services under this call.⁹ By using this tool, Network partners contribute to the quality of the tool and its benchmarking database by providing fresh data sets. Consortia choosing to use a different established innovation management assessment methodology must show that their tool(s) match the standards set in CEN/TS-16555.

To this end, the proposed tool(s) and methodologies to assess the innovation management performance of a company must at least cover the following areas:

- The innovation strategy;
- The deployment of innovation enablers/driving factors (for example, existing strengths/weaknesses, innovation culture, leadership, ability to cooperate with other entities, etc.);
- The innovation process (including idea generation/management);

⁹ see Horizon2020 work programme 'Innovation in SME' (2016-17) page 49; Action "Supporting assessments of 'innovation management capacity' by the Enterprise Europe Network" http://ec.europa.eu/research/participants/data/ref/h2020/wp/2016_2017/main/h2020-wp1617-sme_en.pdf

- Economic return/impact of the innovation. Both financial and non-financial indicators must be considered. These can include:
 - Growth rates of profit, revenue or operational margin;
 - Cost savings;
 - Return on innovation investment;
 - Impact on market share;
 - Efficiency increases in processes;
 - Better brand awareness / reputation;
 - Number of jobs created or maintained as a result of innovation activities;
 - Intangible assets (intellectual property, know-how, relationships, etc.);
 - Improvements in the social or environmental sustainability.

An assessment against these indicators should provide feedback based on successes and failures from past innovation projects and give indications of possible improvements the innovation management processes in the company.

On this basis, an action plan must be developed by the beneficiary, outlining concrete steps for the company to address the weaknesses identified in the assessment.

Consortia proposing to use a different assessment tool than the one made available by the Commission may be asked to provide a sample of the action plan resulting from their assessment methodology.

In order to further develop the capacity of the Network to provide the services for 'Enhancing the innovation management capacity of SMEs', Network staff members providing these services will have free-of-charge access to a training programme developed under a related action.¹⁰

In order to ensure integrated services for SMEs, it is important to establish a suitable cooperation with the National Contact Points for SMEs and the financial instruments under Horizon 2020. Each consortium should therefore ensure an adequate link with these National Contact Points.

2.4. Process and task description

a) Key Account Management for beneficiaries of the SME Instrument

Background: the SME Instrument

The SME Instrument is a novel Horizon 2020 tool to fund and support innovation and commercialisation activities in SMEs. It intends to bridge the gap between research,

¹⁰ see Horizon2020 work programme 'Innovation in SME' (2016-17) page 50; Action "Further developing consulting capacity in innovation management in the Enterprise Europe Network" http://ec.europa.eu/research/participants/data/ref/h2020/wp/2016_2017/main/h2020-wp1617-sme_en.pdf

innovation and market outcome by providing funding coupled with targeted business advice and assistance to SMEs. Only SMEs are eligible to apply for funding from the SME instrument. Single company funding is possible, provided the project can demonstrate a clear European dimension in terms of impact.

The SME Instrument has three phases:

1. Concept and Feasibility Assessment (up to 6 months, with direct, lump-sum financial support for beneficiaries)
2. Demonstration, Market Replication and R&D (1-2 years, with direct, financial support for beneficiaries)
3. Commercialisation (with non-financial support for beneficiaries)

Beneficiaries of the SME instrument have access to direct and tailored support services:

- Key Account Management includes an assessment of bottlenecks inherent in an enterprise that hinder the implementation of the innovative business idea supported by the SME Instrument. This assessment is the basis for the selection of a coach, who has the necessary expertise and knowledge to address the recognised bottleneck. Key account managers shall furthermore (i) facilitate the SME-coach relationship, (ii) assist, if appropriate, the SME in managing its grant with the EU and (iii) guide to other services – including those of the Enterprise Europe Network – that can help the beneficiary to realise its business plan. Key account management services are provided throughout Phases I and II of the SME Instrument. Appropriate links with support services provided by the Commission in the context of Phase III of the SME Instrument – which may run in parallel with the implementation of Phases I and II – shall be ensured.
- Coaching related to improving business processes, market strategies and innovation-led growth to facilitate the commercial success of the Horizon 2020 SME Instrument project and to carry out wider capacity building in the SME. This will involve the development and implementation of a coaching plan and providing tailored growth coaching to the beneficiary (3 coaching days in Phase I and 12 coaching days in Phase II are foreseen). Coaches will be sourced from a European database and are independent of the Enterprise Europe Network. They should be experts in growth management with a good knowledge of the sector the beneficiary is active in.

