



# Frequently Asked Questions

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## INNOVATION VOUCHER

V.5, 05/05/2020



This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement No 824769

**Q1: Who can apply?**

**A1:** Applicants must be either member of one of the clusters in the S3FOOD consortium, established or with a branch office in the S3FOOD territorial scope; Belgium, Denmark, France (Auvergne-Rhone-Alpes, Nouvelle-Aquitaine, Provence Alpes Côte d'Azur and Bretagne), Germany, Greece, Hungary, Netherlands, Spain (Principado de Asturias, La Comunidad Foral de Navarra and Galicia).

Only SMEs can apply for funding. The SME applicants must comply with the following [EU definition of an SME](#) and need to be active in one of the following categories:

- a. Food production and processing chain;
- b. Digital solution providers (sensor producers, system integrators, ICT solutions, etc.);
- c. Process technology providers (machinery, packaging, etc.)

**Q2: What are TRL levels?**

**A2:** TRL level indicates the technology readiness level. Referring to Annex G of the General Annexes to the [Work Programme 2018 – 2020](#), technology readiness levels are defined as follows:

TRL 1 – basic principles observed

TRL 2 – technology concept formulated

TRL 3 – experimental proof of concept

TRL 4 – technology validated in lab

TRL 5 – technology validated in relevant environment (industrially relevant environment in the case of key enabling technologies)

TRL 6 – technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)

TRL 7 – system prototype demonstration in operational environment

TRL 8 – system complete and qualified

TRL 9 – actual system proven in operational environment (competitive manufacturing in the case of key enabling technologies; or in space)

For applicants it is important to target TRL levels as described in the different voucher types. TRL levels will be part of the evaluation process.

**Q3: Is there a maximum amount for each company?**

**A3:** The maximum amount to be granted per SME shall not exceed €60,000.00 in total. SMEs applying as a consortium can benefit from vouchers up to 60k€ each (depending also on the type of voucher they apply for).

**Q4: Can a SME apply for several vouchers?**

**A4:** A SME can submit one or more applications to any of the cut-off dates or request multiple vouchers without exceeding the ceiling of 60,000.00 € in total.

**Q5: Can large companies join?**

**A5:** A SME can apply together with other innovation actors (universities, research centres, public authorities, living labs, large companies, etc.) for vouchers in a single application. However, those actors cannot be beneficiaries of a voucher. The 60,000.00 € limit includes the costs of participation of the innovation actors SMEs bring in their application.

**Q6: What is meant by lump sum?**

**A6:** Successful proposals shall receive the requested financial contribution in the form of a lump sum.

A lump sum is a fixed amount of money that the beneficiaries will receive for the implementation of their project without foreseeing the delivery of a detailed financial reporting and timesheets. However, it is necessary to provide an explanation in the application on how the lump sum will be used including a clear budget proposal (personnel, subcontracting, travels, equipment and consumables). The use of the project budget will be controlled considering the technical advancements by the technical reviewers. The final technical evaluation will assess the coherence of the spent money with the achieved results.

Please refer to Section 3.2.1 of the [Terms and Conditions Guide of Applicants](#).

**Q7: Is a company from outside the S3FOOD territorial scope eligible for the travel and other vouchers?**

**A7:** The following rules apply for SMEs that want to apply for a voucher:

To receive funding, applicants must be either member of one of the clusters in the S3FOOD consortium or established or with a branch office in the S3FOOD territorial scope; Belgium, Denmark, France (Auvergne-Rhone-Alpes, Nouvelle-Aquitaine, Provence Alpes Côte d'Azur and Bretagne), Germany, Greece, Hungary, Netherlands, Spain (Principado de Asturias, La Comunidad Foral de Navarra and Galicia).

The SME applicants must comply with the following [EU definition of an SME](#) and need to be active in one of the following categories:

- a. Food production and processing chain;
- b. Digital solution providers (sensor producers, system integrators, ICT solutions, etc.);
- c. Process technology providers (machinery, packaging, etc.)

