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**EIT Food Fast Track to Market 2024**

Frequently Asked Questions

**EIT FOOD**

Leuven, Belgium

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**Eitfood.eu**

# General questions

1. What is the submission deadline?

The submission deadline is **10th April 2024, 12.00 noon CET**

1. Is there a requirement for consortium building?

No, there is no requirement for consortium building as this funding opportunity is set up to fund a single legal entity or mono-beneficiary. There is also no requirement for partnership-based projects.

1. Is there a requirement for co-funding?

No, there is no requirement for co-funding for the Fast Track to Market programme.

1. Is there a maximum amount of the grant?

Companies are eligible to receive up to €400.000.

1. How many Fast Track to Market projects will be awarded?

EIT Food is looking to award up to 10 projects, depending on the grant amount of each project.

1. Which KPIs are required?

Activities must deliver at least one KPI **Marketed Innovations** at the end of the funding period, including documented sales revenue of at least 10.000 EUR (ten thousand Euros) in the year the KPI is to be delivered.

During the reporting period proof will be requested for those sales, including invoices and other documents as proof of payment of those invoices. The granting authority (EIT) will review the documentation submitted by EIT Food. The KPIs will be considered as validated upon approval by the granting authority (EIT).

1. How will proposals be submitted?

The [application form](https://www.eitfood.eu/files/Fast-Track-to-Market-2024-Application-Form.docx) must be completed and sent by the application deadline of 10 April 2024 – 12.00 noon CET. It must be sent to via email to fasttrackcall@eitfood.eu. The title of the email subject should begin “Application Submission: 2024 Fast Track to Market”.

1. Which deliverables will be required in proposal workplans?

All proposals must include the following mandatory deliverables in their workplans for Fast Track to Market:

* DEL 1: a commercial agreement
* DEL 2: a final Communication and Dissemination report
* DEL 3: a final technical and commercial report

# Eligibility

1. What are the eligibility requirements?

Your company is eligible to apply if you:

* Are a legally incorporated entity in one of the EU or Horizon Europe eligible country, and have been for at least 12 months;
* Have a technological product, service, solution that fits within one of the three EIT Food Missions;
* Are classed as small sized company, as defined in the EU recommendation 2003/361 (between 3 and 49 employees and less than 10 million turnover or balance sheet);
* Have at least 3 full time employees.
* You are past the ideation phase; you are generating revenues from paying customers and not only from pilots.

1. Am I eligible to apply if my company hasn’t generated revenues yet?

Unfortunately, the Fast Track to Market programme is dedicated to mature start-ups and SMEs only, who have an existing business case that is already generating revenues from paying customers. If your company has not reached this milestone yet, you may be better suited for other EIT Food funding opportunities.

1. If I don’t meet some of the requirements, am I ineligible to apply?

Unfortunately, all applicants must fulfil all of the requirements set forth by the guidelines. Please carefully review the section 6.1 on eligibility criteria within the guidelines document. However, we encourage applicants to revisit future application windows of the Fast Track to Market programme once they fulfil the requirements.

1. What are the restrictions regarding Russian entities?

According to EU policies and measures, Russian entities will not be authorised to participate in any new grant under the EU Research and Innovation programmes. This ban applies not only to their potential participation as beneficiaries, but to their potential participation ***in any kind of role***: beneficiaries, linked third parties/affiliated entities, subcontractors, in-kind contributors, international partners/associated partners, and third parties receiving financial support. [Find the full statement from the European Commission here (link).](https://ec.europa.eu/commission/presscorner/detail/en/ip_22_1544)

1. Are UK and Swiss entities eligible to apply?

Entities registered in the United Kingdom are eligible to apply given their third country association with Horizon Europe, as outlined by the [List of Participating Countries in Horizon Europe](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/list-3rd-country-participation_horizon-euratom_en.pdf). Swiss entities are eligible to apply as monobeneficiaries, but are limited to funding of EUR 60.000 over 3 years.

# Application and proposal eligibility

1. Can solutions or innovations previously launched in other countries be eligible for Fast Track to Market funding?

Yes, as long as the solution or innovation in question being funded aims to utilize the Fast Track to Market programme to launch or expand its market access in Horizon Europe countries.

1. Can Fast Track to Market funding be used for solutions or innovations that originated outside the agrifood sector?

Yes, as long as the funding is used to introduce the solution or innovation in question within the agrifood sector, aligned with EIT Food’s missions.

1. Are ‘soft-launched’ products eligible for Fast Track to Market funding?

Yes. There are no restrictions in terms of the activities to bring a product or service to market, as long as these activities are schedule-driven with a clear start and end date and aimed at achieving an invoice based sales transaction within 10 months of the project start date.

1. Does EIT Food have a preference for how the Fast Track to Market funding should be spent? What costs are eligible?

No, EIT Food does not have a preference as long as the proposed activities are able to have an immediate impact within 6-10 months by accelerating the commercialization of agrifood products or services that align with at least one of EIT Food’s missions. The catalogue of eligible costs are outlined by the [Horizon Europe Annotated Grant Agreement](https://ec.europa.eu/info/funding-tenders/opportunities/docs/2021-2027/common/guidance/aga_en.pdf).