The concept of Key Account Management

The purpose of the Key Account Management is to ensure that SME Instrument beneficiaries receive the most appropriate services and support to enhance the probability of successful exploitation of the innovation project supported by the Instrument and to leave a footprint for the future sustainable growth of the beneficiary. The Key Account Manager will help the beneficiary identify and source appropriate coaches, facilitate linkages between the company and other innovation support services and work closely with any coaches selected in the process. Towards the end of Phase II of the Instrument, the Key Account Manager will help the beneficiary access relevant regional, national and European SME support schemes to ensure further successful exploitation of the project in Phase III.

Every successful applicant to the SME Instrument will be offered the support of an external expert (the "coach") who will develop and deliver a bespoke coaching plan to strengthen the beneficiary's capacity to carry out the planned innovation project. This

support is put in place to fast track the innovation project to the market, enhance its probability of successful exploitation and leave a footprint for the future successful growth of the SME Instrument beneficiary. The Key Account Manager's job is to prepare the selection of one or more suitable coach(es), to help the beneficiary lead the project to a successful conclusion and to broker a successful relationship between the SME and the coach throughout the former's participation in the SME Instrument.

The Key Account Management service is delivered entirely in phases I and II of the SME Instrument. In Phase 3 of the SME Instrument the Network will provide beneficiary companies with access to its full range of services (such as partnering, access to markets, internationalisation and access to finances) provided under COSME and is also expected to advise beneficiaries about accessing the financial instruments established under Horizon 2020 and COSME. Note that Phase III of the SME Instrument is not subsequent to phases I and II, but services pertaining to phase III are made available to SME Instrument beneficiaries in parallel to the implementation of their phase I and/or phase II projects.

The aim of the Network's Key Account Management service is to facilitate the coaching process by:

- Convincing the SME Instrument beneficiary of the benefits of taking up the coaching service.
- Helping them to identify and commission the most appropriate coach from a central database.
- Facilitating the SME –coach interactions.
- Ensuring that the SME is fully and seamlessly connected into the full range of innovation support available regionally or nationally.

Key Account Managers do not provide the coaching, but can advise the coach on the key challenges identified for the company which should be addressed by the coaching. Nonetheless, the design and content of the coaching plan, as well as the delivery method and the coaching methodology, remain entirely within the responsibility of the coach. The account management element of the service is divided into five distinctive steps, each corresponding with a number of days for delivery:

SME instrument phase I

- Step 1: Assess SME gaps and needs (0.5 day)
- Step 2: Identification and selection of one or more coach(es) (1 day)
- Step 3: Facilitate coach-SME interactions to prepare coaching plan (1 day)

SME Instrument phase II

- Step 4: Facilitate the interaction between the coach(es), the SME and the central management body of the SME Instrument (4 days)
- Step 5: Close coaching case and initiate next steps (0.5 day)

The number of days given per step is indicative and may vary from case to case. However, the overall balance should be maintained.

The Key Account Management activities are distinct and separate from the coaching days. However, a good relationship between Key Account Managers and coaches is an

important success factor. EASME is in the process of setting up a community (building) platform for the coaches, which will also be open to Key Account Managers.

Tasks of Key Account Managers

Coaching under the SME Instrument is voluntary. The Network must explain the benefits of coaching service provided by the SME Instrument to the beneficiary.

- Engaging with the beneficiary's management team in an assessment of the strategic and operational circumstances of their business: the aim is to identify gaps and needs in order to facilitate the selection of an appropriate coach by developing a draft scope of work.
- Helping the SME Instrument beneficiary to select the most appropriate coach(es)
- Facilitating the SME- coach(es) relationship. The Key Account Manager ensures effective teamwork and co-operation between the SME, the coach and external support measures.
- Providing an impartial sounding board to check customer satisfaction throughout the process
- Managing a small but highly intensive portfolio of key relationships
- Facilitating the re-use and creation of knowledge and continuous learning amongst the SME/ coaching / key account managers' community.

In order to streamline the process for all SMEs Instrument beneficiaries, allow for similar outcomes and to better track and compare the performance of coaches, a common case tracker tool for coach selection is provided by EASME. It is expected that all Key Account Managers use this tool, which is available at www.coachcom2020.eu.

