

# EIT Raw Materials

## Call for KAVA Upscaling projects

### Instructions and process description

March 2016

#### 1. Purpose and scope of this document

This document describes the preparation, submission, evaluation and selection of proposals in response to the 2016 call launched by the EIT Raw Materials for Upscaling Project proposals (Upscaling KAVA activity in EIT terminology).

All proposals in response to the present call must be framed as **projects** in the sense that:

- They must lead to specific deliverables over a defined time schedule;
- They will be financed by EIT RawMaterials (the KIC) only for a defined duration.

All KIC partners involved in the submission of a project proposal in response to this call should read the following documents carefully:

- KAVA Call Guidance for Upscaling projects 2016 (The present document)
- KAVA Upscaling Project Proposal Template
- FAQ (Frequently Asked Questions) version 2016
- The Strategic Agenda 2016-22 of EIT RawMaterials (FPA, Annex I)

## 2. Project call and selection process

### 2.1. General rules and guiding principles for Upscaling projects

#### Expected types of projects

- Upscaling projects are innovation projects based on **validated technologies** that need additional step(s) for up-scaling, demonstration or implementation. The objective is to bring the technology to market, as a product, service or process.
- The technology must be at Technology Readiness Level (TRL<sup>1</sup>) of at least 5 at the beginning of the project, corresponding to a “technology validated in relevant environment”. If the upscaling is a service or process, the readiness should be similarly validated in terms of distance to market.
- At the end of the project, the technology is expected to have reached a TRL of at least 7, corresponding to a “system prototype demonstration in operational environment”.
- Upscaling projects must aim for market introduction and/or a commercial use within 3 years (or less) after the end of project.
- Upscaling projects must aim to have an educational component, for examples, included PhD and/or Masters projects, internships, contribution to courses, etc.
- Upscaling projects are requested to reach a non-EIT/EIT funding ratio of 70/30. Non-EIT funding is the sum of KCA and KAVA co-funding. EIT funding is the requested EIT budget for executing the proposed project. (For explanation of terminology and eligibility of KCA and KAVA Co-Funding, please refer to FAQ (Frequently Asked Questions) version 2016).
- EIT funding is the requested EIT budget for performing the proposed activity.
- Proposals for Upscaling projects should demonstrate financial and non-financial backflows to the KIC, as well as contribute to specific KPIs of the KIC.
- The project consortium can include partners who are not EIT RawMaterials members as Task partners (e.g. SMEs). Task partners can be eligible for funding up to a maximum amount of €60 k per year (following the H2020 principles of a Third party).
- Specific tasks may be attributed to subcontractors, if the necessity is clearly justified and follows the general H2020 principles.
- It will be possible to add other partners to the consortium after the project selection, but without changes to the total KAVA budget allocated to the project.

#### Feasibility

Innovation projects need to be based on a solid *feasibility assessment*, covering important aspects, such as: external context (technical, regulatory, social, environmental, political, etc.), user needs and targeted applications, customer value proposition, target market(s) (size, structure, growth potential, segmentation, etc.), risk assessment, design or market studies, and intellectual property exploration. The ultimate goal is to put a new product, service or process in the market, possibly through an innovative application of existing technologies, methodologies, or business processes, state of the art and technology risk, competitors and competitive positioning, IP protection, business model and exploitation strategy, etc.

A tentative feasibility assessment is expected in the proposal. A more thorough and comprehensive feasibility assessment must be included in the project work plan as *Work Package 0* (WPO). During WPO, relevant feasibility aspects identified in the proposal must be reassessed, and suggestions

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<sup>1</sup> Definitions of Technology Readiness Level (TRL) 1 to 9 are given in the FAQ document.

<sup>2</sup> See section 1.1. “Strategic objectives of the KIC” in Strategic Agenda 2016-22 of EIT RawMaterials (FPA, Annex I)

made during the proposal evaluation must also be addressed. A *Template for the WPO Feasibility Study Report* will be provided in Q2 2017 by EIT RawMaterials.

