



# BLOCK START

## **Annex 2: Guidelines for Applicants**

March 2021

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The BlockStart consortium is the following:

BlockStart Consortium			
Participant Number	Participant Organisation Name	Short Name	Country
1	Bright Development Studio, S.A.	BRPX	PT
2	UAB CIVITTA	CIVT	LT
3	F6S Network Limited	F6S	UK

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# 1 Introduction

This document provides a full set of information regarding the BlockStart partnership programme and associated Open Call for Proposals (also referred as Open Call #3). All associated Annexes must be additionally considered for the submission of a Proposal.

BlockStart organized two acceleration processes to attract, select and fund the best of the best startups and SMEs to generate blockchain-based products, processes, and business models with strong market potential in the sectors of fintech, Information and Communication Technologies (ICT) and retail. BlockStart has already organized two Open Calls associated with the acceleration process #1 (i.e., Open Call #1) and #2 (i.e., Open Call #2), and this is the Open Call associated with the acceleration process #3 (i.e., Open Call #3).

## 2 Background information on BlockStart project

BlockStart is a European partnership programme looking for startups in the form of SMEs – from all over the European Union (EU) and H2020 associated countries – working with blockchain and other Distributed Ledger Technologies (DLTs). The main objective of BlockStart is to facilitate goal-oriented, business-focused, and mutually beneficial partnerships between blockchain/DLT solution providers and end-users SMEs.

To this end, BlockStart is launching its third and final Open Call for applications, with the focus being on the following sectors: fintech, ICT and retail. A total of at least €265,000 will be allocated for the direct benefit of these startups and SMEs (both solution providers/developers and end-users/adopters) through this Open Call.

BlockStart is a 3-stage intensive mentor-led acceleration programme that lasts for 6 months. It starts with the Ideation Kick-off, a matchmaking event between end-user SMEs and solution providers, after which the most successful blockchain/DLT developers are admitted to a 4 months Prototype stage aimed at supporting the product/market fit of their solutions. Finally, during the 2 months Pilot stage, startups working with blockchain and other DLTs will have a unique opportunity to validate/pilot their solutions and refine their products, grow their business, and work closely with potential customers (i.e., SME adopters).

The maximum amount of funding that each blockchain/DLT developer may receive is €20.000, while an SME adopter may receive up to €4.500.

The submission for the Open Call #3 for blockchain/DLT developers opens on the **17<sup>th</sup> of March 2021** and closes on the **26<sup>th</sup> of May 2021 at 5pm Central Europe Time (CET)/Brussels Time**.

The Open Call #3 for SME adopters opens on the **17<sup>th</sup> of March 2021** and will remain continuously open until the end of the programme's Prototype stage (November 2021), with several cut-off dates throughout the year. More concretely, one is set to select at least 10 end-user SMEs for the Ideation Kick-off event (27-28 July 2021) and another aims at selecting at least 20 SME adopters for participation at the Pilot stage (December-February 2021). The 1<sup>st</sup> cut-off date is expected to run from the 17<sup>th</sup> of March 2021 until the **6<sup>th</sup> of July 2021 at 5pm CET/Brussels Time**.

The BlockStart programme is run by a team of 3 partners, [Bright Pixel](#), [CIVITTA](#) and [F6S](#), and is funded by the EU H2020 programme for research and innovation under grant agreement 828853.

### 3 BlockStart approach

BlockStart will have three Open Calls. Each batch will go through a 6-month acceleration programme that will start with a match between innovative SMEs with blockchain/DLT solution providers (*Ideation Kick-off event*), followed by a *Prototype* stage where the blockchain/DLT developers will adapt their solution to the needs of the SMEs, that act as potential end-users, ending with a real-life *Pilot* of the product, ensuring product/market fit.

The diagram below provides a more detailed look into the key steps of the acceleration process:

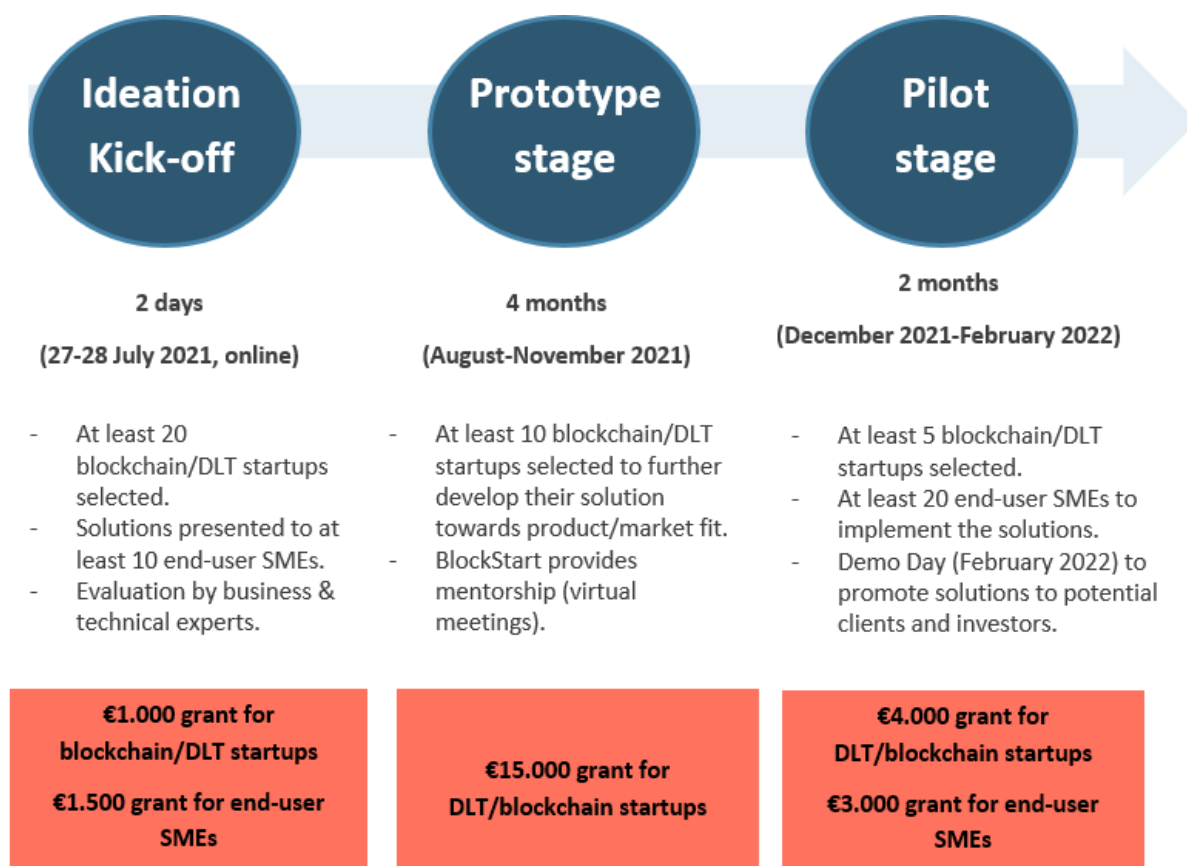


Figure 1 BlockStart partnership programme – overview

In the table below, further detail is provided about each dimension of the BlockStart programme:

Table 1 BlockStart programme stages

STAGE	OVERVIEW
ENGAGE	<p>This stage is all about building relationships. We are looking for blockchain and DLT startups/SMEs with ambition, product vision built from original insight and capacity for focused execution.</p> <p>Non-tech SMEs are invited to complete our <a href="#">Do You Need Blockchain? Assessment Tool</a><sup>1</sup> to learn if they are ready for blockchain, and if they are, what are their next steps with BlockStart.</p>

<sup>1</sup> This tool has been designed by the BlockStart consortium to help you find out whether your organization would benefit from the adoption of blockchain/DLT and why. It has been developed with non-tech SMEs in mind. This method will also recognize the potential to participate in the BlockStart programme and provide potential SME adopters with short suggestions for further steps in the world of blockchain/DLT.

<b>PROTOTYPE</b>	<p>The development stage of the BlockStart programme starts with the Ideation Kick-off event. This is to select which developers will be part of the acceleration programme and develop blockchain/DLT solutions.</p> <p>The Ideation Kick-off event brings developers and SME adopters together for the first time to initiate a conversation on available solutions and existing problems. The most promising and innovative developers are selected for a 4-month acceleration where they receive personalized mentoring to achieve product/ market fit.</p>
<b>PILOT</b>	<p>The final stage of the BlockStart programme makes a match between blockchain/DLT solutions developed during the Prototype stage and innovative SME adopters that can implement them in real conditions for a 2-month period.</p> <p>BlockStart facilitates relationships, provides mentoring for the implementation, and assures a successful exit for blockchain/DLT solutions that is mutually beneficial to developers and SMEs.</p>
<b>IMPACT</b>	<p>To ensure a holistic approach towards creating impact, the BlockStart team will take developers and SMEs on an exciting and ambitious journey. Our team will open its world-class community of founders, investors, experts and access to clients and potential mentors/ advisors to ensure we deliver value at every step of the process.</p>

## 4 Funding Scheme

BlockStart funding is **results-driven**, provided as vouchers in a lump-sum way. As such, the funding is associated with the full achievement of the relevant milestones and there is no need for a traditional administrative justification system (e.g., counting hourly dedication or calculating workload).