SME Instrument coaches

For a better understanding of the whole system, the roles of coaches are described below. However, the coaching service is independent of the Enterprise Europe Network, which is only mandated to provide Key Account Management services (Individual staff members of Enterprise Europe Network host organisations may, however, apply to be included in the database of coaches in a personal capacity).

On the basis of the analysis made by the Key Account Manager, SME Instrument beneficiaries may choose one or more suitable coach(es), who will play a major role in helping them conclude their project and to deliver an innovation successfully to the market. The Key Account Manager is expected to make a pre-selection of suitable candidates and to verify their credentials and interests.

The coach(es) will do the actual coaching with the SME Instrument beneficiary and will be selected from an available pool of coaches. The role of the Key Account Manager is to create the right conditions for maximising the success of the coaching engagement. This will be done by moderating the coaching process and assisting with conflict resolution between the coach and the beneficiary if necessary. The Key Account Manager will also link the coach and the company to relevant support services outside of the SME Instrument. A close cooperation between the Key Account Manager and the coach is instrumental in ensuring the success of the scheme.

Role of the coach:

The delivery of high calibre business coaching to beneficiaries is at the core of the SME Instrument. It is primarily provided by coaches appointed for a longer period of time, usually from the selection of a coach in Phase I of the SME Instrument until the end of Phase II. Their task is to develop and implement a detailed coaching plan based on the innovation gaps identified for the beneficiary. In case more specialised coaching is needed, appropriate experts will be recruited upon the advice of the coach. This will be financed by the SME Instrument grant.

b) Services designed to enhance the innovation management capacities of SMEs

According to the European Committee on Standardisation, ‘Innovation Management’ is understood to take the company’s perspective as a starting point and assumes that successful innovation projects of all kinds (product, process, organisational innovation) are aimed at raising the company’s profitability and competitiveness (CEN/TS 16555-1). An ‘Innovation management system’ includes the company’s innovation processes from idea generation to innovation result, but also ‘leadership’, management skills and other enabling factors – like the ability to cooperate with third partners like R&D partners, clients and suppliers.

Consulting service offers enhancing the innovation management capacity are not available to SMEs in many European regions as a result of a lack of offers, unaffordable market prices or poor quality. The Network is therefore encouraged to identify promising SMEs capable of growth and successful internationalisation and to carry out a diagnostic audit of the identified SMEs in order to generate and implement a tailored action plan to improve the SME’s capacity to manage innovation processes.

This service is aimed at SMEs with and potential for growth via product, process, service or business model innovation and significant innovation activities but weak economic return on these activities. The aim is to empower those SMEs by helping them to unlock their potential by better managing the innovation process. The service can be usefully applied to screen enterprises for their ability to design, launch and implement major innovation projects that support their development strategy.

SME candidates for this service must be carefully selected by the service providers to ensure that the limited funding resource is used most effectively and that those SMEs selected stand to provide real benefit in terms of jobs, growth and European economic impact. Beneficiaries will be provided with an in depth analysis of their innovation management highlighting the gaps between their innovation capabilities and their innovation goals. This will result in the development of a tailored action plan on how to close the gaps and the provision of related support services to address those gaps.

The service is divided into four distinct steps (following a successful assessment of the SME's suitability for this service):

- Step 1: Assessment of the current status of the innovation management system in the company
- Step 2: Needs/gaps analysis and action plan development
- Step 3: Action plan implementation
- Step 4: Final report / closing of the project

It is considered that steps 1 and 2 together could account for about 1.5-2.5 days. Step 3 should take up the largest part of the time spent on each case (typically five-seven days),

while step 4 could be completed in half a day. However, the exact amount of time spent on each step is subject to the chosen methodology and may be adapted according to the needs of each individual case.

As a rule of thumb this process should be delivered within a period of 12 months, the action plan and its implementation will be delivered and / or managed by suitably qualified Enterprise Europe Network staff.

Tasks of Network partners

- to carry out innovation management capacity assessments using agreed methodologies
- to interpret the assessment results and propose a related action plan addressing the main bottlenecks
- to provide or give access to targeted and tailored support according to the action plan to help the SME increase its innovation management capacities
- to initiate and guide the next appropriate steps

Experience from across the Network shows that awareness of enterprises on the benefits of enhancing innovation management is still low. Particular success has been achieved in regions where this service was introduced in a 'programmatic approach' and connected to other policy initiatives.