**Q8: If we apply as a consortium, and the consortium includes at least one SME that is a member of one of the project partners or being established within the territorial scope of S3FOOD, then are we eligible?**

**A8:** You can apply as a consortium but funding will be on SME level – meaning that each eligible SME will be paid directly and as such only the SME that fulfils all eligibility criteria will receive funding.

Members of the consortium that are not SME and that do not meet the criteria “member” or “territorial scope” can still participate in the consortium. Their contributions to the project will not be funded, but can be subcontracted if needed.

**Q9: Is there a limitation in the number of other innovation actors participating in an application?**

**A9:** There is no limitation in the number of innovation actors participating in an application; however, only SMEs are eligible for a voucher.

**Q10: We are a Technology Centre and we could see that applicants must be SMEs, but contemplates external expertise. In the case of exploration voucher is clear (1 SME and minimum 50% for external expertise). But in other cases the criteria are different:**

- **Validation voucher: 2 SMEs or 1 SME with external expertise. In the last case, could we apply as a partner and not as a subcontractor?**

- **Application voucher: Only contemplates SMEs, a technology centre couldn't apply with an SME, could they?**

**For subcontractors, what percentage is the maximum eligible for each case?**

**A10:** Only SMEs are eligible to apply for S3FOOD vouchers. A technology centre can participate only as external expert, namely subcontractor. Regarding maximum allowed percentages in budget distribution, please consult the Annexes 3, 4 and 5 of the [Terms and Conditions Guide of Applicants](#).

**Q11: Is the eligibility criterion "Applicants must be either member of one of the clusters in the S3FOOD consortium, or established or with a branch office in the S3FOOD territorial scope", referred only to the Lead partner who will submit or to the entire consortium?**

**1 consortium, 2 SMEs. The SME leader is member of a S3FOOD cluster and the SME partner is not (and it is not even established or with a branch office in the S3FOOD territorial scope). Will this condition satisfy the eligibility conditions? Or both SMEs have to follow the requirements?**

**A11:** Only SMEs that are established within the territorial scope of S3FOOD or member of one of the cluster partners are eligible for funding. The project consortium can be comprised of additional partners (larger companies, SMEs from outside the regional scope, etc.) but they will not be eligible for funding.

For instance, two SMEs, applying for a validation voucher, can as a project consortium receive up to 120,000.00 € if both of them are eligible. If only one of them meets all the eligibility criteria, this amount will be reduced to max 60,000.00 €.

**Q12: Is equipment an eligible cost category?**

**A12:** Yes it is, but only depreciation costs for equipment that is relevant for the success of the project and only for the real time used in the project lifetime.

**Q13: Can Universities receive funding via the S3FOOD project?**

**A13:** S3FOOD project only grants SMEs. SMEs are allowed to use the grant they receive to subcontract others, like universities.

**Q14: Is a newly registered Start-up eligible to apply?**

**A14:** Yes, supporting new innovative companies without any audited accounts yet is in line with the project's aim.

**Q15: Can the categories of costs covered by each voucher change?**

**A15:** The categories of costs that are covered by each voucher cannot be changed. Should the applicant need to execute other costs it would have to finance them with costs not coming from the S3FOOD voucher.

**Q16: Is it a requirement for the validation voucher to have minimum 2 SMEs from different sectors as partners?**

**A16:** Minimum 2 SMEs OR minimum 1 SME with mandatory involvement of engaging RTOs, living labs, universities, bigger companies etc.

**Q17: Can an already granted company resubmit an application for a different project?**

**A17:** It is not forbidden to submit a new application, unless the company has already been funded by S3FOOD with 60,000.00 € (which is the maximum amount a SME can receive).

**Q18: Can project expenses be incurred before the project starting date?**

**A18:** Only costs generated during the lifetime of the project can be eligible. Period of costs' eligibility is from the Sub-grant Agreement signature date until the end of the project. So, project expenses cannot be incurred before the official project starting date.

**Q19: Can project expenses be incurred after the project end date?**

**A19:** No. Only costs generated during the lifetime of the project can be eligible. Period of costs' eligibility is from the Sub-grant Agreement signature date until the end of the project. So, project expenses cannot be incurred before the official project starting date.