Selected blockchain/DLT solution providers (Developers) and end-user SMEs (Adopters) will be funded as follows:

*Table 2 Funding per beneficiary per stage (in EUR)*

	Funding Unlocked			
	Kick-Off	Prototype	Pilot	Total
Developer	1.000	15.000	4.000	<b>20.000</b>
Adopter	1.500		3.000	<b>4.500</b>

The *Kick-off* funding serves to compensate for the business development costs, that is, putting together a business case (i.e., a pitch deck and a 1-pager summary of their project) and attending the Ideation Kick-off event (physical presence of at least one team member is mandatory - if the event ends up being virtually held, due to some circumstance like a Covid-19 outbreak, the team member may participate remotely). At least 20 blockchain/DLT developers and 10 end-user SMEs are selected to participate at the Ideation Kick-off event. The payment is made after participating at this event.

The *Prototype* funding amount is used towards the technical development/adaptation of the blockchain/DLT solution towards the needs of SME adopters, as well as business development costs such as doing on-site visits. At least 10 blockchain/DLT developers are selected at the end of the Ideation Kick-off event to go through this 4-month stage. After a successful evaluation of the solution/prototype milestones, the payment is made to the participants.

The *Pilot* funding stage allows the developers to implement the solution within their systems - as well as the costs to the developer to eventually work on-site with the SME adopters. There is also a demonstration of the final product (pitch) at BlockStart's Demo Day, that gathers potential clients, investors and the blockchain/DLT community. At least 5 blockchain/DLT developers are selected at the end of the Prototype stage to go through this 2 month stage. After a successful evaluation of the solution/pilot design milestones, the payment is made to the developers.

On the other side, SMEs adopters will receive up to €4.500. This is to cover the costs of their participation at the Ideation Kick-off event (€1.500), where they are expected to present themselves and blockchain-related problems and needs and compensate for their engagement with developers along the Pilot stage (€3.000). At least 10 SMEs are selected to participate at the Ideation Kick-off event and at least 20 are invited to be part of the Pilot stage.

## 5 Timeline – Open Call and acceleration programme #3 for blockchain/DLT developers

Submission to the 3<sup>rd</sup> Open Call for blockchain/DLT developers will be launched on the **17<sup>th</sup> of March 2021** and will end on the **26<sup>th</sup> of May 2021** at **5pm CET/Brussels Time**.

Below are presented the expected dates for the different stages. The opening and closing dates of each stage can be subject to change in case of any modifications in the project's schedule.



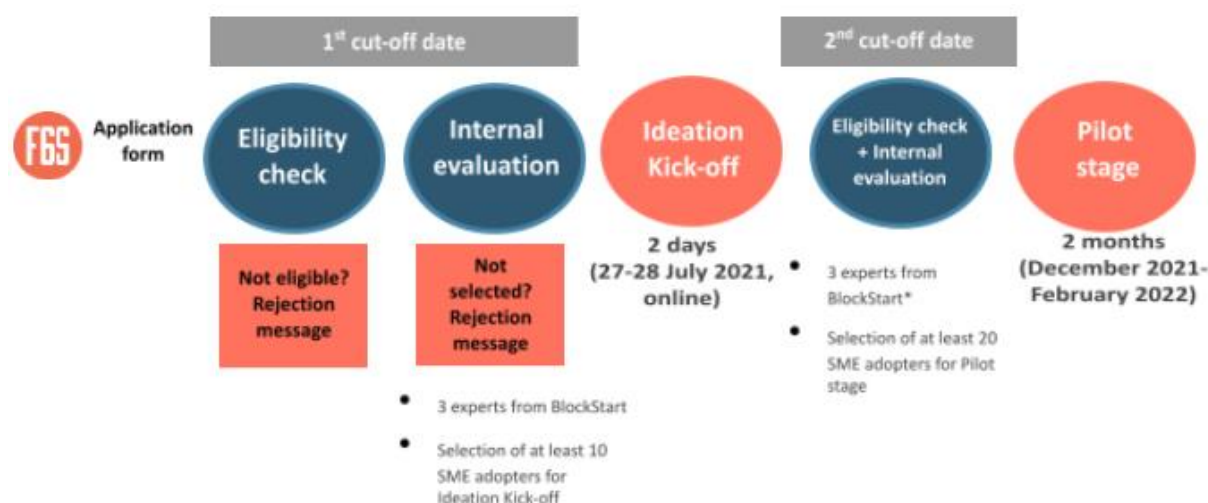
Figure 2 BlockStart timeline – Open Call #3 for blockchain/DLT developers

## 6 Timeline – Open Call and acceleration programme #3 for end-user SMEs

The Open Call #3 for end-user SMEs opens on the **17<sup>th</sup> of March 2021** and will remain continuously open until the end of the programme's Prototype stage (November 2021), with several cut-off dates throughout the year. More concretely, one is set to select at least 10 end-user SMEs for the Ideation Kick-off event (27-28 July 2021) and another aims at selecting a minimum of 20 SME adopters for participation at the Pilot stage (December 2021-February 2022). The 1<sup>st</sup> cut-off date for end-user SMEs participation in the Ideation Kick-off is the **6<sup>th</sup> of July 2021** at **5pm CET/Brussels Time**.

Below are presented the expected dates for the different stages. The opening and closing dates of each stage can be subject to change in case of any modifications in the project's schedule.





\*blockchain/DLT developers are expected to suggest end-user SMEs to apply to the 2<sup>nd</sup> cut-off of Open Call #3

Figure 3 BlockStart timeline – Open Call #3 for SME adopters

## 7 General Information

### Means of Submission

The F6S platform ([www.f6s.com/blockstart](http://www.f6s.com/blockstart)) will be the entry point for all proposals' submission to BlockStart Open Calls, which is directly linked from BlockStart's website. Submissions received by any other channel and after the open call duration will be automatically discarded.

Documents required in subsequent phases – namely, *Annex 6 Bank Account Information*, *Annex 7 Sub-grant Agreement Template for blockchain/DLT Developers* and *Annex 7.1 Sub-grant Agreement Template for SME adopters* – will be submitted via a dedicated channel, which will be indicated by the BlockStart consortium during the execution of the sub-granted projects.

### Language

English is the official language for BlockStart Open Calls. Submissions done in any other language will not be eligible and, thus, will not be evaluated. English is also the only official language during the whole execution of the BlockStart programme. This means that any requested submission of deliverables, to be eligible, will need to be done in English.

### Documentation formats

Any document requested in any of the stages must be submitted electronically in **PDF format** without restrictions for printing.

### Data protection

To process and evaluate applications, BlockStart will need to collect Personal and Industrial Data. Bright Development Studio, S.A., UAB CIVITTA and F6S Network Limited will act as Data Controllers of data submitted through the F6S platform for these purposes. The F6S platform's system design and operational procedures ensure that data is managed in compliance with The General Data Protection Regulation (EU) 2016/679 (GDPR). Each applicant will accept the F6S terms to ensure coverage.



Please note that BlockStart requests the minimum information needed to deliver the evaluation procedures or the acceleration programme. *Annex 6 Bank Account Information*, *Annex 7 Sub-grant Agreement Template for blockchain/DLT Developers* and *Annex 7.1 Sub-grant Agreement Template for SME Adopters* are provided for reference and will only be requested if the SME is accepted in the acceleration programme.

Please refer to [www.f6s.com/terms](http://www.f6s.com/terms) to check F6S platform data privacy policy and security measures and to [www.blockstart.eu/data-protection](http://www.blockstart.eu/data-protection) to get informed about the BlockStart Privacy Policy.

## Origin of the funds

Any selected proposer will sign a dedicated Sub-grant Agreement with the BlockStart consortium.

The funds attached to the Sub-grant Agreement come directly from the funds of the European Project BlockStart, funded itself by the Executive Agency for Small and Medium-sized Enterprises (EASME), and remain, therefore, property of the EU until the payment of the balance, whose management rights have been transferred to the project partners in BlockStart via European Commission Grant Agreement Number 828853.

As it can be seen in the Sub-grant Agreement Templates (*Annex 7* and *Annex 7.1*), this relation between the sub-grantees and the European Commission through the BlockStart project carries a set of obligations to the sub-grantees with the European Commission. It is the task of the sub-grantees to accomplish them, and of the BlockStart consortium partners to inform about them.

## 8 Proposal Eligibility Criteria

**All applicants will have to abide to all general requirements described in this section to be considered eligible for BlockStart. Therefore, please read this section carefully.**

### Beneficiaries

BlockStart invites startups in the form of SMEs who provide innovative blockchain/DLT based solutions in the fintech, ICT and retail sectors.

### Definition of SME

An SME will be considered as such if complying with the European Commission's Recommendation 2003/361/EC<sup>2</sup> and "User guide to the SME definition"<sup>3</sup>. As a summary, the criteria which define an SME are:

- 1) Headcount in Annual Work Unit (AWU) less than 250 persons<sup>4</sup>.
- 2) Annual turnover less or equal to €50 million **OR** annual balance sheet total less or equal to €43 million.

The calculations that assess if a company can be considered an SME or not, in accordance with the European Commission's Recommendation 2003/361/EC, are done on *Annex 5 SME Declaration*.

<sup>2</sup> <https://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2003:124:0036:0041:en:PDF>

<sup>3</sup> <https://op.europa.eu/en/publication-detail/-/publication/79c0ce87-f4dc-11e6-8a35-01aa75ed71a1>

<sup>4</sup> Meeting the staff headcount criteria is mandatory to be considered an SME. However, an enterprise may choose to meet either the turnover or the balance sheet total ceiling. It does not need to satisfy both requirements and may exceed one of them without impact on its SME status (User guide to the SME definition, 2016).