Staff qualifications for services delivered under activity 4

Organisations delivering innovation support services under Horizon 2020 (Activity 4) are required to ensure that staff members providing the seven day packages to SMEs have all the specific skills that are required to provide growth-oriented and innovation management support services to companies (see below). For activities designed to enhance the innovation management capacities of SMEs, the required capacities may not be available in all regions. In those cases, it is acceptable to include a strategy to build up the required skills.

Enterprise Europe Network innovation experts delivering services enhancing the innovation management capacity of enterprises and staff members acting as Key Account Managers under the SME Instrument are required to possess following skills:

- University degree (or equivalent) in a relevant field;
- Senior staff member of the Enterprise Europe Network host organisation with proven experience in the provision of business and innovation support;
- Strong understanding / proven knowledge of the concept of innovation management (for providers of services enhancing the innovation management capacity of enterprises);
- At least three years of experience in EU-funded projects (for Key Account Managers);
- Ability to act as a highly credible business and innovation expert with good understanding of the challenges/barriers to growth faced by high-growth businesses;
- Familiarity with at least some consulting approaches and tools to recognise and address barriers to successful innovation management;

- In-depth knowledge of the support required to enable companies reach their growth potential, and an understanding of the available support infrastructure at all levels;
- Ability to develop strong relationships with senior management in innovative / growth companies and with a wide range of business support specialists;
- Refined networking, business development and advocacy skills;
- Ability to advise an SME on change management and project management.

3. TIMETABLE

Implementation period

The activities shall start on 1 January 2017 and end on 31 December 2018.

***indicative**

****subject to final confirmation pending the adoption of the amended Horizon Work Programme 2016-2017, by the European Commission**

	Stages	Date
a)	Deadline for submitting applications**	30 June 2016, 17:00h (Brussels time)
b)	Evaluation and adjustment period*	July to September 2016
c)	Signature of Specific Grant Agreements (SGAs)*	October 2016 to March 2017
d)	Starting date of the action	1 January 2017

4. BUDGET AVAILABLE

The estimated budget available for the co-funding of the activities under this invitation to submit proposals is 18.250.000 Euro.

This amount is subject to the availability of the appropriations provided for in the draft budget of the EU for 2017 after adoption of the budget for 2017 by the budgetary authority or provided for in the provisional twelfths.

The allocation of the available EU funding budget to individual consortia will be based on the population and/or number of SMEs of the geographic area covered by the Network consortia, the share of the region in the beneficiaries of the SME instrument in 2015, and will also take into account the cost of living / salaries in the country and the resources needed to ensure the operation of a basic service.

The EASME reserves the right not to distribute all the funds available.

5. ADMISSIBILITY REQUIREMENTS

- Proposals must be sent no later than the deadline for submissions mentioned in section 3;

- Proposals must be submitted in conformity with the procedures set out in section 14.
- Proposals must be submitted in one of the official languages of the European Union.

6. FINANCIAL CAPACITY

Applicants must have stable and sufficient sources of funding to maintain their activity throughout the implementation period referred to in section 3.

If the requested EU funding is equal or superior to 500.000 euro the Agency shall verify the financial capacity of only the coordinating institution.

The financial capacity shall not be verified either in respect of legal entities whose viability is guaranteed by a Member State or an associated country or in respect of higher and secondary education establishments.

7. ELIGIBILITY

The present invitation to submit a proposal is open only to the coordinators of the 2015-2020 Enterprise Europe Network projects on behalf of the regional and national consortia.

8. EXCLUSION CRITERIA

8.1. Exclusion from participation:

The applicant will be excluded from participating in the call for proposals procedure if it is in any of the following situations:

- (a) bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations.
- (b) it has been established by a final judgment or a final administrative decision that the entity is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the contracting authority is located or those of the country of the performance of the agreement;
- (c) it has been established by a final judgment or a final administrative decision that the entity is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:
 - (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract;
 - (ii) entering into agreement with another entity with the aim of distorting competition;
 - (iii) violating intellectual property rights;

