



BLOCK START

Annex 2: Guidelines for Applicants

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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 Open Call for Proposals for the BlockStart project. The Sub-grant Agreement Template (Annex 7) must be additionally considered for the submission of a Proposal.

BlockStart will organize three open calls to attract, select and fund the best of the best SMEs to generate blockchain-based products, processes and business models with strong market potential in the sectors of fintech, ICT and retail.

2 Background information on BlockStart project

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

To this end, BlockStart is launching its first out of three Open Calls for applications, with the focus being on the following sectors: fintech, ICT and retail. A total of €265.000 will be allocated for the direct benefit of these SMEs (both providers and end-users) through this Open Call.

BlockStart is a 3-stage intensive mentor-led program. It starts with the Ideation Kick-off, after which the most successful blockchain/DLT solution providers are admitted to a 4 months Prototype phase aimed at supporting the product/market fit. Finally, during the Pilot phase (2 months), startups/SMEs working with blockchain and other DLTs will have a unique opportunity to validate their solutions, pilot their innovations with end-users and work toward product/market fit.

The maximum amount of funding that each DLT developer may receive is €20.000; while an SME adopter may receive €4.500.

The submission for the Open Call #1 opens on the 16th of December 2019 and closes on the 10th of February 2020 at 17:00 CET (Brussels time).

BlockStart program 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 3 Open Calls. These Open Calls will be focused on one or more related sectors. Selected applicants to each call will constitute a batch that will target a particular theme. Each batch will go through a 6 months program that will start with a match between SMEs with DLT solution providers, followed by a prototype stage where the DLT solution providers will adapt their DLT solution to the needs of the SME, ending on 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 process:

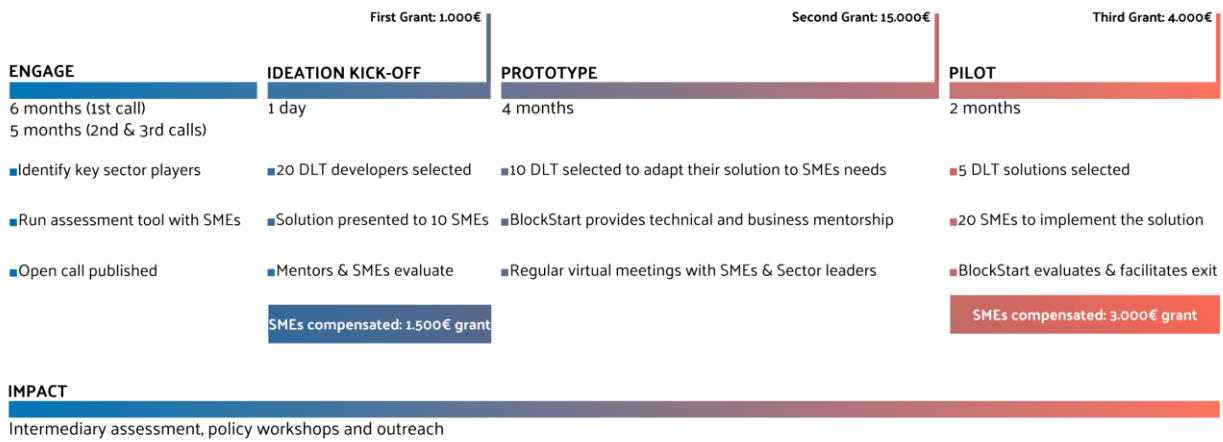


Figure 1 - BlockStart open call structure

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

Table 1 - BlockStart program stages:

STAGE	OVERVIEW
ENGAGE	This stage is all about building relationships. We will be looking for startups/SMEs with ambition, product vision built from original insight and capacity for focused execution. And if you're a non-tech SME, our DLT assessment tool will tell you if you are ready for blockchain, and if you are, what are the next steps.
PROTOTYPE	<p>The development stage of the BlockStart programme starts with the Ideation Kick-Off to select which developers will be part of the mentorship programme and develop the BlockStart DLT solutions.</p> <p>This Ideation Kick-off brings developers and SMEs together for the first time to initiate a conversation on available solutions and existing problems. The most promising and adaptable solutions are selected for a 4 months acceleration where they will receive business and technical mentorship to achieve product/market fit.</p>
PILOT	<p>Final stage of the BlockStart programme makes a match between DLT solutions developed during the previous stage and pioneering SMEs that can implement them in real conditions.</p> <p>BlockStart facilitates relationships, provides mentoring for the implementation and assures a successful exit for BlockStart DLT solutions that is mutually beneficial to developers and SMEs.</p>

IMPACT	<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 up 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>
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Funding Scheme

BlockStart funding is results-driven, where the funding is associated with the full achievement of the relevant milestone. Selected DLT Solution Providers (Developer) and SMEs will be funded as follows:

Table 2 - Funding per partner per stage:

	Funding Unlocked			
	Kick-Off	Prototype	Pilot	Total
Developer	1,000	15,000	4,000	20,000
SME	1,500		3,000	4,500

Kick-off funding serves to compensate for the business development costs: putting together a business case and attending a Kick-off event (physical presence is mandatory). The *Prototype* funding amount is used towards the technical development/adaptation of the DLT solution towards the SMEs needs, as well as business development costs such as doing on-site visits. The *Pilot* funding phase allows the SMEs to implement the solution within their systems - as well as the costs to the developer to eventually work on-site with the SMEs.

Timeline – Open Call #1

Submission to the 1st Open Call will be enabled on the 16th of December 2019 and will end on the 10th of February 2020 at 17:00 CET time (Brussels time).

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

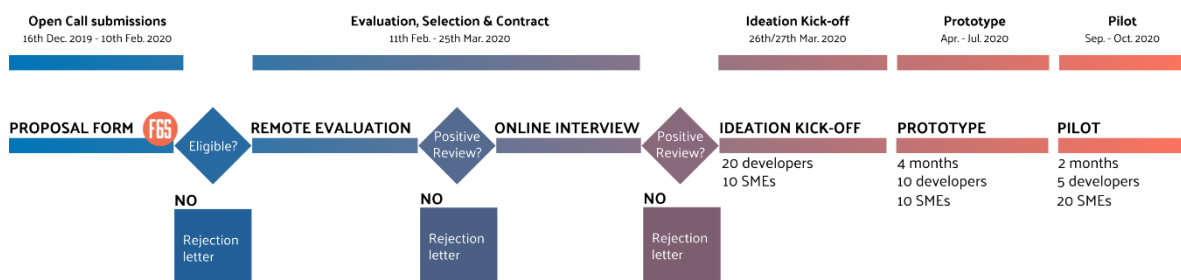


Figure 2 - BlockStart timeline - first open call

4 General Information

Means of Submission

The F6S platform (www.f6s.com/blockstart) will be the entry point for all proposals' submission to BlockStart Open Calls. Submissions received by any other channel will be automatically discarded.

Documents required in subsequent phases will be submitted via dedicated channel, which will be indicated by BlockStart consortium during the sub-granted projects execution.

Language

English is the official language for BlockStart open calls. Submissions done in any other language will not be evaluated. English is also the only official language during the whole execution of the BlockStart program. This means any requested submission of deliverables will be done in English in order to be eligible.

Documentation formats

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

Data protection

In order to process and evaluate applications, BlockStart will need to collect Personal and Industrial Data. BRPX, CIVITTA and F6S will act as Data Controllers of the personal data applicants supply throughout BlockStart.

In particular, data submitted for the purposes of the Open Call(s) will be managed through the F6S platform. 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, and Annex 7 Sub-grant Agreement Template, are provided for reference and will only be requested if the SME is accepted in the acceleration programme.

Please refer to www.blockstart.eu/data-protection/ to get informed about the BlockStart data protection policy and security measures.

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 Template (Annex 7), this relation between the sub-grantees and the European Commission through 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.