**Important notice for blockchain/DLT developers ONLY:** When there is not a constituted company, the applicant could be an individual or a group of individuals legally established in a H2020 eligible country, with a written commitment to set up a legal company if selected to the Ideation Kick-off. Therefore, instead of filling in *Annex 5 SME Declaration*, the applicant should fill in *Annex 5.1 Declaration of Commitment to Establish an SME*.

## SME Eligibility Criteria

An SME is considered eligible for BlockStart Open Call #3 if it complies with **ALL** of the following rules:

- i. It is a legal entity established and based in one of the EU Member States or an H2020 Associated Country<sup>5</sup> as defined in H2020 rules for participation.
- ii. It is a technology provider or technology adopter/user able to develop solutions to the fintech, ICT and/or retail sectors.
- iii. Startups that do not have yet annual turnover or balance sheets are also considered eligible given that they fulfil criterion (1) of the previous section (“Definition of SME”) at submission time.
- iv. In case an SME is awarded a sub-project, it will remain eligible even if, at a certain point during the sub-project execution, it does not fulfil criteria (1) or (2) of the previous section.

**For British applicants:** British applicants are eligible to all BlockStart Open Calls. Please be aware that this means that the rules of H2020 grants will apply for the entire duration of the grant.

Please note that a **written or digital** signed version of **Annex 4 Declaration of Honour** and **Annex 5 SME Declaration** is mandatory for proposal submission.

For blockchain/DLT developers, if there is not yet a registered SME, the applicant should fill in and sign **Annex 5.1 Declaration of Commitment to Establish an SME** (a prerequisite to participate in the Ideation Kick-off event). However, if selected to the Ideation Kick-off event, the beneficiary will only be able to receive the corresponding €1,000 grant payment after registering a company and filling in and signing **Annex 5 SME Declaration**.

## Proposal Eligibility Criteria

The following proposals eligibility criteria also apply:

- i. Proposals must have a **clear European dimension, facilitate blockchain-based innovation, and contribute towards the European Union’s digitization, targeting clear economic and societal impact.**
- ii. **Each blockchain/DLT developer or SME adopter may submit only one (1) proposal at BlockStart Open Call #3.** In case a blockchain/DLT developer or SME adopter submits more than one proposal, only the last one received (timestamp of the F6S system) will be considered, and all the previous proposals submitted will be automatically excluded from the evaluation process. If the last submitted proposal is then declared non-eligible or fails to reach the thresholds of the evaluation, the other previously submitted proposals will not be considered for evaluation in any case.
- iii. **Each blockchain/DLT developer or SME adopter may participate in a maximum of one (1) accepted sub-project.** Regarding blockchain/DLT startups already selected at the Ideation Kick-off of Open Call #1 or #2 to move to the Prototype stage, they are automatically excluded from participating in Open Call #3, even if they submit a different proposal. For SME adopters,

<sup>5</sup> Association to Horizon 2020 is governed by Article 7 of the Horizon 2020 Regulation. The list of associated countries is available at: [https://ec.europa.eu/research/participants/data/ref/h2020/other/wp/2018-2020/annexes/h2020-wp1820-annex-a-countries-rules\\_en.pdf](https://ec.europa.eu/research/participants/data/ref/h2020/other/wp/2018-2020/annexes/h2020-wp1820-annex-a-countries-rules_en.pdf)

- they are automatically excluded from participating in Open Call #3 if they have participated in BlockStart's Pilot stage from Open Call #1 or #2, even if they submit a different proposal.
- iv. **Blockchain/DLT developers and SME adopters may resubmit at Open Call #3 a proposal submitted to Open Call #1 or #2.** More concretely, developers that have participated in the Ideation Kick-off of Open Call #1 or #2 but did not move to the 4 months Prototype stage and end-users that have participated in the Ideation Kick-off of Open Call #1 or #2 but did not get chosen to the 2 months Pilot stage, may apply to Open Call #3. However, it is mandatory to flag that this is a resubmission in the application form and, in the case of solution providers, clearly explain the improvements that they have made. Blockchain/DLT developers must clearly explain the difference between their submissions, including but not limited to, technical aspects, market strategy and team composition.
  - v. **Proposals must demonstrate that there is no risk of double funding.** The fundamental principle underpinning the rules for public expenditure in the EU states that no costs for the same activity can be funded twice from the EU budget, as defined in the Article 111 of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation. In the case of proposals submitted by linked SMEs<sup>6</sup>, all participating in Open Call #3, they must all clearly state the differences between them including but not limited to, technical aspects, market strategy and team composition, so that it remains no doubt that there is no risk of double funding. To properly assess these concerns, BlockStart may assign all proposals to the same set of evaluators and, should any doubt remain, exclude all proposals.
  - vi. If one user needs to submit applications from multiple startups/SMEs, then he/she needs to create as many F6S profiles as applications that will be submitted.
  - vii. **The maximum amount of direct funding that a startup/SME may receive via BlockStart is €20.000 via any means (€20.000 as the maximum amount for blockchain/DLT solution providers, and €4.500 as the sub-grant limit for SMEs implementing the blockchain solutions).**

## 9 Open Call submission and selection process

BlockStart has already issued 2 Open Calls and selected 40 proposals from blockchain/DLT developers – 20 from each acceleration process. Out of them, 20 have already entered the Prototype stage – 10 from each acceleration process and, from those, 5 from Open Call #1 have already finalized the Pilot stage and pitched at BlockStart's 1<sup>st</sup> Demo Day. Currently, 10 startups are going through the 4 months Prototype stage of Open Call #2. BlockStart's Open Call #3 will then select at least 20 additional sub-projects and at least 10 will enter the Prototype stage after the Ideation Kick-off event (27-28 July 2021).

All blockchain/DLT developers should fulfil the eligibility criteria as expressed in Section 8, sign and submit the same documents together with the application form, namely: *Annex 3.1 Proposal Supplement*, *Annex 4 Declaration of Honour* and *Annex 5 SME Declaration* (or, if an individual or group of individuals, *Annex 5.1 Declaration of Commitment to Establish an SME* instead of Annex 5). If selected, they will be asked to submit *Annex 6 Bank Account Information* and *Annex 7 Sub-grant Agreement Template for DLT Developers*. The following figure summarizes the Open Call #3 process for blockchain/DLT developers:

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<sup>6</sup> Please check the definition of Linked SME at the European Commission's Recommendation 2003/361/EC and "User guide to the SME definition".

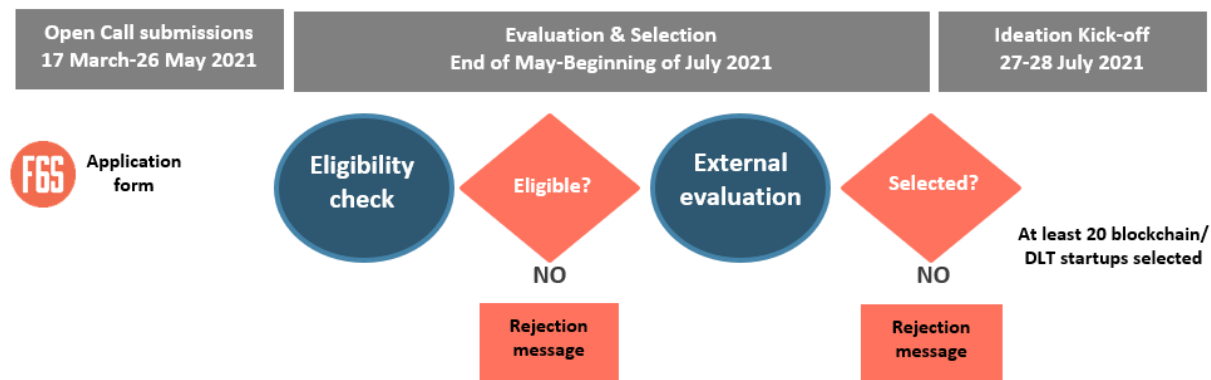
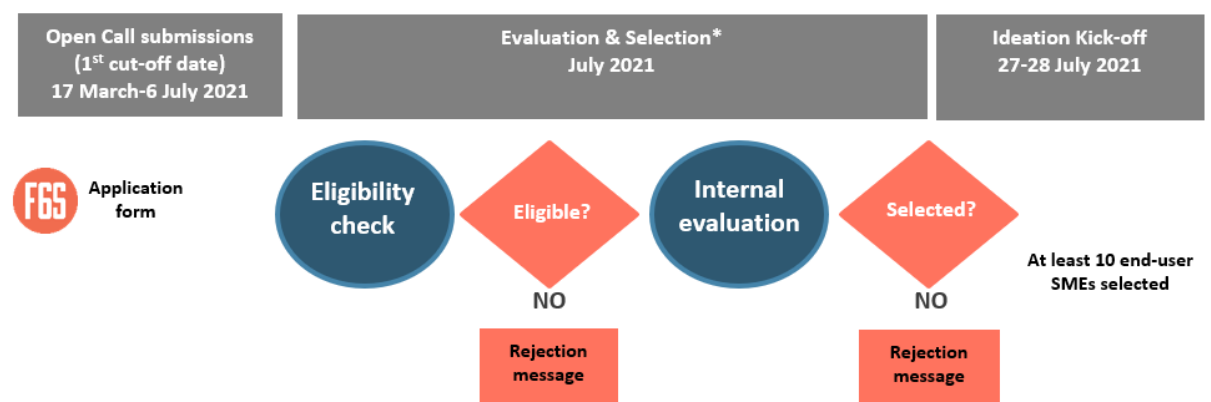


Figure 4 BlockStart submission & selection process for blockchain/DLT developers

Regarding the open calls for SME adopters, they run in parallel to the ones for blockchain/DLT developers. In each acceleration programme, they run continuously, and have, at least, 2 cut-off dates: one for the Ideation Kick-off event and another for the Pilot stage. An SME applying for the 1<sup>st</sup> cut-off date is automatically considered for the 2<sup>nd</sup> or subsequent cut-off dates. However, this does not mean that it will automatically be chosen, as the selection & evaluation process is run again. BlockStart has already selected 10 end-user SMEs to participate at the 1<sup>st</sup> Ideation Kick-off event and 10 to participate at the 2<sup>nd</sup> one. At least 20 SME adopters can participate at the programme’s Pilot stage. Up to now, 18 were able to participate in the Pilot stage of Open Call #1 and validate/test the blockchain-based products developed during the Prototype stage. BlockStart’s Open Call #3 for SME adopters will then select a minimum of 10 to participate at the Ideation Kick-off event (27-28 July) and at least 20 will enter the Pilot stage (December 2021-February 2022).