1. Can a portion of the funding be allocated to product development and/or non-commercialization activities?

The Fast Track to Market programme is primarily designed to accelerate the commercialization activities of mature start-ups and SMEs. However, a portion of the funding may be allocated towards product development as long as it is in the spirit of accelerating market entry within the 6-10 month timeframe, such as final testing and/or deployment, with the intent of introducing innovations on the market that yield a sales revenue of at least 10.000 EUR.

1. In the application form, what is the difference between a Company Business Plan & Presentation, a Fast-Track Pitch Deck, and a Commercialisation Plan?

Within the application form, we ask interested applicants to submit, among other things, specific materials to be evaluated. First, applicants submit a Company Business Plan & Presentation, which outlines your company’s commercial history and success. Its contents should convince EIT Food of the maturity and suitability of your company to lead a Fast Track to Market project. Second, applicants submit a Pitch Deck covering the proposal technological solution to be fast-tracked. Its contents should convince EIT Food of the readiness and appropriateness of the proposed solution for fast market entry. Lastly, applicant submit a Commercialisation Plan covering all of your company's current and future assets/products. Its contents should convince EIT Food of your company’s commercial awareness, capacity, and B2B/B2C abilities to generate revenues for your entire product portfolio, including the fast-tracked solution.

1. How is confidentiality and evaluation of applications managed?

All applications are managed confidentially, and any materials submitted are not shared publicly. In addition, all external evaluators have been selected in an open and transparent process. All evaluators, both internal and external, are trained extensively on the European Union´s Code of Conduct for Evaluators, namely on the importance of transparency, fair treatment of all applicants, confidentiality, and how to avoid conflict of interest. Evaluators must contractually agree to recuse themselves in the event of a conflict of interest.

# Return mechanism and revenue-based financing

1. If I am selected for Fast Track to Market, when should I expect to receive my financing?

EIT Food will disburse the funding amount in two rounds. The first round, which consists of 60% of the total funding amount, is scheduled upon signature of the sub-grant agreement, shortly before or after project start. The second round, which consists of the last 40% of the total funding amount, is scheduled upon the successful completion of the project. We adopt this approach in order to de-risk our investment while balancing project-friendly financing to participants.

1. What is revenue-based financing? Why is there a financial return mechanism?

Revenue-Based Financing (RBF) is a founder-friendly type of financing where EIT Food provides your company an immediate cash injection in exchange for a percentage of your company’s future revenues. In return for de-risking your commercial investment through our funding, we ask that you re-invest your success within our community in order to drive more systems change that will benefit us all.

1. Is the return mechanism based on the revenues of the fast-tracked product, or on the revenues of my company? How are repayment invoices calculated?   
   The return mechanism is based on your company’s top-line revenues, not on the sales of the foreseen marketed innovation. Your company will negotiate with EIT Food on whether to pay semi-annually or annually an amount equal to a % of your revenues, varying between 3% and 8%. Repayment invoices are calculated at the time of invoice, which will require grantees to submit documentation that attest to their company’s revenues of the 6 preceding months.
2. What is the difference between Fast Track to Market’s revenue-based financing versus a bank loan or an equity investment?

Revenue-based financing may be more favourable than other financing options in the market for a variety of reasons: there is no equity dilution, the repayment schedule can be negotiated, there is no collateral or personal guarantees needed, there is no interest on the outstanding balance, the application process is typically faster, there are no fees or restrictions, and there are no extensive negotiations or valuations required.

1. When does repayment begin? What would be my repayment amount?  
   The repayment period begins once the Fast Track project is complete and the final financing payment is disbursed. The repayment amount you owe to EIT Food is equal to the total financing your company received times a multiplier between 1.1x and 1.5x, depending on how early your company repays. The multiplier is 1.1x if paid within one year, 1.2x if paid within two years, 1.4x if paid within three years, and 1.5x if paid within four years.
2. Is the multiplier in the revenue-based financing mechanism analogous to the interest on a loan or a debt instrument?

The revenue-based financing mechanism is analogous to a debt instrument in that awarded companies sign an agreement that obligates them to repay EIT Food a percentage of the financing received equal to 110% or 150% of the principal (i.e., the multiplier), depending on when the repayment is complete. This creates an effective annual interest rate of either 10% within the first two years, or 13% in the last two years. However, the outstanding payment amount does not accrue additional interest over the repayment period, and unlike a loan, is capped to a maximum of 150% of the principal amount. Therefore, some start-ups and SMEs may be more interested in seeking revenue-based financing over traditional debt financing.

1. What happens if my company fails to meet its commitment of repaying EIT Food?

Should a company fail to meet its obligation as set forth by the signed Revenue Based Finance Agreement, either via delinquency or insolvency, EIT Food reserves the right to declare the outstanding balance immediately due and payable, and seek legal recourse in event of non-payment.