The results of the WPO Feasibility Study should be submitted EIT Raw Materials at latest in mid-October 2017. Subsequently, feedback and further recommendations will be communicated to the project consortium to enable partners to revise and strengthen the project.

EIT Funding for projects that are assessed as “not feasible” may be terminated by the decision of EIT RawMaterials.

### **Expected budget and funding**

Based on the current financial outlook of EIT RawMaterials, the KIC expects to be able to support large, medium and small projects (€ 5 million, € 2 million and € 0,5 million over the total duration of the project) in the framework of this call. The exact number of projects to be funded will depend on the quality of the received proposals, on the total available funding, and on the balance decided by the Executive Board across the different KAVA types.

The funding rate for eligible KAVA costs may be up to 100% for partners. Co-funding contributed by the project consortium is encouraged and will be evaluated positively. As part of the long-term financial sustainability strategy, EIT RawMaterials will collect 5% of the funding provided by the EIT to be used exclusively to ensure continued operation of our KIC beyond 2022.

### **Confidentiality**

The access to the project proposals will be given to EIT RawMaterials Management Team and to the evaluation panel in charge of conducting the evaluations. Everyone with access to the proposal texts will sign a non-disclosure and confidentiality agreement.

If a project is granted, a summary of the project proposal will be communicated to the EIT as part of the proposed Business Plan 2017, where it will be included in EIT’s evaluation of the Business Plan.

The title, scope (short project description), project consortium partners and overall budget of the project will be shared in the EIT RawMaterials community and publically, and it is expected that selected non-confidential information will be made publicly available (e.g., on the EIT RawMaterials’ web site, in presentations at conferences etc.). Public dissemination will be arranged in agreement with and approval by the project consortium and the EIT RawMaterials staff.

### **Selection of the projects**

Two types of criteria have been defined to select the projects for KIC funding:

- Eligibility criteria = mandatory requirements (projects which do not respect such criteria will not be considered for further evaluation) – see details in section 2.3 below;
- Evaluation criteria = criteria against which the collected proposals will be scored and ranked; according to the evaluation grid presented below – see details in section 2.4 below.

## **2.2. Project preparation and selection process**

Matchmaking and brokerage events throughout the year allow partners to discuss project ideas and form potential consortia. For each project proposal to be submitted, it is mandatory for the lead partner to inform her/his Co-Location Center (CLC) Manager. The CLC staff provides guidance and support to:

- Set up a solid consortium and find missing partner(s) if required
- Structure the project proposal in line with the evaluation criteria
- Check eligibility criteria
- Final project proposals must be submitted no later than **Tuesday 31 May** using the Fluid Review online platform <https://eitrawmaterials.fluidreview.com/>. The attached *KAVA Upscaling Project*

*Proposal Template* (Word document) needs to be completed and uploaded in pdf-format as part of the submission.

- Each of the proposals will be evaluated by a panel of experts appointed by the Management Team.
  - All members of the evaluation panel will sign a non-disclosure and conflict of interest agreement.
  - A minimum of three experts will be assigned to the evaluation of each project proposal.
  - In a first step, each project is first evaluated remotely by the assigned experts using the FluidReview tool.
  - Final evaluation (and ranking) of all upscaling projects is conducted by the entire panel (with the exclusion of any member being in a conflict of interest situation) to ensure consistency. The strengths and weaknesses of each project as perceived by the panel will be documented to justify the evaluation, and will be communicated to the project coordinator once the evaluation process is completed.
  - The CTO will act as the secretary of the panel and facilitate the discussion during evaluation panel meeting but will otherwise not take part in the evaluation process.
- Based on the evaluation, the overall available funding, and the thematic and geographical balance, the MT will propose a portfolio of projects to be funded.
- The Executive Board will approve the portfolio of projects to be submitted to the EIT for funding, for the Business Plan 2017.
- Coordinators of projects approved for funding will be informed after approval by the Executive Board and will receive the feedback from the evaluation panel.
- The Feasibility Assessment (based on the results of the WPO) will be evaluated by the same evaluation panel in the fall 2017. Continuation of funding will depend on a positive evaluation.