When applying to BlockStart’s Open Call #3, all SME adopters should fulfil the eligibility criteria as expressed in Section 8, sign and submit the same documents together with the application form, namely: *Annex 4 Declaration of Honour* and *Annex 5 SME Declaration*. If selected either to the Ideation Kick-off or the Pilot stage, they will be asked to submit *Annex 6 Bank Account Information* and *Annex 7.1 Sub-grant Agreement Template for SME Adopters*. The following figure summarizes the Open Call #3 process for SME adopters:



\*The same submission & selection process applies to the selection process for the Pilot stage, where at least 20 are to be selected.

Figure 5 BlockStart submission & selection process for SME adopters

### Open Call #3 Submission

The Open Call submission will follow the steps that are listed in this section.

#### Open Call #3 publication

The Open Call #3 will be published on the **17<sup>th</sup> of March 2021**. It will be supported by:

- **Annex 1: Open Call #3 Text**, which provides a full set of information regarding the Open Call for Proposals for the BlockStart project.
- **Annex 2: Guidelines for Applicants**, this document.
- **Annex 3: Application Form for blockchain/DLT Developers**, application form available at <https://www.f6s.com/blockstart-opencall3-dltdevelopers/apply>, with questions that need to be addressed by blockchain/DLT solution providers.
- **Annex 3.1: Proposal Supplement**, a document providing information on proposal schedule, timing, Ethical & Security details. Only for blockchain/DLT solution providers.
- **Annex 3.2: Application Form for SME Adopters**, application form available at <https://www.f6s.com/blockstart-opencall3-smeadopters/apply>, with questions that need to be addressed by SME adopters.
- **Annex 4: Declaration of Honour**, which declares that all conditions of the open call are accepted by an SME legal representative.
- **Annex 5: SME Declaration**, which evaluates the status of the SMEs participating at the open call.
- **Annex 5.1: Declaration of Commitment to Establish an SME**, in case the applicant does not have a registered SME (a prerequisite to participate in the Ideation Kick-off event). Only for blockchain/DLT solution providers.
- **Annex 6: Bank Account Information**, which collects information on the applicant's bank account where the BlockStart payments will be transferred to.
- **Annex 7: Sub-grant Agreement Template for blockchain/DLT Developers**, which provides a template of the sub-grant agreement that the successful blockchain/DLT developers applicants will be requested to sign.
- **Annex 7.1: Sub-grant Agreement Template for SME Adopters**, which provides a template of the sub-grant agreement that the successful SME adopters applicants will be requested to sign.
- **Annex 8: Template for H2020 Financial Support to Third Parties - DLT Developers**, which contains the formal announcement of the Open Call for DLT Developers to be published in the EU portal.
- **Annex 8.1: Template for H2020 Financial Support to Third Parties - SME Adopters**, which contains the formal announcement of the Open Call for SME Adopters to be published in the EU portal.
- **Frequently asked questions & answers** published at the community feed ([www.blockstart.eu/open-calls/faq](http://www.blockstart.eu/open-calls/faq))

## Applicants Registration

Interested applicants should register at the BlockStart F6S page ([www.f6s.com/blockstart](http://www.f6s.com/blockstart)). This will be the central interface for managing the proposal applications for the remainder of the open calls.

## Proposal Preparation

Please follow the steps:

1. For the proposal preparation, the applicants are requested to apply online and answer to all mandatory questions (with no exception) at [www.f6s.com/blockstart](http://www.f6s.com/blockstart). Blockchain/DLT developers should apply here <https://www.f6s.com/blockstart-opencall3-dltdevelopers/apply>, while SME adopters should apply here <https://www.f6s.com/blockstart-opencall3-smeadopters/apply>.
2. Applicants that do not accept the terms and conditions and do not fill in, sign (when requested), and upload to the F6S application form the completed **Annex 3.1 Proposal Supplement**, **Annex 4 Declaration of Honour** and **Annex 5 SME Declaration** (in a PDF format) will not be eligible. Later submissions of these documents will not be accepted. For blockchain/DLT developers, if there is not yet a registered SME, the applicant should fill in,

sign and upload **Annex 5.1 Declaration of Commitment to Establish an SME** (a prerequisite to participate in the Ideation Kick-off). However, if selected to the Ideation Kick-off, the beneficiary will only be able to receive the corresponding €1,000 grant payment after registering a company and filling in and signing **Annex 5 SME Declaration**.

3. Be concrete and concise. Questions have character limitations and, in some cases, short explanations of what is requested. Please examine all the Open Call documents and attend the various events promoted by the BlockStart project, that will be made available at [www.blockstart.eu](http://www.blockstart.eu).
4. It is highly recommended to submit your proposal well before the deadline. If the applicant discovers an error in the proposal, and provided the call deadline has not passed, the applicant may request the F6S BlockStart team to resubmit the proposal (for this purpose please contact us at [hello@blockstart.eu](mailto:hello@blockstart.eu)). However, BlockStart is not committed that resubmission in time will be feasible in case the request for resubmission is not received by the F6S BlockStart team at least 48 hours before the call deadline.

**⚠ It is strongly recommended not to wait until the last minute to submit the proposal. Failure of the proposal to arrive in time for any reason, including network communications delays or working from multiple browsers or multiple browser windows, is not acceptable as an extenuating circumstance. The time of receipt of the application as recorded by the F6S submission system will be definitive.**

To support applicants, **BlockStart will organize 2 Q&A Webinars** on the following dates:

- 14<sup>th</sup> of April at 11am CET/Brussels Time. Save your seat [here](#)
- 12<sup>th</sup> of May at 11am CET/Brussels Time. Save your seat [here](#)

## Proposals reception

Submissions will be done **ONLY** via the F6S platform on [www.f6s.com/blockstart](http://www.f6s.com/blockstart). A full list of proposers will be drafted containing their basic information for statistical purposes and clarity (which will be also shared with the European Commission for transparency).

The application reception for blockchain/DLT developers will close as indicated in section 5 “Timeline – Open Call and acceleration programme #3 for blockchain/DLT developers” at **5pm CET/Brussels Time on Wednesday, 26<sup>th</sup> of May 2021**.

**For blockchain/DLT developer, apply via: <https://www.f6s.com/blockstart-opencall3-dltdevelopers/apply>**

There will not be any deadline extensions unless there is a Force Majeure situation (e.g., a major problem caused by the F6S platform and not by the proposers, making the system unavailable for a long period).

The application reception for the 1<sup>st</sup> cut-off for SME adopters (for participation at the Ideation Kick-off event) will close as indicated in section 6 “Timeline – Open Call and acceleration programme #3 for SME adopters” at **5pm CET/Brussels Time on Tuesday, 6<sup>th</sup> of July 2021**. A 2<sup>nd</sup> cut-off date is foreseen for after that period until October/November 2021, for selecting end-user SMEs for the Pilot stage.

**For SME adopters, apply via: <https://www.f6s.com/blockstart-opencall3-smeadopters/apply>**

Furthermore, each SME adopter is requested to complete the **Do You Need Blockchain? Assessment Tool** available at <https://blockstart.eu/dlt> as part of their submission process.



## Procedures for blockchain/DLT providers to enter the BlockStart Programme

### Step 1.1: Eligibility

A filtering process carried out to discard non-eligible proposals will follow the shortlist. Eligibility criteria check will assess if the proposals meet the administrative conditions to apply to the programme, by verifying if:

- a) The proposing entity is a legal entity eligible for European Commission's funding under the rules of H2020 [Yes/No]
- b) The proposing entity is an SME as defined in section "Definition of SME" [Yes/No]
- c) The proposing entity is a blockchain/DLT technology provider who provides innovation solutions in the fintech, ICT or retail sectors [Yes/No]
- d) Are the participation rules as expressed in section "SME Eligibility Criteria" followed? [Yes/No]
- e) Are the participation rules as expressed in section "Proposal Eligibility Criteria" followed? [Yes/No]
- f) Is the proposal written in the English Language [Yes/No]?
- g) Is all required documentation, i.e., **Annex 3.1 Proposal Supplement**, **Annex 4 Declaration of Honour** and **Annex 5 SME Declaration** (or, alternatively, **Annex 5.1 Declaration of Commitment to Establish an SME**) correctly submitted? [Yes/No]

Proposals being marked as non-eligible will get a rejection message through the F6S platform and an email including the reasons (a to g) for being catalogued as non-eligible. No further feedback on the process will be given.

### Step 1.2: External Remote Evaluation

Remotely and within the F6S platform, each application will be reviewed by at least 2 external evaluators with experience in blockchain technologies, the relevant sectors of fintech, ICT or retail and business development.