**Q20: Which type(s) of staff costs are eligible?**

**A20:** Please refer to the respective section of the Model Grant Agreement for H2020 funded projects (page 47 [here](#))

**Q21: As the voucher is considered a grant can it be used to cover also the VAT costs attached to the services the SME receives?**

**A21:** No, the voucher does not cover VAT.

**Q22: In case of applications enclosing 2 or more SMEs, is it allowed that they are in the same SEFOOD region?**

**A22:** Yes, it is possible but in case of equal scoring during the evaluation, the project addressing cross-border collaboration will be ranked higher.

**Q23: Is it mandatory to have partners involved from different countries?**

**A23:** No, it is not mandatory. Yet in case of same scores for different applications, the cross-border collaboration will be considered an added-value.

**Q24: If the application is granted, do you have a template for the consortium agreement for the financially supported SME and its partner(s)?**

**A24:** No, there will be no consortium agreement template, beneficiaries are allowed to choose the consortium agreement that they wish.

**Q25: Are proposals dealing with solutions for feed industry accepted?**

**A25:** Applications have to comply with rules set out in the [Terms & Conditions Guide of Applicants](#). This includes a clear relation to the challenges of food sector & thematic priorities.

**Q26: I have a question about the "Depreciation cost" signification about equipment in the voucher schemes. My understanding: The voucher scheme is funding only the depreciation value of new or existing equipment during the project duration only (12 months max for validation and application voucher). It means that it is not possible for a SME to fund new equipment at 100% for this project, is it correct?**

**A26:** Regarding depreciation costs, rules under the Chapter 1-Specific cases (equipment costs (D.2)) of the [AGA – Annotated Model Grant Agreement](#) should apply. More specifically:

Low-value assets — The full cost of a low value asset may be eligible in the year when it is purchased if:  
– the full cost is recorded in the accounts of the entity as expenditure of that year (i.e. NOT recorded as an asset subject to depreciation) and

– the cost of the asset is below the low-value ceiling as defined under national law (e.g. national tax legislation) or other objective reference compatible with the materiality principle and

– the item is used exclusively for the action in the year of purchase. If the item is not used exclusively for the action in the year of purchase, only the portion used on the action may be charged.

**Q27: Why is the sub-grant agreement signature date the date of the project start (no earlier costs are eligible)? It is difficult to plan the physical starting date of our project if this is a condition. This is a condition that the applicants can have little influence on.**

**A27:** Only costs generated during the lifetime of the project can be eligible. Project expenses cannot be incurred before the official project starting date; that will be explicitly indicated within the Sub-grant agreement. The Sub-Grant Agreement shall enter into force after its signature by the Contractor and the Sub-Grantee authorised representatives, on the day of the last signature.

**Q28: Who will sign the sub-grant agreement? Only the coordinator or all eligible consortium members as well?**

**A28:** The sub-grant agreement will be signed by the Contractor (S3FOOD coordinator) and the SME that is being awarded a voucher. In case of a consortium, each SME will sign a sub-grant agreement.

**Q29: Exploration voucher: will it be possible/ eligible to fund digital consulting for Food companies? They could get as main output a digital assessment, an action plan for digitalization as well as advice/support for implementation of the first steps of the plan.**

**A29:** Yes, it is eligible to fund digital consulting for food companies.

**Q30: Validation voucher: in the case of eligibility based on "1 SME with mandatory involvement of engaging supported by a UNI, RTO, LL, large enterprise ...", how should be demonstrated the commitment of the UNI, RTO, ...? Through subcontracting? A Letter of interest is sufficient?**

**A30:** Added as other involved party in the application form and defined role in activities. How this is

organised is irrelevant (subcontracting, or other).

**Q31: Validation voucher: in the case of eligibility based on “minimum 2 SMEs”, should both be eligible for funding and request it (no in kind contribution possible)? Same applies for the Application voucher**

**A31:** If both will receive funds directly then both need to be eligible. In kind contribution of a third party is not possible within the S3FOOD framework.