5 Proposal Eligibility Criteria

BlockStart invites startups and SMEs to provide innovative blockchain based solutions in the fintech, ICT and retail sectors.

Definitions of SME and Startup

SME

An SME will be considered as such if complying with the European Commission Recommendation 2003/361/EC and the SME user guide. As a summary, the criteria which define an SME are:

- 1) Independent (not linked or owned by another enterprise), in accordance to Recommendation 2003/361/EC.
- 2) Headcount in Annual Work Unit (AWU) less than 250.
- 3) Annual turnover less or equal to €50 million OR annual balance sheet total less or equal to €43 million.

Startup

When there is not a constituted SME the applicants could be an individual or group of individuals legally established in a H2020 eligible country and with a written commitment to set up a legal SME if reaching "Prototype" phase.

SME Eligibility Criteria (phases prototype & pilot)

An SME is considered eligible for BlockStart open call if it complies will ALL the following rules:

- I. It is a legal entity established and based in one of the EU Member States or an H2020 Associated Countries 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 fulfill the criteria (1) and (2) of the previous section (“Definitions of SME and Startup”) 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 fulfill criteria (2) or (3) of the previous section.

For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project. In that case, the rules of H2020 grants will apply.

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

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 European Union digitization, targeting clear economic and societal impact.
- II. Each SME may submit only one (1) proposal at each BlockStart open call. In case an SME submits more than one proposal per open call, only the first one will be considered, and all the following proposals submitted will be automatically excluded from the evaluation process.
- III. SMEs may participate in a maximum one (1) accepted sub-project after being selected at the Ideation Kick-off as one of the 10 DLT projects that will continue in the program (being automatically excluded from participating in Open Call #2 and #3, even if they submit a different proposal). However, DLT developers participating at the Ideation Kick-off, but not moving to the 4 months Prototype phase, may apply to following calls.
- IV. If one user needs to submit applications from multiple SMEs, then he/she needs to create as many F6S profiles as applications that will be submitted.
- V. SMEs may re-submit at Open Call #2 and #3 a proposal submitted to Open Call #1. However, it is mandatory to flag that this is a resubmission and clearly explain the improvements that they have made.
- VI. The maximum amount of direct funding that a Startup/SME may receive via BlockStart is €20.000 via any mean (€20.000 as the maximum amount for DLT providers, and €4.500 as the sub-grant limit for SMEs implementing the DLT solutions).

6 Open Call submission and selection process

BlockStart will issue three open calls. All open calls will address specific sectors. The following figure summarizes the open call process:

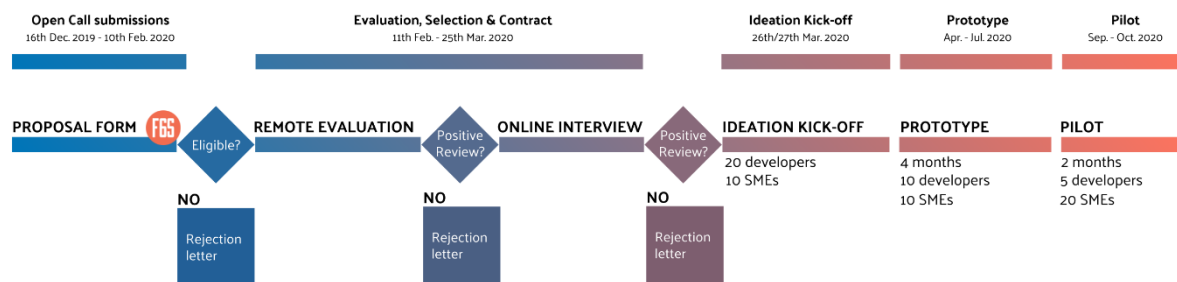


Figure 3 - BlockStart submission & selection process

Open Call Submission

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

Open Call publication

Each open call will be supported by:

- **Annex 1: Open Call Text**, which provides a full set of information regarding the Open Call for Proposals for the BlockStart project
- **Annex 2: Guidelines for Applicants**, which sets out the guidelines for participation in the first open call for proposals of the BlockStart Partnership Program.
- **Annex 3: Application Form**, application form available at www.f6s.com/blockstart, with questions that need to be addressed by applicants.
- **Annex 3.1: Proposal Supplement**, a document providing information on proposal schedule, timing, Ethical & Security details.
- **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 an open call.
- **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**, which provides a template of the sub-grant agreement that the successful applicants will be requested to sign.
- **Annex 8: Template for H2020 Financial Support to Third Parties**, which contains the formal announcement to be published in the EU portal.

Applicants Registration

Interested applicants should register at the BlockStart F6S page (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.

2. Applicants that do not accept the terms and conditions and do not sign and upload to the F6S platform the completed **Annex 4 Declaration of Honour** and **Annex 5 SME Declaration** will not be eligible.
3. Be concrete and concise. Questions have characters limitation. Please examine all the open call documents and attend the various online and physical events promoted by the BlockStart projects (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 BlockStart team to re-submit the proposal (for this purpose please contact us at 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 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 submission system will be definitive.

Proposals reception

Submissions will be done ONLY via the F6S platform on 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 EC for transparency).

The application reception will close at 17:00 CET (Brussels time) on Monday, 10th February 2020. There will not be any deadline extensions unless a major problem caused by the F6S platform and not by the proposers makes the system unavailable.

Procedures for DLT provider to enter to the BlockStart Programme

Step 1.1: Eligibility

An automatic filtering to discard non-eligible proposals will follow the shortlist. Eligibility criteria check will verify:

- a) The proposing entity is a legal entity eligible for EC funding under the rules of H2020 [Y/N]
- b) The proposing entity is an SME/startup as defined in section “Definitions of SME and Startup” [Y/N]
- c) The proposing entity is either a DLT startup/SME or technology adopter/user who provides innovation solutions in the fintech, ICT or retail sectors [Y/N]
- d) Are the participation rules as expressed in section “SME Eligibility Criteria” followed [Y/N]
- e) Is the participation rule as expressed in section “Proposal Eligibility” followed [Y/N]
- f) Is the proposal written in the English Language [Y/N]?
- g) Are all required documentation: **Annex 4: Declaration of Honour** and **Annex 5: SME Declaration** submitted correctly [Y/N]

Proposals being marked as non-eligible will get a rejection letter including the reasons (a to g) for being cataloged as non-eligible. No further feedback on the process will be given.

Step 1.2: External remote evaluation

Remotely and within F6S platform, the application will be reviewed by external evaluators with experience in: Blockchain technologies; the relevant sector (fintech, ICT and retail); and business development. Applications will be scored 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 TRL 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 will be 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.

Step 1.3: Ranking and Remote Interview

At the end of the remote evaluation process all proposals will be ranked in a single list, independent of the topic(s) that it targets. 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.

The top 30 (or slightly more in case following Rule 5 there are still proposals in the same position) will be invited for a remote interview. The interview aims to deeply understand project concept, team skills & competence, capacity and wiliness to exploit DLTs solutions with SMEs in the target sectors. The interviews will be carried out by evaluation board members and will evaluate the following criteria:

- **Criteria 1: Concept & Technology** (30%) [1-10; min. 6] - confirmation of proposed targets and technology fit.
- **Criteria 2: Impact** (30%) [1-10; min. 6] - the impact and scalability of the proposed solution.
- **Criteria 3: Team** (40%) [1-10; min. 6] - reliability of the team and their capacity to deliver.

If during interview applicants do not commit to what had been presented in the application form, these will be declassified (e.g.: misleading information on the percentage of private investment).

Step 1.4: Final Ranking and Selection

At the end of the remote evaluation process all proposals will be ranked in a single list, independent of the topic(s) that it targets. The criteria for the ranking are the same as those presented in Step 1.3.