They will evaluate each proposal, scoring it based on the following evaluation criteria:

- **Criterion 1 - Concept.** Design, reliability, feasibility, novelty of the product or service concept proposed.
- **Criterion 2 - Technology.** Technology and business fit to BlockStart scope, innovation, technical capacity to achieve a Technology Readiness Level (TRL) of 6-9 at Pilot stage (to cross the "valley of death"), technical milestones.
- **Criterion 3 - Impact.** Expected output should target clear economic and societal impact, market potential, European dimension, cross-sector/border business scalability, and define a clear exploitation strategy/ business plan and commercial milestones.
- **Criterion 4 - SME/Team.** Capacity to perform the task, knowledge, technological and business expertise, commitment.

Each criterion will have a mark between 1 and 10. Half point scores are not given. For each criterion under examination, score values will indicate the following assessments:

- **1-2: Fail.** The proposal fails to address the criterion under examination or cannot be judged due to missing or incomplete information.
- **3-4: Very poor.** The criterion is addressed in an unsatisfactory manner.
- **5: Poor.** There are serious inherent weaknesses.
- **6-7: Good.** While the proposal broadly addresses the criterion, there are significant weaknesses that would need correcting.
- **8-9: Very Good.** The proposal addresses the criterion well, although certain improvements are possible.



- **10: Excellent.** The proposal successfully addresses all relevant aspects of the criterion in question. Any shortcomings are minor.

The threshold for each criterion will be **six (6)**, while the overall score threshold being **twenty-five (25)**. That means if a proposal receives less than 6 in one criterion or less than 25 overall score it is automatically rejected.

Each evaluator will record his/her individual opinion of each proposal on an Individual Evaluation Report. They will then communicate to prepare a single consensus Evaluation Summary Report (ESR) for each proposal, representing opinions and scores on which the evaluators agree, to be communicated to the applicants.

### Step 1.3: Final Ranking and Selection

At the end of the evaluation process all proposals will be ranked in a single list, independent of the topic(s) that they target. The criteria for the ranking of the proposals will be semi-automatic following the rules below:

- **Rule 1:** The proposals will be ranked based on their overall score (summary of the criterion 1 to 4).
- **Rule 2:** In case following Rule 1 there are proposals in the same position, priority will be given to proposals that have higher impact and market potential (Criterion 3).
- **Rule 3:** In case following Rule 2 there are proposals in the same position, priority will be given to proposals where their technology and business fit to BlockStart scope (Criterion 2).
- **Rule 4:** In case following Rule 3 there are proposals in the same position, priority will be given to innovation of the concept (Criterion 1).
- **Rule 5:** In case following Rule 4 there are proposals in the same position, priority will be given to the number of female members participating in the team.

**At the end of this process, at least 20 proposals will be selected, and 10 others will remain in a reserve list, in case a selected proposal fails to participate at the Ideation Kick-off event.**

All proposals will receive an acceptance or rejection message through the F6S platform and by email together with an anonymized version of their proposal Evaluation Summary Report.

### Step 1.4: Contract Preparation

After the Open Call evaluation conclusion and projects selection, the BlockStart coordinator will start the contract preparation in collaboration with the proposals' coordinator<sup>7</sup>. Contract preparation will go via an administrative and financial checking (and potentially into technical or ethical/security negotiations) based on evaluators' comments. On a case-by-case approach, a phone call or teleconference may be needed for clarification.

The objective of the contract preparation is fulfilling the legal requirements between the BlockStart consortium and every beneficiary of the call. The items covered will be:

- Validate the status information of the beneficiary. For that, the following documents will be required:
  - **SME declaration:** signed and stamped (if applicable). In the event the applicant declares being non-autonomous, the balance sheet and profit and loss account (with annexes) for the last period for upstream and downstream organizations should also be provided.

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<sup>7</sup> Annex 7 Sub-grant agreement template for blockchain/DLT developers provides a template of this contract.

- **Status Information Form:** in case this is not a startup, it includes the headcount (AWU), balance, profit & loss accounts of the latest closed financial year and the relation, upstream and downstream, of any linked or partner company. In case it is a startup, legal document of the official founding date.
- **Legal existence:** Company Register, Official Gazette or other official document per country showing the name of the organisation, the legal address and registration number and a copy of a document proving VAT registration (in case the VAT number does not show on the registration extract or its equivalent).
- **Supporting documents:** In cases where the number of employees and/or the ownership is not clearly identified: any other supporting documents which demonstrate headcount and ownership such as payroll details, annual reports, national regional association records, etc. In case it is a startup, a declaration of intent to create the company up to the Ideation Kick-off event. They also agree not to receive any grant until the company creation.
- **SME Bank Account Information:** The account where the funds will be transferred will be indicated via a form signed by the SME legal representative and the bank representative. The account should be a business bank account of the SME.
- **Sub-grant Agreement:** Signed between the BlockStart Consortium (represented by its coordinator Bright Pixel) and the beneficiary startup/SME.

It should be emphasized that **each startup/SME should provide at contract preparation time a valid VAT<sup>8</sup> and PIC<sup>9</sup>**. Failure to provide the VAT and PIC numbers will automatically result in proposal rejection.

The startup/SME should assume full responsibility on the bank account information they provide through Annex 6. For instance, if they provide a wrong IBAN number, and BlockStart proceeds with the transfer to that account, they should assume any costs related to the transfer (expenses with the return of the amount from the wrong bank account and/or expenses with the new transfer will be deducted from their grant transfer). Ultimately, in a worst-case scenario, if BlockStart does not manage to recover the amount transferred to the wrong bank account, the beneficiary who provided a wrong IBAN number will not be able to claim that payment.

The request, by BlockStart consortium, of the above documentation will be done including deadlines. In general, the sub-project negotiation should be concluded within 2 weeks. An additional week may be provided by the BlockStart coordinator in case of significant reasoning. In case negotiations have not been concluded within the above period, the proposal is automatically rejected and the next proposal in the reserve list is invited.

### Step 1.5: Contract Signature

At the end of the negotiation phase, the sub-grant agreement will be signed between the BlockStart Consortium represented by its coordinator (Bright Pixel) and the beneficiary startup/SME.

Please note:

- i. The sub-grant agreement/contract will cover the complete 3 stages: IDEATION KICK-OFF, PROTOTYPE and PILOT. No additional sub-grantee will be signed if a startup/SME enters the next stage.
- ii. The sub-grantee funding agreement will automatically expire at the end of each stage - IDEATION KICK-OFF, PROTOTYPE and PILOT - without any further notice from the BlockStart consortium in case the project does not enter or qualify for the next stage or if the

<sup>8</sup> To be checked at European Commission services such as [http://ec.europa.eu/taxation\\_customs/vies/](http://ec.europa.eu/taxation_customs/vies/)

<sup>9</sup> To be checked at the European Commission services at <https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/how-to-participate/participant-register>

startup/SME is not considered eligible anymore or if the Declaration of Honour (Annex 4) has been violated.

- iii. **For British applicants:** British applicants are eligible to all BlockStart Open Calls. Please be aware that this means that the rules of H2020 grants will apply for the entire duration of the grant.

## Redress process

Within 3 working days of the delivery of a rejection message/email considering the proposal as non-eligible or an Evaluation Summary Report, the proposer may submit a request for redress if he/she believes the results of the eligibility checks have not been correctly applied, or if he/she feels that there has been a shortcoming in the way his/her proposal has been evaluated that may affect the final decision on whether to enter the IDEATION KICK-OFF stage or not.

In that case, an internal review committee of the BlockStart consortium will examine the request for redress. The committee's role is to ensure a coherent interpretation of such requests, and equal treatment of applicants.

Requests must be:

- Related to the evaluation process or eligibility checks.
- Clearly describe the complaint.
- Received within the time limit (3 working days) from the reception of a rejection message/email considering the proposal as non-eligible or the Evaluation Summary Report information delivered.
- Sent by the SME legal representative that has also submitted the proposal.

The committee will review the complaint and will recommend an appropriate course of action within no more than 5 working days from the date of reception of the complaint, provided that all the required information has been submitted by the complainant. If there is clear evidence of a shortcoming that could affect the eventual funding decision, it is possible that all or part of the proposal will be re-evaluated. Whenever this time limit is exceeded, the BlockStart Consortium will inform the proposer by email of the reasons for the unforeseen delay and the subsequent steps.

Please note:

- This procedure is concerned only with the evaluation and/or eligibility checking process. The committee will not call into question the scientific or technical judgement of appropriately qualified experts.
- A re-evaluation will only be carried out if there is evidence of a shortcoming that affects the final decision on whether to fund it or not. This means, for example, that a problem relating to one evaluation criterion will not lead to a re-evaluation if a proposal has failed anyway on other criteria.
- The evaluation score following any re-evaluation will be regarded as definitive. It may be lower than the original score.

A proposer can request a redress either at the evaluation and/or eligibility checking process. In each one of these stages of the evaluation process, the proposer can only submit one request to be evaluated by the committee. All requests for redress will be treated in confidence and must be sent to the Project Coordinator via the F6S platform.

## IDEATION KICK-OFF & procedures to enter the PROTOTYPE stage

### Step 1.1: Preparation

After the proposal has been accepted and the sub-grant agreement has been signed, the startup will enter the IDEATION KICK-OFF stage.

