

# Persistence is key in Horizon 2020

CEO of Octopux Consulting Daniela Gomes reveals the key to success in Horizon 2020 applications

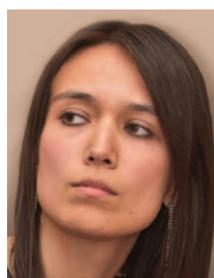
Three years after its launch the EU's Horizon 2020 framework programme, in particular its SME Instrument scheme, continues to be an open interrogation: although most applicants don't master the programme, thousands of project proposals are still submitted every trimester (if not every month). The SME Instrument has thus emerged as an ultra-popular hunting ground for financing, being labelled as one of the most successful support schemes for innovating start-ups and scale-up SMEs in Europe.

## Key challenges

However, more than 80% of innovators running such companies are new to EU public financing and are largely misinformed about its real complexity. Many first-time applicants are convinced of the incredible easiness of receiving SME Instrument funding, while, on the other hand, several multiple-time non-funded applicants claim that Horizon 2020 is a lottery that only finances innovators who lobby top EU officials with success.

For example, in all SME Instrument cut-off dates, 2,000 applicants for Phase 1 (Feasibility Study) and 1,000 applicants for Phase 2 (Innovation Project) truly believe their project deserves to be labelled as Europe's most innovative and disruptive solution and, therefore, is worthy of receiving the grant. However, only a very small number of such applications are actually funded. In the first two years (2014-15), only around 1,400 projects among 20,000 applications were funded by the European Commission's Executive Agency for Small and Medium-sized Enterprises (EASME).

Despite all prevailing prejudices against Horizon 2020 and its SME scheme, Octopux Consulting has been carefully instructing



European innovators to adopt a new – yet realistic – approach towards the framework programme. The question is: why do many innovators struggle to receive EU subsidies?

Without any doubt, Horizon 2020 is the perfect example that the world's most competitive financing programmes are the

*Daniela Gomes* most wanted: the quantity of applications dramatically outnumbers that of funded projects, exhausting the available commission grant per deadline of the call for proposal.

## Success stories

During the past three years (2014-16), Octopux Consulting has prepared more than 20 successful Horizon 2020 projects (approval rate of 60%) on behalf of highly innovative institutions from several European countries, including Spain, Belgium, Greece, Germany and Portugal. The following are four such examples:

- **REPHLECT:** A project on high concentrated photovoltaics that scored 14.45 out of 15 ([www.rephlect.eu](http://www.rephlect.eu));
- **IMPAX:** A project on inline measurement for pharma extrusion, scoring 13.62 out of 15 ([www.impax.eu](http://www.impax.eu));
- **LIGHTHOUSE:** A project on concentrated thermal solar power directly connected to the heating and cooling systems of local level buildings, scoring 13.62 out of 15 ([www.lighthousesolar.gr](http://www.lighthousesolar.gr)); and
- **DEMiLi:** A project on non-invasive diagnostic tools for non-alcoholic fatty liver disease (NAFLD) management as an alternative to liver biopsy, scoring 13.24 out of 15 ([www.talemnology.com/en/demili-2](http://www.talemnology.com/en/demili-2)).





### Further obstacles

Despite these and other much more successful examples, Octopux Consulting notes that several innovators still present a significant number of project concepts which simply do not fit the intended Horizon 2020 call or the SME Instrument requirements. Such concepts are far from being considered a world-class innovation, possessing an inadequate IPR strategy, a weak exploitation plan or an inappropriate marketing strategy, or missing critical human and/or financial resources deemed to be relevant for the project's implementation.

In fact, there are cases where a project application is evaluated as excellent by independent expert evaluators, going hand in hand with the programme's requirements, but does not receive EU funding. In such cases, where proposals are scored above the minimum threshold (or even very close to it), no one must be judged: neither the applicants nor, if applicable, the experienced consultants who have assisted them in writing the application. There are actually two interconnected factual reasons explaining the latter:

- 1) Applicants are unable to 'sell' their innovative project in a convincing way in order to be ranked among the first positions; and
- 2) The available EU grant for the selected call for proposal and/or deadline is limited and completely exhausted, making it impossible to finance all the above-threshold projects.

For some deadlines, or 'cut-off dates', applicants finally manage to get funded, meaning that the aforementioned reason 2) does

not apply. As the consequence of a positive availability of funds, reason 1) is also inapplicable. This happened with the DEMiLi project, which was funded with a relatively low score of 13.24 points, but still above the threshold of 13.

### Persistence pays off

Instead of focusing on vague assumptions or conspiracy theories around Horizon 2020 that lead innovators nowhere, Octopux Consulting's mission goes far beyond assistance in writing funding applications, business lobbying and managing approved projects; we 'educate' innovators by ceaseless demonstration and, through our experience as proven Horizon 2020 specialists, inform them that EU public funding is absolutely nothing when compared to the EuroMillions lottery system. In fact, the odds of success are much lower when dealing with private financing (e.g. venture capital), although some innovators tend to be convinced of the contrary.

When dealing with Horizon 2020 applications, all the potentially best innovators of Europe must focus on one key word: persistence. Success is rarely built on the first attempt, at least for the majority of us.

Even the German-based company Colvistec GmbH (co-ordinator of the IMPAX project) had to persist with its funding application. "We were granted EU funding on our fourth attempt," said CEO Jan H Johnsen, "when we hired Octopux Consulting. It is extremely competitive, and I don't think we would have been able to make it without their support."



*Dr Bernd Reichert, head of unit 'SMEs in Horizon 2020' at the Executive Agency for SMEs, from the European Commission with Daniela Gomes*



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