At the end of the online interviews, 20 proposals will be selected, and 10 others will remain in a reserve list, in case a selected proposal fails to enter the Prototype phase.

All proposals will receive an acceptance or rejection letter together with an anonymized version of their proposal Evaluation Report.

Step 1.5: 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 that have been evaluated in the shortlist. 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 BlockStart consortium and every beneficiary of the call. The items covered will be:

- Inclusion of the comments (if any) in the Evaluation Summary Report of the proposals and mapping to the Sub-grant agreement (contract).
- To validate the status information of the SME, the following documents will be required:
 - SMEs declaration: signed and stamped. 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.

- 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).
- 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 prototype stage. 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.

It should be emphasized that each SME should provide at contract preparation time a valid VAT. Failure to provide the VAT number will automatically result in proposal rejection (at Prototype stage).

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 1.6: Contract Signature

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

Please note:

- I. The sub-grant agreement/contract will cover the complete 3 phases: IDEATION KICK-OFF, PROTOTYPE and PILOT. No additional sub-grantee will be signed if an SME enters the next phase.
- II. The sub-grantee funding agreement will automatically expire at the end of each phase - 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 phase or if the SME is not considered eligible any more or if the Declaration of Honour has been violated.
- III. For British applicants: Please be aware that eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant period without concluding an agreement with the EU ensuring in particular that British applicants continue to be eligible, you will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project. In that case, the rules of H2020 grants will apply.

Redress process

Within 3 working days of the delivery of a rejection letter considering the proposal as non-eligible or an ESR, a proposer may submit a request for redress if s/he believes the results of the eligibility checks have not been correctly applied, or if s/he 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 phase 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 letter considering the proposal as non-eligible or the ESR information letter 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. 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.

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.

Only one request for redress per proposal will be considered by the committee. All requests for redress will be treated in confidence and have to be sent to Project Coordinator via the F6S platform.

IDEATION KICK-OFF phase & procedures to enter PROTOTYPE phase

Step 1.1: Preparation

Ideation Kick-off is the bridge between the online selection of DLT developers and the challenges that SMEs face. 20 DLT developers are invited to an on-site session with 10 invited SMEs previously identified - as well as mentors from the consortium and experts in both Blockchain and the target sector. The concept of the event is to get to know existing DLT technologies from their developers, match those with real SME needs and draw a roadmap on how to go from potential to real benefits.

Meetings will be facilitated by the consortium, ideally with one representative per table.

The Advisory Board, intermediaries and other relevant parties will be on hand to support individual DLT developers or SMEs on particular issues that require their particular expertise.

Step 2.2: Technical Evaluation

At the end of the day, 10 DLT developers are selected to continue into the next phase of the project.

The criteria, as evaluated by 1 member of BlockStart, 1 member of the Advisory Board and 1 intermediary representative, are (1) Quality of the proposed solution, (2) Interest shown by the SMEs, (3) Technological maturity, (4) Technological flexibility/capacity to adapt and (5) Team experience.

Step 2.3: Final Ranking & Selection to the PROTOTYPE Phase

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 external 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 event the project coordinator will announce the top 10 DLT providers sub-projects that have entered the Prototype phase. The remaining 10 sub-projects will be automatically terminated.

Step 2.4: Compensation of the IDEATION KICK-OFF Phase

Just after the IDEATION KICK-OFF event, and within 5 working days, all 20 DLT providers should send to the BlockStart coordinator:

- The set of slides that s/he 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 Phase.
- 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 phase voucher (provided in a lump sum mode).

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

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

- The top 10 DLT providers will automatically enter the PROTOTYPE phase, based on their contract;
- The sub-grant contract of the remaining 10 DLT providers will be automatically terminated.