The Ideation Kick-off is the bridge between the selection of blockchain/DLT developers and the challenges that SMEs face. At least 20 blockchain/DLT developers are invited to a session<sup>10</sup> with a minimum of 10 invited SMEs previously identified through Open Call #3 for SME adopters, 1<sup>st</sup> cut-off - as well as mentors from the consortium and experts in both blockchain and the target sectors. The concept of the event is to get to know existing blockchain/DLT technologies from their developers (i.e., pitch presentation), match those with real SMEs' needs (through the organization of matchmaking meetings) and draw a roadmap on how to go from potential to real benefits.

**It is mandatory that, at least, one representative from the startup appears at the event and participates in the activities.** However, it is strongly suggested that two representatives participate.

### Step 2.2: Technical Evaluation

At the end of the last day of the event, at least 10 blockchain/DLT developers are selected to continue to the next stage of the project.

The criteria, as evaluated, at least, by 1 member of BlockStart, 1 member of the Advisory Board and 1 intermediary representative, are (1) Quality of the proposed solution, (2) Market-fit, (3) Technological maturity, (4) Technological flexibility/capacity to adapt and (5) Team experience. Each criterion will be scored with a mark between 1 and 10. If there are more than 1 evaluator per category – BlockStart, Advisory Board and Intermediary – the value of the scores of each individual evaluator inside that category contributes to an average score, which will be equal to the averages of the other categories, and the final evaluation score will be an average of the three type of categories<sup>11</sup>.

### Step 2.3: Final Ranking & Selection to the PROTOTYPE Stage

At the end of BlockStart's Ideation Kick-off event the sub-projects will be ranked based on their evaluation scores. In case two or more sub-projects have equal final scores, the evaluators will decide on the final ranking based on each sub-project impact potential and probability to achieve the results.

At the end of the event the Project Coordinator will announce the top 10 blockchain/DLT providers (minimum number) sub-projects that have entered the Prototype stage. The remaining 10 sub-projects (minimum number) will be automatically terminated.

### Step 2.4: Compensation of the IDEATION KICK-OFF Stage

Just after the IDEATION KICK-OFF event, and within 5 working days, all (at least) 20 blockchain/DLT providers should send to the BlockStart Coordinator:

- The set of slides that he/she presented at the IDEATION KICK-OFF event.
- A financial statement of type F1 (template will be provided) requesting the €1.000 voucher of the IDEATION KICK-OFF Stage.

<sup>10</sup> The Ideation Kick-off event is scheduled to take place online, on the 27<sup>th</sup> and 28<sup>th</sup> of July. However, the BlockStart consortium is entitled to change the event's date and location, if needed. Participants will be informed beforehand.

<sup>11</sup> For instance, if the BlockStart category is composed of one individual from Bright Pixel, one from CIVITTA and one from F6S, then the score of each evaluator would count 33,3% of the average score of the "BlockStart" category.

- Payments will be released no later than thirty (30) natural days after the notification by the Contractor.

The BlockStart coordinator and treasurer after receiving the above documents and cross-checking the list of participants, will proceed with the payment of the IDEATION KICK-OFF stage voucher (provided in a lump sum mode).

**In case a startup, either does not participate in the IDEATION KICK-OFF event, or does not successfully complete the IDEATION KICK-OFF evaluation or does not submit the above documentation within the foreseen timeframe, their sub-grantee contract will be automatically terminated, and no IDEATION KICK-OFF stage compensation will be provided.**

After providing the IDEATION KICK-OFF stage funding to the blockchain/DLT providers beneficiaries, the IDEATION KICK-OFF stage is complete. As a result:

- The top 10 blockchain/DLT providers (minimum number) will automatically enter the PROTOTYPE stage, based on their contract.
- The sub-grant contract of the remaining 10 blockchain/DLT providers (minimum number) will be automatically terminated.

## PROTOTYPE stage & procedures to enter the PILOT stage

### Step 3.1: Prototype stage implementation

After BlockStart's IDEATION KICK-OFF event, the top 10 blockchain/DLT developers (minimum number) will enter the 2<sup>nd</sup> step of the acceleration programme, which is the PROTOTYPE stage. The duration of this stage will be **approximately 4 months, from August to November 2021.**

The actual prototype activity involves technical development/adaptation of the blockchain-based solution towards the needs of SME adopters, with the support of the BlockStart consortium and a pool of external mentors. The prototype will begin by clarifying its scope and the negotiation of the key metrics that will define a successful development. These metrics should include both quantitative and qualitative metrics. BlockStart will receive bi-weekly updates on the prototype development with the status of the metrics previously identified, identify business and technical obstacles that come up during implementation and direct the developers to the resources needed to resolve them (in the form of mentorship or subject-matter experts). Developers will also have access to a pool of external mentors, for support on specific topics. The Prototype phase will end if the prototype is successfully completed (all the metrics are attained) or after 4 months.

### Step 3.2: Prototype stage evaluation

At the end of the Prototype stage, a remote review will take place to evaluate the progress of the sub-project. Two weeks before the review, the sub-project coordinator should submit the following deliverable D1: Prototype report (template will be provided) describing the prototype that they have implemented and the results of the tests.

The review will be remote via a teleconference platform (e.g., Google Meet, Zoom). The review committee will consist of experts from the BlockStart consortium.

The blockchain/DLT developer will make a short presentation of the sub-project, analyse the main achievements and answer questions from the review committee.

After the review, the sub-project coordinator will receive a review report, including comments and potential recommendations. The report will also state if the Prototype deliverable was accepted or not.

### Step 3.5: Selection to the Pilot stage

A committee of experts from the BlockStart consortium will score each blockchain/DLT provider sub-project (the scoring will be done remotely). The value of the score of each evaluator will be equal and the final evaluation score will be the average of the experts' individual scores. Evaluation should be mainly based on Deliverable D1.

The sub-projects will be ranked based on the final evaluation score. In case two or more sub-projects have equal final scores, the experts' committee will decide on the final ranking based on each sub-project impact potential and probability to achieve the results.

At the end of the evaluation process the project coordinator will announce the top 5 sub-projects (minimum number) that have entered the Pilot stage. The remaining sub-projects will be automatically terminated.

### Step 3.6: Compensation of the Prototype stage

Just after the Prototype selection to the Pilot stage, and with the acceptance of the Deliverable D1, and within 5 working days, all sub-project coordinators that have successfully completed the Prototype stage should send to the BlockStart Coordinator the financial statement F2 (template will be provided) requesting the €15.000 voucher of the Prototype.

The BlockStart coordinator and treasurer, after receiving the above-mentioned financial statements and cross-checking the list of participants, will proceed with the payment (provided in a lump sum mode). Payments will be released no later than thirty (30) natural days after the notification by the Contractor.

**In case a blockchain/DLT provider does not successfully complete the Prototype stage or does not submit the financial statements within the foreseen timeframe, their sub-grantee contract will be automatically terminated, and no compensation will be provided.**

After providing the Prototype stage funding to the blockchain/DLT providers beneficiaries, the Prototype stage is complete. As a result:

- The top 5 sub-projects (minimum number) will automatically enter the Pilot stage, based on their contract.
- The sub-grantee contract of the remaining sub-projects will be automatically terminated.

## PILOT stage

### Step 4.1: Pilot stage implementation

After BlockStart's PROTOTYPE stage, the top 5 sub-projects (minimum number) will enter the PILOT stage. The duration of this stage will be **approximately 2 months, from December 2021 to February 2022**. Prior to the Pilot implementation, KPIs will be defined and agreed upon between each blockchain/DLT developer, its end-user SMEs and the BlockStart consortium.

During this stage, the selected blockchain/DLT provider will be matched with pioneering SMEs, who have previously applied to the Open Call #3 for SME adopters, 2<sup>nd</sup> or subsequent cut-off dates. BlockStart will be facilitating and following-up the relationship and the status of the blockchain-based

solution implementation in a real-life environment and developing a mutually beneficial agreement for after the end of the PILOT stage.

Selected blockchain/DLT solutions that successfully conclude the pilot stage will have the opportunity to present their solution in an exclusive 1-day event open to sector industry companies and investors: the Demo Day.

#### **Step 4.2: Pilot stage evaluation**

At the end of the Pilot stage, a BlockStart Demo Day event will take place (the location will be defined at least 1 month before).

Two weeks before the event, the sub-project coordinator should submit the deliverable D2: Pilot report detailing the scope of the activities, key metrics and if they were met, main obstacles and how they were surpassed/lessons learned, next steps, etc. (template will be provided).

**It is mandatory that at least one participant per startup is present at the event and actively participates in the activities. However, it is strongly suggested that two representatives participate.**

During the PILOT event, each blockchain/DLT developer will have the opportunity to demonstrate their product to an evaluation committee and broader audience. Successful presentation and demonstration of the product at TRL 7-8 will result in successful completion of the PILOT stage.

#### **Step 4.3: Compensation of the PILOT stage**

Just after the Demo Day event, and with the acceptance of Deliverable D2, and within 5 working days, all sub-project coordinators that have successfully complete the PILOT stage should send to the BlockStart Coordinator the financial statement F3 (template will be provided) requesting the €4.000 voucher of the PILOT stage.

The BlockStart coordinator and treasurer will proceed with the payment (provided in a lump sum mode) no later than thirty (30) natural days after the notification by the Contractor.

**In case a blockchain/DLT provider, either does not participate in the PILOT Demo Day event or has not successfully completed the PILOT evaluation or does not submit the financial statements within the foreseen timeframe, their sub-grantee contract will be automatically terminated, and no compensation will be provided.**

## **10 Blockchain/DLT projects Execution Summary**

### Mentors

Each sub-project will be assigned at least one mentor. The mentor will communicate with the sub-project on a bi-weekly basis to overview the progress and provide advice.

