



Invest for the Future

Action: "Major Innovation Support Programme"

World Innovation Challenge

"Start-up Phase" Specifications 2015

Preliminary Remarks

France possesses scientific, technological and industrial assets that are among the best in the world, present within many sectors and competitiveness clusters. Based on the seven Goals selected by the Commission directed by Mrs Anne Lauvergeon, the World Innovation Challenge, financed by the "Invest for the Future" Programme (PIA in French), was launched on 2nd December 2013 by the French President.

After the first phase (Start-up Phase), 110 high-potential projects have been selected. A second phase (Risk Reduction Phase) led to the selection of 35 projects (including 25 projects from the Start-up Phase). These selected projects have a strong potential for French economy.

To leverage these achievements, a new Start-up phase is set up, based on 8 Goals, including the 7 initial goals and a new one on *public security and protection against threats*.

**The Start-up Phase 2015 of the World Innovation Challenge opens on
21st September 2015.**

Applications must be filled online, in French or English, at the latest on **2nd December 2015 at noon,**
on the <https://extranet.bpifrance.fr/projets-innovants-collaboratifs/> website

1. OBJECTIVES

The World Innovation Challenge aims to favour France's industrial recovery by accompanying the development of leading companies based on major innovations fostering a particularly strong potential for the French economy. In order to select the best projects in line with the objectives of the action financed under the "Invest for the Future" programme, the action will take place in 3 stages (described below) and through a simple, easy-to-access world competition procedure.

2. SCOPE : SELECTED GOALS

Applications must correspond to one of the following eight ambitions for innovation:

Goal #1: Energy storage

The development of renewable energy, intermittent for the most part, the optimization of electricity generation and the development of portability require disruptive innovations in storage systems. It is a vital element of any successful energetic transition. Projects will answer the needs of energy storage in all its forms. R&D programmes can consider practical experimentation modes of their innovation in relation to territories. The Challenge is complementary to existing calls for proposals, such as the Invest for the Future Programme's "Energy storage and conversion" call for expressions of interest.

Goal #2: Collecting, sorting and recycling materials

Sorting and recycling waste are two essential components of the circular economy. Yet, in France, wastes are recycled too little, in comparison with countries like Germany. The Challenge aims to develop solutions to tackle these issues, and concerns every step in the recycling process: collecting, sorting, extracting priority substances, transformation and use of recovered materials.

Goal # 3: Development of marine resources: metals and seawater desalination

The challenge must enable the emergence of innovative solutions to take advantage of underwater ores, and of programmes favouring seawater desalination with increased efficiency, lower cost or reduced energy and environmental impact.

Goal # 4: Development of plant protein-based food products and plant chemistry projects aiming to develop new materials

The Challenge, beyond R&D projects, must help design and develop prototypes of plant protein-based food products. The combined strengths of agriculture, the food-processing industry and the culinary innovation tradition can be usefully associated. The progress of synthetic biology and marine resource exploitations (seaweed, etc.) will be taken into account.

The Challenge is also open to plant chemistry projects developing new materials.

The Challenge is complementary to existing calls for proposals, such as the Invest for the Future Programme's "plant chemistry" call for expressions of interest.

Goal # 5: Personalized medicine - Individualized targeted therapeutic interventions, based, for example, on genomics, medical devices and/or high-resolution imagery

The Challenge aims to gather projects relying on the one hand on “-omics” sciences (genomics, proteomics, etc.), synthetic biology, high resolution imaging (on tissue and even cellular levels) and big data and, on the other hand, projects favouring targeted therapeutic interventions, whether pharmaceutical or interventional through imaging.

Goal # 6: Silver economy – answering the elderly’s needs.

In France, the elderly will represent more than 20 million people in 2030. The Challenge targets ambitious and innovative projects, enabling the elderly to grow older in the best possible conditions. Projects can consider their innovation’s experimentation methods in relation to territories.

Goal # 7: Big Data – Improved use of big data and definition of new usages, analytical models and promotion.

The multiplication of data created by individuals, companies and public authorities’ foster new uses and productivity gains. Programmes developing new uses, or creating value from massive databases through licensing are expected.

Goal # 8: Innovative projects on public security and protection against threats

The Challenge will foster the emergence of innovative solutions to protect, in an active or a passive way, sensitive sites and populations against threats and to manage crisis. These solutions can be either hardware (eg. sensors, robots, drones, safer and secured distributed embedded systems) either services or software (eg. cyber security, secured or resilient communications and networks, strong authentication, behavior analysis). Companies, startups and SMEs developing innovative solutions for individuals, companies or Government will contribute to the emergence of new solutions to improve security and protection.

