

Frequently Asked Question (FAQ) and tips for applicants

XR2Industry 1st Open Call for Hardware enablers

Open date for proposals:

Tuesday, June 20, 2024, at 13:00
(Brussels Time)

Deadline:

Tuesday, September 17, 2024, at 17:00
(Brussels Time)

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1. What is XR2Industry?

XR2Industry ([*Tailoring eXtended Reality to Industry's needs*](#)) is an EU-funded project aiming to reduce the current hegemony of Asia and the United States in the Extended Reality (XR) area. The project will boost the European technological ecosystem and create a European XR reference platform by developing the first European XR. The XR2Industry Project will support up to 12 third parties in 3 open calls. The project will distribute up to **€4,8M** among third parties.

2. Which organisations take part in the XR2Industry project?

The XR2Industry project is coordinated by UPV (Universitat Politècnica de València) and involves **9 partners from 4 EU countries**. The project partners are Universitat Politècnica de València (UPV), SL Process (Lynx), SupportSquare NV (SSQ), Altheria Solutions (ALT), Fundingbox Accelerator sp. z o.o. (FBA), Fundingbox Communities SL (FBC), TKorp SAS (TKP), MAOUI MOUNDJI (LML) and FLUX50 (FLX). The project is coordinated by UPV.

3. Why should you apply?

- 1) Selected SME/Mid-cap will receive a **maximum of 500.000€** (fixed lump sum), during the 15-month Support Program which includes the following stages:
 - **Stage 1 Individual Mentoring Plan-IMP** (2 months): up to 65.000€,
 - **Stage 2 Development** (6 months): up to 200.000€,
 - **Stage 3 Integration** (7 months): up to 235.000€.
- 2) During the Support Program, you will be supported by Technical Experts.

4. How will we check your SME or MidCap status?

Before signing the Subgrant agreement, we are going to verify your SME/Mid-cap status. More specifically, **we will request you to complete the application form with your company data** (in case of having a partner or linked entities also the data of those entities) and provide the following documentation:

- Official, valid and current (up-to-date) registration document of the enterprise. An extract from the current official registration document (or its equivalent: Company Register, Official Journal) indicating the name of your organisation, the address of the head office,

its registration number, and authorised representatives. The enterprise registration document is a written statement from the Government or other authority which confirms that the company legally exists and confirms its data.

- Document showing the holding structure of the Applicant enterprise - shareholders and the percentage of shares that they own in the applicant enterprise. We can accept an official and signed declaration indicating shareholders and the percentage of shares that they own in the organisation.
- VAT Registration - a copy of an official and valid document proving your VAT registration. The VAT number can be confirmed by the VAT Information Exchange System (VIES) - http://ec.europa.eu/taxation_customs/vies/vatRequest.html.
- Financial statements of the Applicant enterprise for the latest closed financial year, containing information about the annual balance, turnover and staff headcount. In cases where the number of employees is not clearly identified in the financial statements, any other supporting documents which demonstrate the staff headcount such as statistic reports, annual reports, and national regional, and association records. If the number of employees is not clearly indicated in the above-mentioned documents, we can accept other supporting documents such as an official and signed declaration on the staff headcount expressed in Annual Working Units.
- Additional documentation of partner and linked enterprises (mandatory in case of having partner and/or linked entities):
 - ❖ Financial statements of partners and/or linked enterprises (showing the turnover, balance total sheet, employment). In cases where the number of employees is not clearly identified in the financial statements, any other supporting documents which demonstrate the staff headcount such as statistic reports, annual reports, and national regional, and association records. If the number of employees is not clearly indicated in the above-mentioned documents, we can accept other supporting documents such as an official and signed declaration on the staff headcount expressed in Annual Working Units.
 - ❖ Document showing the holding structure of a partner/linked enterprise, e.g. official extract of the shareholders from the Chamber of Commerce or any other Official Register or instead we can accept an official and signed declaration indicating shareholders and the percentage of shares that they own in the organisation.
- [Bank Identification form](#) – the Bank Identification form. The Bank identification form helps us to know the banking coordinates, necessary for the authorisation of payments from the EU.

We will also ask about your other grants previously received under the H2020 or Horizon Europe and the potential conflict of interest with the XR2Industry project's consortium partners.

5. What is a TRL?

TRL, Technology Readiness Level. Technology Readiness Levels (TRLs) are indicators of the maturity level of particular technologies. This measurement system provides a common understanding of technology status and addresses the entire innovation chain.