- (iv) attempting to influence the decision-making process of the contracting authority during the procurement procedure;
 - (v) attempting to obtain confidential information that may confer upon it undue advantages in the procurement procedure;
- (d) it has been established by a final judgment that the entity is guilty of any of the following:
- (i) fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests drawn up by the Council Act of 26 July 1995¹¹;
 - (ii) corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union¹², drawn up by the Council Act of 26 May 1997 and Article 2(1) of Council Framework Decision 2003/568/JHA¹³, as well as corruption as defined in the legal provisions of the country where the contracting authority is located or the country in which the applicant is established or the country of performance of the contract;
 - (iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA¹⁴;
 - (iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council¹⁵;
 - (v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA¹⁶ respectively, or inciting or aiding or abetting or attempting to commit such offences, as referred to in Article 4 of that Framework Decision;
 - (vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council¹⁷;
- (e) the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract financed by the budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;
- (f) it has been established by a final judgment or final administrative decision that the entity has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95¹⁸.

The contracting authority shall exclude the entity where a person who is a member of the administrative, management or supervisory body of that entity or has powers of representation, decision or control is in a situation listed in points (c) to (f) above.

¹¹ OJ C 316, 27.11.1995, p. 48.

¹² OJ C 195, 25.6.1997, p. 1.

¹³ Council Framework Decision 2003/568/JHA of 22 July 2003 on combating corruption in the private sector (OJ L 192, 31.7.2003, p. 54).

¹⁴ Council Framework Decision 2008/841/JHA of 24 October 2008 on the fight against organised crime (OJ L 300, 11.11.2008, p. 42).

¹⁵ Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (OJ L 309, 25.11.2005, p. 15).

¹⁶ Council Framework Decision 2002/475/JHA of 13 June 2002 on combating terrorism (OJ L 164, 22.6.2002, p. 3).

¹⁷ Directive 2011/36/EU of the European Parliament and of the Council of 5 April 2011 on preventing and combating trafficking in human beings and protecting its victims, and replacing Council Framework Decision 2002/629/JHA (OJ L 101, 15.4.2011, p. 1).

¹⁸ Council Regulation (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests (OJ L 312, 23.12.1995, p. 1).

8.2 Exclusion from award:

The applicant will not be granted financial assistance¹⁹ if, in course of the grant award procedure, it:

- (a) is in a situation of exclusion established in accordance with Article 106 FR;
- (b) has misrepresented the information required as a condition for participating in the procedure or have failed to supply that information;
- (c) was previously involved in the preparation of the grant where this entails a distortion of competition that cannot be remedied otherwise.

8.3 Supporting documents

The applicant must sign a declaration on their honour indicating that they are not in one of the situations triggering exclusion or rejection from a given grant award procedure according to Article 106(1) and 107(1) of the Financial Regulation.

9. AWARD CRITERIA

The Agency will organise an evaluation process in order to ascertain that the quality of the proposals is sufficient to justify the awarding of an EU financial contribution under the terms of the co-operation agreed in the FPA.

Proposals will be evaluated on the basis of the criteria of the Horizon 2020 programme. These are 'excellence', 'impact' and 'quality and efficiency of the implementation' as detailed in the table below.

The subject of this consultation (the work programme 2017-2018) is a coordination and support action.

Type of action	Excellence	Impact	Quality and efficiency of the implementation
	The following aspects will be taken into account, to the extent that the proposed work corresponds to the topic description in the work programme.	The extent to which the outputs of the project should contribute at the European and/or International level to:	The following aspects will be taken into account:
All types of action	Clarity and pertinence of the objectives; Credibility of the proposed approach.	The expected impacts listed in the work programme under the relevant topic	Coherence and effectiveness of the work plan, including appropriateness of the allocation of tasks and resources; Complementarity of the participants within the consortium (when

¹⁹ Article 107 (1) of Regulation 2015/1929 of the European Parliament and of the Council amending Regulation n°966/2012 on the financial rules applicable to the general budget of the Union (OJ L 286 of 30.10.2015, p.1).

			relevant); Appropriateness of the management structures and procedures, including risk and innovation management
Coordination & support actions	Soundness of the concept; Quality of the proposed coordination and/or support measures.		

In assessing the criteria above, the following elements will be taken into account:

- Under "excellence", the credibility of the approach will be considered taking into account
 - programmatic / strategic approach to reach clients for 'EIMC'
 - Interrelations between KAM and standard EEN services (access to markets)
 - The extent to which the expected distribution of cases KAM and EIMC in the proposal reflect a realistic analysis of the needs and potential of the region
- Under "impact", the expected impact will be considered taking into account the capacity to increase the efficiency and effectiveness of innovation management for EIMC services and to support the achievement of growth objectives for KAM clients.
- Under "Quality and efficiency of the implementation", the compliance of the proposed assessment tools with the European standard for EIMC services and the clarity of the presentation of the workflow to get from initial analysis to coach selection and action plan.