### 2.3. Eligibility criteria

Eligibility will be checked according to the following criteria:

- Project consortium consist of a minimum of 3 KIC core or associate partners, coming from a minimum of 2 different CLCs or a minimum of 2 different countries
- Project consortium includes partners from at least 2 sides of the knowledge triangle (education, research, business)

### 2.4. Evaluation Grid

#	Weight	Reference in Word Template	Description of criteria
	<b>TOTAL: 6</b>		<b>1. Strategic importance for the KIC</b>
1.1	2	Section 2.2	<u>Strategic importance of the solution</u> (product/service/process) and of the key outputs brought by the project: importance of the problem addressed for the RM sector, relevance of the solution to properly address the problem, contribution to the strategic objectives <sup>2</sup> of the KIC
1.2	2	Section 2.5	<u>Benefits provided to the wider KIC community</u> related to expected impact, as well as any other useful value for the

<sup>2</sup> See section 1.1. “Strategic objectives of the KIC” in Strategic Agenda 2016-22 of EIT RawMaterials (FPA, Annex I)

			KIC (e.g. contribution to education, support to other KAVA activities, to KIC customers or other stakeholders, in comparison to the size of the requested KAVA funding)
1.3	2	Section 2.6	<u>Contribution to KIC KPIs</u> <sup>3</sup>
	<b>TOTAL: 7</b>		<b>2. Business Potential</b>
2.1	2	Section 2.3	<u>Technical feasibility</u> of the solution based on the technology currently available to consortium partners
2.2	2	Section 2.4	<u>Innovativeness</u> of the proposed solution, and expected competitive advantage vs. other solutions (already available in the market or in development)
2.3	2	Section 2.4	<u>Business opportunity assessment</u> (preliminary, to be confirmed/deepened at end of WPO): value proposition to target customers, market size and expected growth, ability to bring the solution to the target customers, etc.
2.4	1	Section 2.3	<u>Clear description of the IP management</u> : background IP, ability to generate new IP, ability to protect, and valorise IP among partners and eventually with KIC
	<b>TOTAL: 6</b>		<b>3. Quality of the consortium</b>
3.1	4	Section 3	<u>Soundness of the consortium</u> : Quality and relevance of the leading partner, presence of complementary partners covering the key elements of the value chain, diversity of countries and CLCs represented in the consortium, Involvement of relevant industrial partner(s), presence of one or several SME(s) as active Task partners
3.4	2	Section 3	<u>Roles and governance</u> : Clear definition of roles corresponding to the specific strengths of each partner, clear definition of project governance structure and of coordination mechanisms among partners
	<b>TOTAL: 6</b>		<b>4. Quality of the project definition</b>
4.1	2	Section 5	Clear definition of <u>project objective and overall identifiable output</u>
4.2	2	Section 5	Clear definition of <u>work packages</u> (WP) with concrete objectives, tasks and measurable deliverables (including for non-technical aspects of the project, e.g. marketing, finance, IP, stakeholder management, regulatory, etc.)
4.3	1	Section 5	Clear <u>project schedule</u> , with well-defined milestones.
4.4	1	Section 5	<u>Risk management</u> : Identification of key risks (with regards to technology, market, regulatory, financial, stakeholders, managerial etc.) and effective mitigation measures

<sup>3</sup> See section 3.2 “KPIs” in Strategic Agenda 2016-22 of EIT RawMaterials (FPA, Annex I)