**Q32: Validation voucher: project with 2 SMEs, one tech provider and one Food end-user. End user will not take part in IPR and future exploitation of the technology, will that be evaluated negatively? End-user could gain preference for getting the first product units (including for the establishment of exclusivity) or a special price.**

**A32:** This is not an evaluation criterion.

**Q33: Is there a maximum number of applications per company for each call?**

**A33:** No. However, adding more members will not lead to more funding, but will surely make a project more difficult to execute. And executability of a project is an evaluation criterion. So be wise and choose the consortium you need.

**Q34: I think that a Consortium Agreement template should be useful for our companies, or just mention we recommend the DESCA model, for example.**

**A34:** No, we don't provide a template. This is a responsibility of the partners.

**Q35: Regarding maximum allowed percentages in budget distribution, please consult the Annexes 3, 4 and 5 of the Terms and Conditions Guide of Applicants” I am not able to find in the document any maximum threshold for subcontracting**

**A35:** If there is not a maximum mentioned in the document then there is none.

**Q36: One of the systems we would like to include is comprised of some fairly expensive components (for example a digital camera with a cost of up to €40,000). This camera will be fully integrated into the system which will be provided to the end user at the end of the project. In this case, we can use the funding from the vouchers to buy the camera;**

**A36:** Regarding equipment expenses, please take into account that only depreciation costs are eligible (check questions 12 and 26 ). It is also important to respect conditions described in section 3.2.1 of the Terms & Conditions Guide of Applicants, in particular “It is necessary to provide an explanation in the application on how the lump sum will be used including a clear budget proposal (personnel, subcontracting, travels, equipment and consumables). Since the granting of a lump-sum doesn't foresee the delivery of a detailed financial reporting and timesheets, the use of the project budget will



be controlled considering the technical advancements by the technical reviewers. The final technical evaluation will assess the coherence of the spent money with the achieved results".

**Q37: Are there any thoughts of extending the deadline for submission of applications due to the Covid-19 situation?**

**A37:** No extension of deadline for the submission of applications is foreseen at the moment. The 14<sup>th</sup> of May remains the submission deadline.

**Q38: Given that 2 SMEs will constitute the funded partners of the consortium, do we mention the "pilot" participating (who is a food-producing SME but NOT receiving funding?) They do not want the overhead of regular participation in a research project, they just want to test the solution for free in their premises (or would it be better to add them as partners with only a small travel and consumables budget?)**

- also according to the answer to the first question, if we just mention them as a pilot site without adding them to the list of partners, should we at least include a LoS from them (or even more entities) to prove their involvement? There seems to be no "upload supporting documents" feature so how could we do that?

**A38:** If you covered all eligibility criteria with the participation of two SMEs, we suggest you mention them since they constitute part of the project implementation, not necessarily as partners since they do not receive funding.

You can upload supporting documents with your proposal.

**Q39: Can a project with 2 SMEs exceed in total (not in grant) 120.000€?**

**When writing the budget, what should be completed? Is it the total costs or only the grant that is asked for?**

**How should the two budgets be separated?**

**What kind of proof is asked, to assure that the remaining sum of 30.000€ will be funded by own resources?**

**A39:** A project with 2 SMEs can exceed in total (not in grant) 120.000€. But the budget section submitted with the application form should only include the distribution of the 120.000€. In some section it could be mentioned that the project exceeds 120.000€.

When writing the budget, only the grant the SMEs ask for should be completed; that will be up to 60.000€/ SME.

The 2 budgets have to be separated depending on the grant they ask. If each SME asks for the maximum amount of 60k€, this is the amount each SME should distribute in the budget categories.

A declaration as proof to assure that the remaining sum of 30.000€ will be funded by own resources would be sufficient.

**Q40: On page 9 of the Terms and Conditions it says that:**

**"Each interested SME can apply to one or several vouchers in accordance with its needs and request up to the maximum amount independently if they want to apply to one or more vouchers."**

**Does this mean that an SME can apply for several vouchers and each time up to the maximum of EUR 60,000?**

**A40:** The total amount a SME may apply for is 60.000€. This means that a SME may apply for several vouchers but the amount they may request in total (for all vouchers) is 60.000€.