The 8 Goals are detailed on the following website :

<http://www.entreprises.gouv.fr/innovation-2030/accueil-innovation-2030>

The Start-up Phase’s objective is to cover preliminary studies for the development of one or several products, processes or services, unavailable on the market and with innovative content: project formalization actions, preliminary studies in whole or in part of the project’s dimensions (commercial engineering and marketing, technical, legal and intellectual property, financial, managerial and organizational) and the detailed planning of development steps or early-stage R & D works.

3. SELECTION PROCEDURE AND AGENDA

The selection procedure takes place in 3 phases. The first one, the “Start-up” phase, aims to select projects in the early stage of their development. The second phase, the “Risk reduction” phase, will support the most promising company projects with wide-ranging research and development works. The

last phase will support an ultimate selection of projects in their industrialization and wide-scale marketization phase. A call for proposals will be launched for each phase with a specific agenda and dedicated specifications.

There is no obligation for companies to participate in each of these 3 phases. Depending on the maturity of their project, companies can either apply for funding from the “Start-p phase” or only submit their project in subsequent phases.

At the “Start-up Phase”, expected projects are in early-stage development. The project presentation requested format is as light as possible. The application file is typically 5 pages (up to 10 pages).

The proposal describes in a realistic and relevant way how their innovation has the potential to stand out internationally, and how their innovative approach is credible.

The selection procedure (see Appendix 2) is fast (6 weeks between the cut-off date and the decision making date). The selection procedure is especially based on a hearing of the most relevant projects which have met the eligibility criteria. The answer to one of the Challenge’s goal is a key selection criterion.

Selected projects will receive support for their innovation expenses as a grant up to €200 000¹ per project. In order to appreciate the compatibility of the intervention of funds with the internal market, it takes into account the European Commission’s framework No. SA.40391 on support to research, development and innovation (RDI).

On request of the project leader, support may be based on the *de minimis* regulation (EU Regulation No. 1407/2013 of 18 December 2013).

Confidentiality

Documents delivered within this Challenge are subjected to the strictest confidentiality and will only be communicated in the application assessment. Anyone who has access to the application files is subjected to strict confidentiality.

All members of the 2030 Innovation Commission can potentially access the applications submitted. Thus, it is possible, at the project leader’s request, to proscribe one member from assessing the application. This must be stated in the application file.

¹ a maximum rate of:

- 70% of expenses for small businesses in EU terms;
- 60% of expenses for medium enterprises in EU terms;
- 50% of expenses for other companies.

According to the Commission’s recommendation of 6th May 2003, SME are defined as autonomous enterprises, enterprises which are not classified as a “partners” or “linked” which employ fewer than 250 persons and have an annual turnover not exceeding EUR 50 million or an annual balance sheet total not exceeding EUR 43 million. A company held over 25% by a big group cannot be an SME in the community sense. A small enterprise is an SME with fewer than 50 employees and a turnover not exceeding 10M€ or an annual balance sheet total not exceeding 10M€.

4. PROJECTS' ELIGIBILITY CRITERIA

Projects must comply with the following eligibility criteria:

- ✓ a complete application file must be submitted within the deadline, in the requested format (cf. Appendix 1: START-UP PHASE APPLICATION FILE) with a precised subcontracting plan if necessary.
- ✓ **comply with one of the 8 Goals identified** by the Commission;
- ✓ applicants must be:
 - Either a French company (both large and small) within the meaning of Articles 1832 et seq. of the Civil Code, and registered with the Trade Registry. They may be in the process of being set up;
 - Either a foreign company wishing to set up in France. The aid contract can only be signed, however, with a company within the meaning of Articles 1832 et seq. of the Civil Code and registered with the French Trade and Companies Registry. Only works undertaken on the national territory can benefit from public support.
 - Either consortia containing at least one company within the meaning described above. The leading firm will be a company and will be the sole beneficiary of the aid. Consortia may, but are not obliged to, include one or more research establishments as defined in Community regulations.

Companies receiving aid must have at least €10,000 in paid-up share capital. They must also be eligible for government aid, and must not be the subject of ongoing insolvency proceedings.

5. SELECTION CRITERIA FOR THE START-UP PHASE

Examination of applications will take place within the framework of a transparent procedure, coordinated by the General Commissioner for Investment, in which all applicants will receive equal treatment. Experts working both within and outside the administration and Bpifrance will be called on to aid in the decision-making process.