Sub-projects will also have access to a pool of external experts, that can be found at <https://www.blockstart.eu/mentors/>. The matching will be made on a case-by-case approach, as external mentors are expected to support sub-projects only on specific topics.

### Evaluations Summary

Each project will go through 4 evaluations, each one highlighting the end of a stage.



Table 3 Evaluations summary

Evaluation 1			
When	<b>Open Call deadline</b>	Estimated project month	May 2021
Mean	Proposal submission		
If successful (top 20)	The blockchain/DLT provider signs the contract and enters the IDEATION KICK-OFF stage		
Evaluation 2			
When	<b>IDEATION KICK-OFF Event</b>	Estimated project month	27-28 July 2021
Mean	Set of slides & pitching proposal idea		
If successful	The blockchain/DLT provider receives €1.000 as lump sum for covering the preparation and participation in the event. The SME adopter receives €1.500 as lump sum for covering the preparation and participation in the event.		
If distinction (top 10)	The blockchain/DLT provider enters the PROTOTYPE stage		
Evaluation 3			
When	<b>Remote Review</b>	Estimated project month	November 2021
Mean	Deliverable D1: Report (implementation, describing the prototype that they have implemented and the results of the tests, business and exploitation plan) & presentation to the jury		
If successful	The blockchain/DLT provider receives €15.000 as lump sum		
If distinction (top 5)	The proposal enters the PILOT stage		
Evaluation 4			
When	<b>PILOT Demo Day Event</b>	Estimated project month	February 2022
Mean	Deliverable D2: Report (demonstration of the product - TRL 7-8) & pitching at public Demo Day		
If successful	The blockchain/DLT provider receives €4.000 as lump sum. The SME adopter receives €3.000 as lump sum.		

The sub-grantees should deliver at least two (2) weeks in advance all relevant deliverables, so that the reviewers will be prepared. During the review, the sub-project members should present their work, answer questions, and demonstrate their experiment.

After each successful evaluation and **within 5 working days**, the sub-project coordinator should send the relevant Financial Statement to the BlockStart Coordinator. Additional conditions and eligibility criteria have already been described in the previous sections.

## 11 Responsibilities of beneficiaries

The selected startups and SMEs are indirectly beneficiaries of European Commission funding. As such, they are responsible for the proper use of the funding and ensure that the recipients comply with obligations under H2020 specific requirements as described in Horizon 2020 - the Framework

Programme for Research and Innovation (2014-2020). The obligations that are applicable to the recipients include<sup>12</sup>:

## Conflict of Interest

The beneficiary startups and SMEs must take all measures to prevent any situation where the impartial and objective implementation of the sub-project is compromised for reasons involving economic interest, political or national affinity, family or emotional ties or any other shared interest ('conflict of interests').

They must formally notify the BlockStart Coordinator without delay any situation constituting or likely to lead to a conflict of interests and immediately take all the necessary steps to rectify this situation. The BlockStart Coordinator may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

If the beneficiary breaches any of its obligations, the sub-contract may be automatically terminated. Moreover, costs may be rejected.

## Data Protection & Confidentiality

During implementation of the sub-project and for four years after the end of the sub-project, the parties must keep confidential any data, documents, or other material (in any form) that is identified as confidential at sub-contract signing time ('confidential information').

If a beneficiary startup or SME requests, the European Commission and the BlockStart consortium may agree to keep such information confidential for an additional period beyond the initial four years. This will be explicitly stated at the sub-contract.

If information has been identified as confidential during the sub-project execution or only orally, it will be considered confidential only if this is accepted by the BlockStart Coordinator and confirmed in writing within 15 days of the oral disclosure. Unless otherwise agreed between the parties, they may use confidential information only to implement the Agreement.

The sub-project may disclose confidential information to the BlockStart consortium and to the selected reviewers, who will be bounded by a specific Non-Disclosure Agreement.

## Promoting the action and give visibility to the EU funding

The beneficiary startups and SMEs must promote the sub-project, the BlockStart project and its results, by providing targeted information to multiple audiences (including the media and the public) in a strategic and effective manner and to highlight the financial support of the European Commission.

Unless the European Commission or the BlockStart Coordinator requests or agrees otherwise or unless it is impossible, any communication activity related to the action (including in electronic form, via social media, etc.), any publicity, including at a conference or seminar or any type of information or promotional material (brochure, leaflet, poster, presentation etc.), and any infrastructure, equipment and major results funded by the grant must:

- a) display the EU emblem.
- b) display the BlockStart logo and

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<sup>12</sup> The obligations described here are not binding and may be modified, refined or additional obligations may be inserted during the sub-project negotiation if needed.

c) include the following text:

For communication activities: *“This project has indirectly received funding from the European Union’s Horizon 2020 research and innovation programme, via an Open Call issued and executed under project BlockStart (grant agreement No. 8228853)”*.

For infrastructure, equipment and major results: *“This [infrastructure][equipment] [insert type of result] is part of a sub-project that has indirectly received funding from the European Union’s Horizon 2020 research and innovation programme via an Open Call issued and executed under project BlockStart (grant agreement No. 8228853)”*.

When displayed in association with a logo, the European emblem should be given appropriate prominence. This obligation to use the European emblem in respect of projects to which the European Commission contributes implies no right of exclusive use. It is subject to general third-party use restrictions which do not permit the appropriation of the emblem, or of any similar trademark or logo, whether by registration or by any other means. Under these conditions, the beneficiary is exempted from the obligation to obtain prior permission from the European Commission to use the emblem. Further detailed information on the EU emblem can be found on the Europa web page.

Any publicity made by the beneficiary startup and SME in respect of the project, in whatever form and/or on by whatever medium, must specify that it reflects only the author’s views and that the European Commission or BlockStart project is not liable for any use that may be made of the information contained therein.

The European Commission and the BlockStart consortium shall be authorized to publish, in whatever form and/or on by whatever medium, the following information:

- the name of the beneficiary startup/SME.
- contact address of the beneficiary startup/SME.
- the general purpose of the project.
- the amount of the financial contribution foreseen for the project after the final payment, and the amount of the financial contribution actually received.
- the geographic location of the activities carried out.
- the list of dissemination activities and/or of patent (applications) relating to foreground.
- the details/references and the abstracts of scientific publications relating to foreground and, if funded within the sub-project, the published version or the final manuscript accepted for publication.
- the publishable reports submitted to BlockStart.
- any picture or any audio-visual or web material provided to the European Commission and BlockStart in the framework of the project.

The beneficiary startup or SME shall ensure that all necessary authorizations for such publication have been obtained and that the publication of the information by the European Commission and BlockStart does not infringe any rights of third parties.

Upon a duly substantiated request by the sub-project coordinator on behalf of any sub-project member, the BlockStart, if such permission is provided by the European Commission, may agree to forego such publicity if disclosure of the information indicated above would risk compromising the beneficiary’s security, academic or commercial interests.

## Financial audits and controls

The European Commission will monitor that BlockStart beneficiaries and the beneficiary startup or SME comply with the conditions for financial support to third parties such as set out in Annex 1 of the BlockStart grant agreement and may take any action foreseen by the grant agreement in case of non-compliance vis à vis the beneficiary concerned.

Moreover, the European Commission may at any time during the implementation of the BlockStart project and up to 5 (five) years after the end of the BlockStart project, arrange for financial audits to be carried out, by external auditors, or by the European Commission services themselves including the European Anti-Fraud office (OLAF). The audit procedure shall be deemed to be initiated on the date of receipt of the relevant letter sent by the European Commission. Such audits may cover financial, systemic, and other aspects (such as accounting and management principles) relating to the proper execution of the grant agreement. They shall be carried out on a confidential basis.

The beneficiary startup or SME shall make available directly to the European Commission all detailed information and data that may be requested by the European Commission or any representative authorised by it, with a view to verifying that the grant agreement is properly managed and performed in accordance with its provisions and that costs have been charged in compliance with it. This information and data must be precise, complete, and effective.

The beneficiary startup or SME shall keep all sub-project deliverables and the originals or, in exceptional cases, duly authenticated copies – including electronic copies – of all documents relating to the sub-project contract for up to five years from the end of the project. These shall be made available to the European Commission when requested during any audit under the grant agreement.

In order to carry out these audits, the beneficiary startup or SME shall ensure that the European Commission's services and any external body(ies) authorised by it have on-the-spot access at all reasonable times, notably to the sub-project applicant offices, to its computer data, to its accounting data and to all the information needed to carry out those audits, including information on individual salaries of persons involved in the project. They shall ensure that the information is readily available on the spot at the moment of the audit and, if so requested, that data be handed over in an appropriate form.

On the basis of the findings made during the financial audit, a provisional report shall be drawn up. It shall be sent by the European Commission or its authorised representative to the beneficiary concerned, which may make observations thereon within 1 month of receiving it. The European Commission may decide not to take into account observations conveyed or documents sent after that deadline. The final report shall be sent to the beneficiary concerned within 2 months of expiry of the aforesaid deadline.

On the basis of the conclusions of the audit, the European Commission shall take all appropriate measures which it considers necessary, including the issuing of recovery orders regarding all or part of the payments made by it and the application of any applicable sanction.

The European Court of Auditors shall have the same rights as the European Commission, notably right of access, for the purpose of checks and audits, without prejudice to its own rules.

In addition, the European Commission may carry out on-the-spot checks and inspections in accordance with Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the European Commission in order to protect the European Communities' financial interests against fraud and other irregularities.