There are nine technology readiness levels; TRL 1 being the lowest and TRL 9 the highest. In our project, we refer to Annex B of the [General Annexes for Horizon Europe Work Programme 2023-2024](#) for a full description of TRLs.

The **requested maturity level of the solution's TRL is defined from initial 4.**

6. What happens if I do not submit my application within the deadline?

We do not accept applications after the deadline. We strongly encourage you not to wait until the last minute to submit your proposal. Failure to meet the submission deadline for any reason, including extenuating circumstances, will result in the rejection of the proposal. Remember: **the deadline to submit the project is on Tuesday 17 September 2024 at 17:00** (Brussels Time).

7. How long does it take to fill in the application?

It shouldn't take more than 1 working day as an average. Take into account that specific character limits are set in each field of the online application form, so we encourage you to keep your proposal focused on the requested information, keeping in mind the XR2Industry concept and the requirements gathered in the [Guide for Applicants](#) for this call. We also recommend you to start the submission process quite in advance before the deadline in order to avoid last-minute problems.

8. Can a company submit two project ideas?

No. If more than one proposal submitted by the same applicant is identified, only the last proposal which has been submitted will be evaluated.

9. Can I apply if I have received FSTP grants from other projects before?

Yes, it is possible to apply to other open calls. The only point that you should pay attention to if you are selected (funded) for multiple EU projects is the double funding rule. That means that

you have to be able to confirm that funding received from one EU project **will not cover the same costs/tasks** which were already funded by other EU projects.

10. Are applicants required to include the budget plan in the application?

In the application form, you will provide information about the overall budget for your project and the grant amount you are applying for. **Details about the budget are not required on the application level.** The detailed budget planned for execution will be requested from selected SMEs or MidCaps, at the beginning of the Support Programme in **Individual Mentoring Plan**.

11. Can I modify my proposal after submission?

Yes, you can EDIT your application after you submit it but only before the deadline (17 September 2024 17:00 Brussels time), as many times as you wish.

12. What are the criteria to assess the proposals by external evaluators?

Each proposal will be evaluated by external evaluators with 3 main awarding criteria Excellence, Impact and Implementation. Detailed description you will find in the [Guide for Applicants](#), Section 4.3.

13. What type of support is available for preparing the proposal?

The [Guide for Applicants](#) is the main reference document. It provides detailed information about the requirements of the evaluation and selection process and the Support Program offered by XR2Industry. If you encounter any technical problems while filling in the application form, contact info.xr2industry@fundingbox.com and we will do our best to help you.

14. How to write a proposal that convinces evaluators?

Make sure you do not leave any information out of your proposal. Be specific and provide precise answers to the questions in the application form. You can find all the information you need in the Guide for Applicants.

15. Is any accountability required on the way the funds have been used, e. g. invoices and other financial documents? Are there any specific restrictions on how the funds are utilised?

The FSTP beneficiaries will receive a fixed **lump sum of up to 500.000€**

The lump sum is a simplified method of settling expenses in projects financed with Horizon Europe funds. It means that the FSTP recipient is not required to present strictly defined accounting documents like invoices, timesheets, etc, to prove that the cost was incurred. However, XR2Industry **will carefully assess your progress and the quality of your work during Milestone Reviews**, not your accountancy. In this sense, we will ask you to demonstrate the implementation of the project in line with the milestones set.

In any case, **the lump sum methodology does not release you from the obligation to collect documentation** to confirm the costs under fiscal regulation.

Please bear in mind that by participating in the XR2Industry support programme, receiving the grant and signing the Subgrant Agreement you will also be responsible towards the competent tax authorities, and the EC audit bodies such as the European Court of Auditors (ECA), European Public Prosecutor's Office (EPPO) and the European Anti-Fraud Office (OLAF).

16. What are the eligible costs for my proposal?

Lump sum budgets are based on a cost estimation which means that you need to provide us with a detailed budget table with realistic cost estimations for each cost category (personnel costs, subcontracting costs, purchase costs, and other costs) per beneficiary.