The main criteria for selecting applications are as follows:

- Degree of compliance with one of the seven Goals
- Level of breakthrough of the innovation (technological or not)
- Technical and/or scientific feasibility
- Potential economic benefits of the project
- Ability of the applicant to successfully carry out the project

6. DECISION-MAKING AND MONITORING BODIES

To select the best projects that comply with the goals of the World Innovation Challenge, the selection procedure will involve the following bodies:

- A steering committee (“Copil”)
- A limited technical committee (CTR in French)
- The General Commissioner for Investment and Bpifrance.

The composition and role of these bodies is set out in the agreement between the government and Bpifrance published in the *“Journal officiel”* dated November 29th, 2013 and its avenants published on 1st and 9th December 2014, and on 11th September 2015.

7. PROJECT’S SET-UP, FOLLOW-UP AND FUND ALLOCATION

It is agreed that:

Bpifrance shall be responsible for monitoring the implementation of the winning projects. Each beneficiary will sign an agreement with Bpifrance, 4 weeks after the selection. A model agreement will be made available online at www.bpifrance.fr.

70% of the aid will be paid upon signature of the agreement. The remaining 30% will be paid following the submission of a standard report detailing the use of the funds and the status of the project.

A standard report form will be made available on the website www.bpifrance.fr. Submitted reports should include the results achieved during the start-up phase in connection with the objectives set out in the original application. Moreover, the report should set out the technical/economic options of the project, and should describe the principal risks and the means for gradually managing them, via a project approach for the subsequent development phases.

Working with the beneficiaries, Bpifrance agrees to monitor that projects are satisfactorily carried out. A final report detailing the completion of the “Start-up phase” must be submitted. In the case of expenditures that are not in compliance with the project as presented in the application or in the case that the project is abandoned, partial or total repayment of the aid will be required.

Communication

Once the project has been selected, each beneficiary shall mention the Invest for the Future Programme’s support in its communication actions and publication of its results (unique statement: “this project is supported by the Invest for the Future Programme”, accompanied by the “Invest for the Future” logo. The French government reserves the right to communicate on the Challenge’s general objectives, its issues and results, with anonymised examples if need be and respecting business confidentiality.

Reporting conditions

The beneficiary shall communicate to Bpifrance and the French government the necessary information relative to the action’s assessment.

8. ADDITIONAL INFORMATION AND CONTACTS

All information related to the worldwide competition will be made available online at <http://www.entreprises.gouv.fr/innovation-2030/accueil-innovation-2030> and on the Bpifrance website www.bpifrance.fr.

In the event of any questions and/or technical problem linked to applications, please contact us:
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By phone : Franck BERNARD : +33(0)1 41 79 88 10 ; Jean-Claude CARLU : +33 (0)1 41 79 91 50.

Appendix 1: START-UP PHASE APPLICATION FILE

Applications must include the following elements:

A project description (typically five pages in length, but no more than ten) that contains the following:

- A presentation of the applicant and the applicant's ability to carry out the project,
 - A reference list (scientific or business) must be joined ;
- A description of the proposed solution, in connection with the needs of the market,
 - A description of the breakthrough nature of the project (whether technological or not) ;
- An initial set of objectives to achieve in the first six (6) months in order to assess the project's relevance;
- A detailed description of how the funds will be used. **Eligible expenses** (net of tax) may be either internal or external and must be directly connected to the start-up studies to be carried out. Funds may be used for:
 - Product or manufacturing process design
 - *Research and feasibility costs; directly related personnel costs; design and engineering consultancy fees*
 - *Design expenditure; purchases required for the creation of prototypes.*
 - Manufacturing process set-up
 - *Purchase of services required for setting up the manufacturing process*
 - *Production test run; costs for adapting equipment and tools.*
 - Implementation of standards and/or certifications
 - Intellectual property protection; sales and marketing (specific human resources, distribution partners, etc.)

The following documents:

- An aid request form, filled out and signed by the legal representative;
- The applicant's banking details;
- Proof of the company's legal existence, consisting of a recent certificate of registration (*extrait Kbis*)
- The company's most recent tax forms, if these exist, or the most recent balance sheet and income statement approved by the General Meeting as well as the auditors report. These are not required for public establishments.
- A completed *de minimis* form
- A list of similar projects already receiving public support in which the applicant or one of the members of the consortium is involved

Appendix 2: Simplified diagram of the organisation of the *Start-up Phase call for Proposals* :