Based on the above-mentioned elements, the evaluation committee will draw the conclusion whether the work programme is satisfactory or not.

At the outcome of the evaluation process it may happen that:

- The proposal is judged satisfactory. In this case the EASME may either accept the proposed work programme as such or and ask the applicant consortium to submit a revised version of the work programme and budget for final approval.
- The proposal is judged non satisfactory. In this case the EASME may invite the unsuccessful consortium to submit a revised work programme and budget.

10. LEGAL COMMITMENTS

In the event of a grant awarded by the EASME, a Specific Grant Agreement (SGA) drawn up in euro and detailing the conditions and level of funding, will be sent to the beneficiary. The Agency will give details on the procedure to formalise the obligations of the parties.

11. FINANCIAL PROVISIONS

11.1. General principles

a) Non-cumulative award

Each action may give rise to the award of only one grant from the budget to any one beneficiary.

In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, Network partners shall indicate the sources and amounts of Union funding received or applied for the same action or parts of the action or for its functioning during the same financial year as well as any other funding received or applied for the same action.

b) Non-retroactivity

No grant may be awarded retrospectively for actions already completed.

A specific grant may be awarded to Network partners for an action which has already begun provided they can demonstrate the need to start the action before the specific grant agreement is signed.

In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the proposal to EASME following its invitation.

c) Non-profit rule

The funding of the action shall not exceed the total eligible costs minus the receipts of the action.

11.2. Forms of grants

The grants will take the form of reimbursement of 100% of the total eligible costs.

➤ Eligible costs

Eligible costs are costs actually incurred by the Network partner which meet all the following criteria:

- ✓ they are incurred during the duration of the specific action, with the exception of costs relating to final reports and audit certificates;
- ✓ they are indicated in the estimated budget of the specific action;
- ✓ they are necessary for the implementation of the specific action as described in the work programme;
- ✓ they are identifiable and verifiable, in particular being recorded in the accounting records of the Network partner and determined according to the applicable

accounting standards of the country where the Network partner is established and according to the usual cost accounting practices of the Network partner;

- ✓ they comply with the applicable national law on taxes, labour and social security;
- ✓ they are reasonable, justified, and comply with the requirements of sound financial management, in particular regarding economy and efficiency.

Further details are included in the model grant agreement.

The beneficiary's internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the action/project with the corresponding accounting statements and supporting documents.

Eligible direct costs

The eligible direct costs for the work programme are those costs which, **with due regard for the conditions of eligibility set out above**, are identifiable as specific costs directly linked to the performance of the work programme and which can therefore be booked to it directly.

The following types of direct costs are eligible²⁰

A. Direct personnel costs

Only staff costs of qualified staff members, that means staff that have the necessary skills to undertake assessments of innovation management capacity, are eligible.

A.1 Costs related to personnel working for the partner under an employment contract (or equivalent appointing act) and assigned to the action ('costs for employees (or equivalent)'). They must be limited to salaries (including during parental leave), social security contributions, taxes and other costs included in the remuneration, if they arise from national law or the employment contract (or equivalent appointing act).

A.2 The costs for natural persons working under a direct contract with the partner other than an employment contract or seconded by a third party against payment.

Calculation : Personnel costs must be calculated by the Network partners in accordance with the Specific grant agreement

D. Other direct costs

D.1 Travel costs and related subsistence allowances (including related duties, taxes and charges such as non-deductible value added tax (VAT) paid by the partner) are eligible if i) they are in line with the partner's usual practices on travel and ii) arise in the context of:

- Specific training and community building events organised by EASME;

²⁰ Eligible direct costs are presented in line with the structure of Art 5 of the Specific grant agreement

- Visits to clients situated in remote areas (islands, overseas territories, territories not covered by an EEN or the innovation services) upon prior approval of request by EASME.

Eligible indirect costs (overheads)

Indirect eligible costs shall be determined by applying a flat-rate of 25% of the total eligible direct costs of the specific action, excluding direct eligible costs for subcontracting.