These cost estimations and the resources you commit for the purposes of implementing the project are the basis to justify the lump sum. The cost estimations must be an approximation of your actual costs. The costs are eligible if they meet the following requirements:

- they are set out in your project budget in the 'Individual Mentoring Plan';
- they are compliant with the same eligibility rules as in actual costs grants (a reference to actual costs as described in [Art. 6 of AGA – Annotated Grant Agreement](#));
- they are in line with your normal practices, usual accounting and management principles (e.g. subcontracting must be awarded using the beneficiary's usual purchasing practices - provided these ensure subcontracts with best value for money (or if appropriate the lowest price) and that there is no conflict of interest).;

- they are reasonable/not excessive;
- they are in line with and necessary for the implementation of your project, and the corresponding tasks and part of your project have been properly implemented and the expected milestone/deliverables have been achieved;
- they must be incurred by you; they must be incurred only during the lifetime of the project. The period of costs' eligibility is from the SubGrant Agreement signature date (from the start date of the programme period of your project) until the end of the project period.

17. What are the payment conditions?

The funding will be paid against specific deliverables/ upon achievement of certain milestones or KPIs, which will be included in the 'Individual Mentoring Plan' annexed to the SGA, and based on the results of the Milestone Review. More details about the payments and milestone review process can be found in Sections 2 and 5 of the [Guide for Applicants](#).

18. What is the payment schedule?

Stage No and Name	Stage duration	Deliverable	Delivery Month	Lump sum
Stage 1: Individual Mentoring Plan	2 months	Individual Mentoring Plan	M2	Up to €65.000
Stage 2: Development	6 months	Development of functional technical brick to be used	M6	Up to €100.000
		MVP	M9	Up to €100.000
Stage 3: Integration	7 months	Integration Plan	M12	Up to €120.000
		Report	M15	Up to €115.000
Total:	15 months	-	-	Up to €500.000

A delayed payment mechanism will be applied to the payments. The final payment - delayed payment (10%¹ of the total grant amount awarded to each beneficiary) will be paid after the whole XR2Industry Project is completed. This should happen approximately 9 months after the end of the XR2Industry Project. The expected end of the XR2Industry is 30.11.2026. Relevant provisions will be included in the Sub-Grant Agreements.

19. Is there any limitation in the budget for subcontracting?

The subcontracting cost should be up to 15% of the total budget. Subcontracting needs to be limited to the absolute minimum, and only for additional, not core tasks.

20. Can I submit my application if my company is not yet established?

No. You need to be registered as a legal entity before the start date of the XR2industry 1st Open Call (before June 20, 2024).

21. What is a Conflict of Interest?

Conflict of interest may occur, if there are capital or personal connections between two or more entities (Applicant, Consortium partner or any person involved in the selection process), in particular, it should be understood as:

- any ownership relations - ownership of shares, financial links and economic connections - like joint venture, holding, joint participation, silent partner. E.g., the Applicant entity owns shares in the Consortium partner company or the Consortium partner company owns shares in the Applicant company (it also refers to the Applicant partner/linked enterprises). As economic connection we can understand exclusive licence, sale agreements if they concern product or solution covered by your application;
- family and personal relationships, in particular: with marriage, kinship, a relationship of affinity to the second degree in a straight line or lateral line, adoption, custody or guardianship or actual life and other close personal ties binding the Applicant and Consortium partner or any person involved in the selection process (it refers also to employees, shareholders, members of the management body, members of the board, managers, subcontractors etc.) – e.g.

¹ The rate (applicable to the delayed payment) might be increased up to 30% of the total grant amount awarded to each beneficiary. All details about the final rate will be included in the Sub-Grant Agreement.

person representing the Consortium partner company has family/personal relationship with any person representing the Applicant company;

- the existence of material, especially financial relationships (such as the receipt by a person involved in the selection process from Applicant any significant gifts, donations, future contracts or employment, etc;
- relationships based on employment, cooperation or existing civil contract between the Consortium partners and people involved in the Applicant structure, including managerial or supervisory functions, position in managing or supervising bodies. For, the Director of the Consortium partner is involved in the management bodies of an Applicant company; the Applicant employees involved in the Project are employed or contracted by the Consortium partner company;
- remaining in a legal or factual relationship that may give rise to justified doubts as to the impartiality of the people involved in the selection process (expert/evaluator/employee/member of the management bodies of any of the Consortium partners).

The reasons set forth above may result in a conflict of interest if they occur at the time of an action or have occurred in the past (during the last 3 years before the action starts). Time limits do not apply to family and personal relationships. Remember that the concept of conflict of interest should be understood widely, so if you have any doubts about the conflict of Interest please consult with our team. All cases of conflict of interest will be assessed on a case-by-case basis.