## Sub-project Communication

The sub-project official representative should:

- Provide any notice in writing to the BlockStart project coordinator.
- Notify immediately any change of persons or contact details to the BlockStart coordinator. The address list shall be accessible to all concerned.

## 12 Open Call #3 for SME adopters

### Definition of SME, SME Eligibility Criteria and Proposal Eligibility Criteria

For more information, please see Section 8 “Proposal Eligibility Criteria”.

### Open Call #3 Submission

For more information, please see sub-sections “Open Call #3 publication”, “Applicants Registration”, “Proposal Preparation” and “Proposal reception”.

### Procedures for SME adopters to enter to the BlockStart Programme

#### Step 1.1: Eligibility

A filtering process will be carried out to discard non-eligible proposals. Eligibility criteria check will assess if the proposals meet the administrative conditions to apply to the programme, by verifying if:

- a) The proposing entity is a legal entity eligible for European Commission funding under the rules of H2020 [Yes/No]
- b) The proposing entity is an SME as defined in section “Definition of SME” [Yes/No]
- c) The proposing entity is an SME working in the fields of fintech, ICT or retail sectors [Yes/No]
- d) Are the participation rules as expressed in section “SME Eligibility Criteria” followed? [Yes/No]
- e) Are the participation rules as expressed in the section “Proposal Eligibility Criteria” followed? [Yes/No]
- f) Is the proposal written in the English Language? [Yes/No]
- g) Is the Do You Need Blockchain? Assessment Tool completed? [Yes/No]
- h) Is all required documentation, i.e., **Annex 4: Declaration of Honour** and **Annex 5: SME Declaration** correctly submitted? [Yes/No]

Proposals being marked as non-eligible will get a rejection message through the F6S platform and an email including the reasons (a to h) for being catalogued as non-eligible. No further feedback on the process will be given.

#### Step 1.2: Do You Need Blockchain? Assessment Tool

The BlockStart project has created and published a [Do You Need Blockchain? Assessment Tool](#), which aims to evaluate SMEs capacity and potential to start using blockchain/DLT technology. To assess the potential of implementing blockchain/DLT, this tool evaluates the type of company, innovation readiness level and blockchain/DLT potential in the company’s processes.

***Type of company.*** First, the tool aims to find out if a company is an SME, as its goal is to determine the potential of DLT technology only for SMEs. It achieves this by asking the companies to confirm if they meet SME conditions as to European Commission’s description (less than 250 employees, annual turnover less or equal to €50 million and/or annual balance sheet less or equal to €43 million). In addition, participants are asked to provide information about their company type, to double check if the respondent actually represents an SME.

***Innovation readiness assessment.*** The tool measures the innovation capacity of the company in order to find out if the company is ready to implement new solutions into its processes. Innovation readiness is determined by gathering information on the level of innovation in the company, experience in

implementing the innovations, capacity of the IT department and know-how about the blockchain/DLT technology.

**Blockchain/DLT potential assessment.** The goal here is to identify the main challenges that motivate SMEs to adopt blockchain.

At the end of the Do You Need Blockchain? Assessment Tool submission, SMEs receive feedback, based on their answers, if blockchain/DLT could have a high impact in the company's processes. A high impact result is provided if the company provides positive answers to any of the identified challenges that could be overcome by implementing blockchain/DLT solutions and a low impact is provided if the technology would not solve any challenges.

### Step 1.3: Ranking and Selection

Each proposal will be rated by the BlockStart consortium (1 member per partner), based on the following criteria:

- **Criterion 1 (score 1-10, 50% weight):** potential of being matched with selected blockchain/ DLT solution developers, based on the description of their current challenges/needs (information provided through the answers to the F6S application form).
- **Criterion 2 (score 1-10, 25% weight):** innovation level of the possible use cases for blockchain/ DLT in the company (information provided through the answers to the F6S application form).
- **Criterion 3 (score 1-10, 25% weight):** overall score from the Do You Need Blockchain? Assessment Tool.

In case following the criteria above there are proposals in the same position, priority will be given to the applicants with the highest number of female members participating in the team (information provided through the answers to the F6S application form).

Regarding the evaluation & selection process for the Pilot stage, blockchain/DLT developers participating at the Prototype stage will also be asked to show their interest in the candidate SMEs, based on criterion (1). Their interest corresponds to 50% of the final score of that criterion, while the other 50% correspond to the assessment made by the BlockStart consortium.

Following the ranking, all SMEs that have applied to the BlockStart Open Call #3 for end-user SMEs will receive either an invitation message through the F6S platform and by email to participate at the Ideation Kick-off event (1<sup>st</sup> cut-off date) and/or at the Pilot stage (2<sup>nd</sup> or any subsequent cut-off dates), or a brief explanation on why they have not been selected. At least 10 will be invited to participate at the Ideation Kick-off event and at least 20 will participate at the Pilot stage.

### Contract preparation & signature and Redress process

For more information, please see sub-section "Contract Preparation", "Contract Signature" and "Redress Process", that also applies to SME adopters.

## 13 BlockStart Events

BlockStart will also organise events for the teams involved in the acceleration programme. These might be physical or online. It will be compulsory to attend those events. At least one representative per team will be required on each event. However, it is suggested that at least two attend and participate in each event.

Failing to attend any of the mandatory events defined at the beginning of each stage by BlockStart will automatically disqualify the team from the BlockStart programme.

The foreseen events are:

Table 4 events

Event	Scope	Where	When	Duration	Mandatory
<b>Ideation Kick-off</b>	Selection of the projects to enter the Prototype stage	Online event	27-28 July 2021	2 days	Yes
<b>Demo Day</b>	Completion of the Pilot stage	To be defined	February 2022	1 day	Yes

Please note that the locations and dates at the above table are indicative and not binding. They may be modified during the execution of the programme.

**All the teams will be informed in advance to prepare the logistics and reservations for their team members if the Demo Day event is to be held physically.**

## 14 Checklist

- 1) **Does your planned work fit with the call for proposals?** Check that your proposed work does indeed address one of the topics open in this call.
- 2) **Does your proposal address blockchain technology?** Check that your proposed work does indeed address the blockchain technologies in one of the target sectors.
- 3) **Is your proposal eligible?** The eligibility criteria are given in sections “SME Eligibility Criteria” and “Proposal Eligibility Criteria”. Make sure that you satisfy the minimum participation requirements (entity from eligible countries).
- 4) **Is your proposal complete?** Have you completed all the mandatory questions?
- 5) **Does your proposal fulfil all questions requests/comments?** Proposals should be precise, concise and must answer to requested questions, which are designed to correspond to the applied evaluation. Omitting requested information will almost certainly lead to lower scores and possible rejection.
- 6) **Have you maximized your chances?** There will be strong competition. Therefore, edit your proposal tightly, strengthen or eliminate weak points.
- 7) **Have you submitted your proposal before the deadline?** It is strongly recommended not to wait until the last minute to submit the proposal. Failure of the proposal to arrive in time for any reason, including network communications delays, is not acceptable as an extenuating circumstance. The time of receipt of the message as recorded by the submission system will be definitive.
- 8) **Have you provided the necessary annexes?** Failure to fill in at least one of the mandatory annexes and/or wrongly fill in at least one of the annexes will not be accepted.
- 9) **Do you need further advice and support?** You are strongly advised to communicate with the BlockStart team via the BlockStart profile at F6S platform ([www.f6s.com/blockstart](http://www.f6s.com/blockstart)).

Do not forget that it is mandatory that the applicant startup and SME must have a valid VAT and PIC number during contract preparation time.



## 15 Contacts

For the application form and detailed guidance for applicants, please download the files available at the [www.blockstart.eu](http://www.blockstart.eu) website. The BlockStart consortium will organise, at least, 2 Q&A Webinars and be present at events from February until May 2021, to connect with interested applicants. Please check BlockStart F6S page ([www.f6s.com/blockstart](http://www.f6s.com/blockstart)), follow our social media accounts<sup>13</sup> or subscribe to our [Newsletter](#) if you want to stay tuned with this programme.

The BlockStart consortium will provide information to the applicants only via [www.f6s.com/blockstart](http://www.f6s.com/blockstart), so that all information (questions and answers) will be accessible to all potential applicants. No binding information will be provided via any other means (e.g., telephone or email).

More info at [www.blockstart.eu/open-calls](http://www.blockstart.eu/open-calls) if you are a blockchain/DLT developer and at <https://www.blockstart.eu/adopters/> if you are an SME adopter.

**For blockchain/DLT developer, apply via: <https://www.f6s.com/blockstart-opencall3-dltdevelopers/apply>**

**For SME adopters, apply via: <https://www.f6s.com/blockstart-opencall3-smeadopters/apply>**

For more information, access our FAQ: [www.blockstart.eu/open-calls/faq](http://www.blockstart.eu/open-calls/faq) or ask us any question by using our Online Q&A: [www.f6s.com/blockstart/discuss](http://www.f6s.com/blockstart/discuss)

For IT support, please contact the F6S support team: [support@f6s.com](mailto:support@f6s.com)

For other needs, please contact the Help Desk: [hello@blockstart.eu](mailto:hello@blockstart.eu)

Privacy Policy available at: [www.blockstart.eu/data-protection](http://www.blockstart.eu/data-protection)

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<sup>13</sup> Follow us on Facebook: [www.facebook.com/BlockStartEU](http://www.facebook.com/BlockStartEU), LinkedIn: [www.linkedin.com/company/blockstarteu](http://www.linkedin.com/company/blockstarteu) and Twitter: [www.twitter.com/BlockStartEU](http://www.twitter.com/BlockStartEU)