PROTOTYPE phase & procedures to enter PILOT phase

Step 3.1: Prototype phase

The actual prototype activity involves facilitating the relationship between the DLT developer and the SMEs. 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. DLT developers will be encouraged to use a ticketing system to centralize communication, better understand the product problems, organize customer support and easily gather support KPIs. BlockStart will then receive bi-weekly updates on the collaboration with the current status of the metrics previously identified, identify business and technical obstacles that come up during implementation and direct both parties to the resources needed to resolve them (in the form of mentorship or subject-matter experts). The Prototype phase will end if the prototype is successfully completed (all the metrics are attained) or after 4 months.

Step 3.2: Evaluation

At the end of Prototype phase, 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, describing the system prototype that they have implemented and the results of the tests.

The review will be remote via a teleconference platform (e.g. Skype, Whereby). The review committee will consist of experts from the BlockStart consortium and the engaged sectoral SME.

The DLT developer will make a short presentation of the sub-project, analyze the design considerations and answer questions from the experts.

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 phase

A committee of experts will score each 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 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 external 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 that have entered the Pilot phase. The remaining 5 sub-projects will be automatically terminated.

Step 3.6: Compensation of the PROTOTYPE Phase

Just after the PROTOTYPE selection to the PILOT phase, and within 5 working days, all sub-project coordinators that have successfully complete the PROTOTYPE phase 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 an DLT Provider has not successfully completed Prototype phase or has not submitted the financial statements with the foreseen timeframe, their sub-grantee contract will be automatically terminated, and no compensation will be provided.

After providing the PROTOTYPE phase funding to the DLT providers beneficiaries, the PROTOTYPE Phase is complete. As a result:

- The top 5 sub-projects will automatically enter the PILOT phase, based on their contract;
- The sub-grantee contract of the remaining 5 sub-projects will be automatically terminated.

PILOT phase

Step 4.1: PILOT phase implementation

After BlockStart's PROTOTYPE phase, the top 5 sub-projects will enter the PILOT phase. The duration of this stage will be approximately 2 months.

Prior to the Pilot implementation, KPIs will be defined and agreed upon between DLT developer, SME and BlockStart consortium.

During this phase, the selected DLT provider will be matched with pioneering SMEs. BlockStart will be facilitating the relationship and developing a mutually beneficial agreement for after the end of the PILOT phase. Selected 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 Evaluation

At the end of the Pilot, a BlockStart Demo Day event will take place (the place will be defined at least 1 month before). It is mandatory that at least one participant per DLT provider is present at the event, signs the participants list and actively participates in the activities. However, it is strongly suggested that two DLT provider representatives participate.

During the PILOT event, each DLT developer will have the opportunity to demonstrate their product to an evaluation committee and broader audience, either in pitching sessions and one-to-one meetings.

Successful presentation and demonstration of the product at TRL 7-8 will result in successful completion of the PILOT Phase.

Step 4.3: Compensation of the PILOT Phase

Just after the PILOT event, and within 5 working days, all sub-project coordinators that have successfully complete the PILOT phase should send to the BlockStart coordinator:

- A report of the pilot detailing the following: scope of the activities, key metrics and if they were met, main obstacles and how they were surpassed/lessons learned, next steps;
- A financial statement F3 (template will be provided) requesting the €4.000 voucher of the PILOT Phase;
- 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 (provided in a lump sum mode).

In case an DLT provider, either has not participated in the PILOT Demo Day event, or has not successfully completed the PILOT evaluation or has not submitted the financial statements with the foreseen timeframe, their sub-grantee contract will be automatically terminated, and no compensation will be provided.

7 DLT projects Execution Summary

Mentor

Each sub-project will be assigned at least one mentor. The mentor will communicate with the sub-project on a regular basis and in order to overview the progress and provide technical or business advice.