Applicants's attention is drawn to the fact that in the case of beneficiaries receiving an operating grant²¹ financed by the EU or Euratom budget, they cannot declare indirect costs for the period covered by the operating grant.

➤ **Ineligible costs**

- Costs related to return on capital;
- debt and debt service charges;
- provisions for future losses or debts;
- interest owed;
- doubtful debts;
- currency exchange losses;
- costs of transfers from the EASME charged by the bank of a beneficiary;
- costs declared by a Network partner and covered by another action receiving a European Union grant. In particular, indirect costs shall not be eligible under a grant for an action awarded to a Network partner which already receives an operating grant financed from the Union budget during the period in question;
- excessive or reckless expenditure;
- deductible VAT.

11.3. **Final grant amount and payment arrangements**

The specific grant agreement will specify the calculation of the final grant and the payment arrangements.

²¹ For the definition, see Article 121(1)(b) of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002 (OJ L 218, 26.10.2012, p.1) ('Financial Regulation No 966/2012'): 'operating grant' means direct financial contribution, by way of donation, from the budget in order to finance the functioning of a body which pursues an aim of general EU interest or has an objective forming part of and supporting an EU policy.

12. PUBLICITY

12.1. By the beneficiaries

Beneficiaries must clearly acknowledge the European Union's contribution in all publications or in conjunction with activities for which the specific grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of the European Commission on all their publications, posters, programmes and other products realised under the co-financed project. Detailed indications are included in the model grant agreement.

12.2. By the EASME

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The EASME will publish the following information:

- name of the beneficiary
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level²² if he/she is domiciled within EU or equivalent if domiciled outside EU,
- subject of the grant,
- amount awarded.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

13. DATA PROTECTION

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data²³. The personal data requested in the context of this call will be processed with the sole aim of evaluating the application and will not be used for any other purpose. It will be treated in accordance with the privacy statement published at

²² Commission Regulation (EC) No 105/2007 of 1 February 2007 amending the annexes to Regulation (EC) No 1059/2003 of the European Parliament and of the Council on the establishment of a common classification of territorial units for statistics (NUTS) (Official Journal of the European Union L 39 of 10.02.2007).

²³ Official Journal of the European Union L 8/1 of 12.01.2001.

http://ec.europa.eu/research/participants/data/support/legal_notice/h2020-ssps-grants_en.pdf .

Personal data may be registered in the Early Warning System (EWS) only or both in the EWS and Central Exclusion Database (CED) by the Accounting Officer of the European Commission, should the Network partner be in one of the situations mentioned in:

- the Commission Decision (2014/792/EU) of 13.11.2014 on the Early Warning System²⁴ (for more information see the Privacy Statement on: http://ec.europa.eu/budget/contracts_grants/info_contracts/legal_entities/legal_entities_en.cfm),

or

- the Commission Regulation 2008/1302 of 17.12.2008 on the Central Exclusion Database (for more information see the Privacy Statement at http://ec.europa.eu/budget/expained/management/protecting/protect_en.cfm).

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

Preparation of proposals

Applicants will find the instructions on all relevant templates for the preparation of the proposals in the Guide for applicants and its annexes.

As stated, this is a preliminary information. The invitation to submit proposals is subject to the formal adoption of the revised Horizon 2020 work programme 2016-2017. In this regard, the Agency reserves the right not to invite applicants to submit proposals if the above referred work programme is not adopted. Applicants bear any risk when preparing the proposals.

Submission of proposals

Once the European Commission has formally adopted the revised Horizon 2020 work programme 2016-2017, the Agency will invite applicants to submit their proposals. Proposals must be submitted in accordance with the requirements of section 5 and by the deadline set out under section 3. Proposals must be submitted electronically via the Research & Innovation “Participant Portal”. The submission tool link will be provided separately.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need for additional information, for clarification of certain aspects or for the correction of clerical mistakes, the EASME may contact the applicant for this purpose during the evaluation process.

Contacts

EASME is available to answer questions relating to the content of the present call for proposals. All questions must be sent by e-mail to EASME-H2020-EEN-SGA2@ec.europa.eu . Answers will be published in a dedicated FAQ document.

²⁴ Commission Decision of 13 November 2014 on the Early Warning System to be used by the authorising officers of the Commission and by the executive agencies (2014/792/EU), OJ 2014 L 329 of 14 November, p.68.