**Q41: I see that Luxembourg is not in the direct territorial scope (Annex 2, Terms doc). Can you confirm that we are not eligible? Alternatively, would Luxembourg be covered as part of another territorial cluster (i.e. Flanders)?**

**Would it be possible to have an SME entity located in Greece apply to the call, to which we (as an SME in Luxembourg) provide technical expertise as subcontractors while the large food company in Greece provides (as a large partner) the resources (manufacturing equipment, industrial processes, etc.) for the on-site validation of the technology?**

**Are there any defined thresholds for the subcontracting amounts? Also, would the large company be entitled to the 60K funding or it only applies once for the greek SME applicant? If only 60K is foreseen to the greek SME, the large GR company will be able to receive payments for their provided services, material, etc. as a subcontractor too?**

**A41:** We confirm that SMEs from Luxembourg are not eligible for a S3FOOD voucher unless they are members of one of the S3FOOD clusters.

Regarding your second point, the answer is yes. Please note that only eligible SMEs may apply for S3FOOD vouchers, meaning that, in the described scenario, only the SME entity located in Greece is eligible for the 60.000€ voucher.

I would like to advise you to read carefully the [Terms & Conditions Guide for Applicants](#) and the [FAQ](#) document on the S3FOOD innovation vouchers.

Yes, it is confirmed that *"an eligible SME in Greece can apply to the call with us as a subcontractor and the large GR company as a partner"*.

In the Terms & Conditions you may find any limitations on budget categories depending on the voucher you may choose and eligibility conditions. Only SMEs are eligible for vouchers. Other parties may be included as subcontractors.

**Q42: Would it be possible that a food partner organisation allocates part of its funding to the other SME in the project through subcontracting costs? The subcontracting costs are mentioned as eligible costs but it is unclear to us if a participating SME can be the subcontractor.**

**A42:** A SME cannot be both voucher beneficiary and subcontractor at the same time. It is against the Horizon 2020 rules.

**Q43: We are already receiving funds under Horizon 2020 in another EU funded project. Are we still eligible for funding from the S3FOOD scheme?**

**A43:** Yes, as long as you do not receive funding for the same project since this would be considered double funding, which is against the H2020 rules.

**Q44: We are thinking of preparing a S3Food proposal for validation voucher. In order to fit the requirement of having 2 SMEs, could they belong to the same group in the food industry? They work independently. Is it possible to apply?**

**A44:** There is no restriction for SMEs belonging in the same group to apply as a consortium as long as the conditions in the [Terms & Conditions Guide of Applicants](#) are met. Please note that the 2 SMEs must have different VAT numbers and make sure that the consortium satisfies the voucher scope; for validation voucher, "Validation of a digital solution in a relevant environment ( $\geq$ TRL 5): Aims at funding activities to validate or/and demonstrate the technical and economic viability of a new or improved digital solution (product, process, service or technology) in a relevant environment for a new application case related to a selected challenge of the food sector".

**Q45: It is possible to charge consumables within a exploration voucher? It is for a technical Proof of Concept and it make sense that they will need to use some consumables. But in the summary table the "consumable" category is not included.**

**A45:** Only the listed expenses per voucher are fundable. If consumables are not listed, then they are not fundable.

**Q46: The company is from outside Asturias, so in the application they are including their region. But there is no field in the table to include the Cluster name. This could be relevant for checking the eligibility. How should they fill this field? i.e region (Cluster acronym)?**

**A46:** If you mean that there is no section to select that the company is a cluster member, this feature is foreseen and needs to be completed in the online part of the application.

**Q47: We want to budget for our submission some costs that are related to cloud services. Could you please let us know in which category should we put those costs? It seems that the categories are very specific, namely staff, travel, equipment and consumables and we don't know to which one of them should budget the relevant costs for such cloud services.**

**A47:** This cost should be included under the "consumables" expenses' category and please explain why this cost is absolutely necessary for the execution of the project. Also take into account that only costs generated during the lifetime of the project can be eligible.