	<b>TOTAL: 5</b>		<b>5. Financial viability</b>
5.1	2	Section 6	<u>Quality of the project budget definition</u> : clear explanation and justification of costs, proper balance of costs among partners in line with their assigned roles.
5.2	2	Section 6	<u>Clear description of financial<sup>4</sup> and non-financial backflows provided to the KIC</u> : Relative KIC share in the economic value of the project, e.g., in the form of a share in: license fees, royalties, future cost savings, future revenues, equity, etc. Support to other KAVA activities (e.g. education, network of infrastructure, entrepreneurship support services), to KIC customers (e.g. students, SMEs) or other stakeholders (e.g. public authorities, NGOs, etc.).
5.3	1	Section 6	<u>Eligible KCA and KAVA co-funding</u> : relevance of the proposed KCA in support of the upscaling project, and balance in the amount of financial resources (KCA and KAVA co-funding) brought by the different partners (in relevant proportion to the importance of their respective roles in the project).
	<b>TOTAL WEIGHT: 30</b>		

**Evaluation scale:** In relation to each of the criterion (above), each project will be scored from 0 to 5 according to the following scale:

<b>0</b>	<b>Non existent:</b> no relevant information provided in the application file or cannot be judged because out of range
<b>1</b>	<b>Very poor:</b> The criterion is addressed in a very incomplete and unsatisfactory manner
<b>2</b>	<b>Poor:</b> There are serious inherent weaknesses in relation to the criterion in question
<b>3</b>	<b>Fair:</b> While the proposal addresses the criterion, there are significant weaknesses that would need correction
<b>4</b>	<b>Good:</b> The proposal addresses the criterion well, although some improvements are possible
<b>5</b>	<b>Excellent:</b> The proposal successfully addresses all relevant aspects of the criterion in question. Any shortcomings are minor only.

The score given for each criterion by the panel will then be multiplied by the weight. Maximum score is 150 = 30 (total weight) \* 5 (maximum score for each criteria). These quantitative scores will be used as input for the consensus evaluation panel.

<sup>4</sup> Precise conditions and rules will be agreed in Project Agreement.

## 2.5. Calendar

- March Launch of call for Upscaling projects
- May 31 Submission deadline
- June-July Evaluation by panel of external experts
- Early Aug Preparation of list of projects for funding by KIC Management Team
- Mid Aug Approval of list of projects for funding by KIC Executive Board + communication to partners
- End Sep Inclusion of selected projects in Business Plan 2016, to be submitted to EIT
- 1 January 2017 Earliest starting date for approved projects
- 1 July 2017 Latest starting date for approved projects
- 15 Oct 2017 Submission deadline<sup>5</sup> for feasibility study (outcome of WP0<sup>6</sup>)
- Mid Nov 2017 Feasibility Assessment conducted by the panel of external experts, leading potentially to recommendations for strengthening the project (if needed). In cases where feasibility is unlikely even with corrective measures the project may be discontinued if approved by the KIC Executive Board.

Approved projects are expected to receive financial funding from the EIT (via the KIC Headquarters) according to the following annual schedule: Pre-financing payment of ca. 45% of the project funding for 2017 by late Q1/early Q2 2017, Pre-financing payment II of ca. 15% by late 2017/ early 2018 and payment of balance, ca. 40% by late Q1/EarlyQ2 2018. The next call for Upscaling projects is expected to be launched in early 2017, with a submission deadline in spring 2017.

## 2.6. Proposal submission using the FluidReview

Proposals can **only** be submitted using the IT-tool based on FluidReview. Project leaders are invited to register via this link <https://eitrawmaterials.fluidreview.com/> to get the access to the tool. CLC staff will assist in using the IT tool.

The proposals should be filed in before **Tuesday 31 May 2016, EOB.**

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<sup>5</sup> In the case where a small project (< € 500 k total KAVA budget) would be ready with the results of its feasibility study before end of August, it could request an earlier feasibility assessment to be performed by the MT without having to wait until Dec 2017.

<sup>6</sup> To be submitted based on the *Template for the Feasibility Study Report* which will be provided in due time by EIT Raw Materials.