Evaluations Summary

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

Evaluation 1			
When	Open Call deadline	Estimated project month	February 2020
Mean	Proposal submission		
If successful (top 20)	The DLT provider signs the contract and enters the IDEATION KICK-OFF phase		
Evaluation 2			
When	IDEATION KICK-OFF Event	Estimated project month	March 2020
Mean	Set of slides & pitching proposal idea		

If successful	The DLT provider receives €1.000 as lump sum for covering travel expenses		
If distinction (top 10)	The DLT provider enters the PROTOTYPE phase		
Evaluation 3			
When	Remote Review	Estimated project month	July 2020
Mean	Deliverable D1: Report (implementation, describing the system prototype that they have implemented and the results of the tests) & Business and Exploitation Plan		
If successful	The DLT provider receives €15.000 as lump sum		
If distinction (top 5)	The proposal enters the PILOT phase		
Evaluation 4			
When	PILOT Demo Day Event	Estimated project month	October 2020
Mean	Report, demonstration of the product (TRL 7-8) & pitching		
If successful	The DLT provider receives €4.000 as lump sum		

The sub-grantees should deliver at least two (2) weeks in advance all relevant deliverables, so that the reviewers will be able to 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 coordinator. Additional conditions and eligibility criteria have already been described in the previous sections.

8 Responsibilities of beneficiaries

The selected DLT provider 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) (Digital Innovation Initiatives based on European Networks of Competence Centres in H2020) The obligations that are applicable to the recipients include:

Conflict of Interest

The beneficiary DLT Providers 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 to 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 sub-contract consortium member 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 DLT provider SME requests, the 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 to be 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 consortium 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 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 EC.

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
- 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 EC 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 EC 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 SME in respect of the project, in whatever form and on or by whatever medium, must specify that it reflects only the author's views and that the EC or BlockStart project is not liable for any use that may be made of the information contained therein.

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

- the name of the beneficiary SME;
- contact address of the beneficiary 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 EC and BlockStart in the framework of the project.

The beneficiary SME shall ensure that all necessary authorizations for such publication have been obtained and that the publication of the information by the EC 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 EC, 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 (EC) will monitor that BlockStart beneficiaries and the beneficiary 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 EC 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 EC 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 EC. 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 SME shall make available directly to the EC all detailed information and data that may be requested by the EC 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 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 EC where requested during any audit under the grant agreement.

In order to carry out these audits, the beneficiary SME shall ensure that the EC'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 EC or its authorised representative to the beneficiary concerned, which may make observations thereon within 1 month of receiving it. The 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 EC 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 EC, notably right of access, for the purpose of checks and audits, without prejudice to its own rules.

In addition, the EC 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 Commission in order to protect the European Communities' financial interests against fraud and other irregularities.

Sub-project Communication

The sub-project coordinator should:

- Provide any notice be 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.

9 BlockStart Events

BlockStart will organise physical events to the teams involved. Most of the events will be compulsory to attend those events in person. At least one representative per team will be required on each event, although it is strongly advised that at least two people attend.

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

The foreseen events are:

Table 3 - BlockStart events:

Event	Scope	Where	When	Duration	Mandatory
Ideation Kick-off	Selection of the projects to enter the Prototype stage	Lisbon	March 2020	1-2 days	Yes
Demo Day	Completion of the Pilot stage	To be defined	October 2020	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 program.

10 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”. In particular, make sure that you satisfy the minimum participation requirements (entity from eligible countries).
- 4) **Is your proposal complete?** Have you completed all mandatory questions?
- 5) **Does your proposal fulfill 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?**
- 9) **Do you need further advice and support?** You are strongly advised to communicate with the BlockStart team via the BlockStart profile at FS6 platform (www.f6s.com/blockstart).

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

11 Contacts

For the application form and detailed guidance for applicants, please download the files available at the www.blockstart.eu website. The BlockStart consortium will organise webinars and be present at events from November 2019 until February 2020, to connect with interested applicants. Please check BlockStart F6S page & follow our social accounts if you want to stay tuned with this program.

The BlockStart consortium will provide information to the applicants only via 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

Apply via: www.f6s.com/blockstart

FAQ: www.f6s.com/blockstart

Online Q&A: www.f6s.com/blockstart

Support team: hello@blockstart.eu

Personal Data Protection Policy available at: www.blockstart.eu/data-protection/