

Nordic Innovation Mobility Mission: Sea Meets Land

The Nordic Innovation Mobility Mission: Sea Meets Land is our effort to support Nordic initiatives seeking to develop solutions to decarbonize Nordic ports, transport of people and goods – on and between sea and land.

Application deadline: 14 January 2020 at 13.00 CET

Funding decision: Early March 2020 Total budget: NOK 8 million

Background

The Nordic Innovation Mobility Mission: Sea Meets Land (hereafter: Mobility Mission) is one of the initiatives that currently make up Nordic Innovation's

<u>Nordic Smart Mobility and Connectivity</u> program. The program was launched in May 2018 and is one of Nordic Innovation's three thematic priorities for the period 2018-21. A total of NOK 60 million has been allocated to the program.

Acknowledging that there are unique opportunities for innovation and business in the intersection between sea and land, we invited experts and stakeholders within the maritime and land-based transport sectors to a series of workshops in 2019 – in Reykjavik, Turku and Gothenburg. The purpose of the workshops was to explore opportunities for collaboration and potential joint Nordic Mobility Missions within the "sea meets land" area. The Mobility Mission has been formulated based on inputs from workshops and was soft-launched at the Nor-Shipping conference in June 2019.

Purpose

The overall purpose of the Mobility Mission is to foster the establishment of Nordic innovation projects on decarbonization, new partnerships, value chains and/or business models in the field of *Nordic Smart Mobility and Connectivity*. Through this initiative, we set out to promote sustainable growth, innovation, entrepreneurship and/or global competitiveness of Nordic companies.

Through the Mobility Mission we encourage relevant stakeholders in the Nordic region to team up across industries to meet a joint challenge and to work together towards ambitious and shared goals. The Mobility Mission is meant to set a direction and to create engagement and interest amongst Nordic mobility stakeholders in finding innovative solutions to challenges that affect us all, both in the Nordic countries and beyond. The Mobility Mission can be approached in many ways. We foresee a diverse portfolio of projects – each contributing to the transformation described below and thus opening up new areas of growth going forward.



Funding

Total budget: Nordic Innovation has allocated **NOK 8 million** to the Mobility Mission. **Total number of projects to be funded:** Up to 5 projects will be funded with **NOK 1 million** each from Nordic Innovation. The funding will be given in the form of a grant. In addition, funded projects will be invited to the Nordic Innovation House in either Hong Kong or Singapore (further details TBC). More information about the Nordic Innovation Houses can be found on www.nordicinnovationhouse.com/hongkong and www.nordicinnovationhouse.com/singapore.

Project duration: 12 months, with latest end date April 1st 2021.

After the project period has ended, the most promising project will be offered additional funding of up to **NOK 3 million** in the form of a grant (further details TBC).

About the program and scope of the Nordic Innovation Mobility Mission

The Nordic Smart Mobility and Connectivity program is about changing the way people and goods move and speeding up the transition towards a sustainable future through innovative Nordic mobility solutions. At the core of the program lies the shared Nordic values of trust, equality, sustainability, innovation and openness, as well as the Nordic tradition of putting people first and securing accessibility for all.

Moreover, *Nordic Smart Mobility and Connectivity* is about the movement and connectivity of people, goods and services, assets and data. The term 'mobility' is used instead of 'transport' as we seek a broad and new approach, where moving people and goods from A to B is core, not the mode of transport, how or where it takes place. '*Smart'* may refer to e.g. sustainability, security or digitalization. *Nordic Smart Mobility and Connectivity* is also about business development, innovation, entrepreneurship and sustainable growth in this field.

Projects seeking funding should aim to achieve one or more of the following outcomes:

- New Nordic sustainable business models and solutions within mobility and connectivity
- Impact and value creation for Nordic businesses
- Improved global market opportunities for Nordic mobility and connectivity solutions and business models

Through the program and this Mobility Mission, we are looking for projects that have the potential for creating high-impact and substantial Nordic added value, and where joint Nordic mobility and connectivity innovation can provide solutions to global challenges. We seek mobility projects that boost added value and spark innovation by combining and building on Nordic strongholds, existing or new mobility solutions. This includes innovative mobility concepts and solutions that are ready for global markets. Applicants should also note that we seek to fulfil the Nordic countries' joint vision of the Nordic region as the most sustainable and integrated region in the world within a decade.

The 12-month funding period may be dedicated to building the project, strengthening the consortium, sharpening or refining the Nordic strongholds that the project aims to combine/develop to achieve the ambitions of the Mobility Mission.

Topic

Decarbonising Nordic ports, transport of people and goods – on and between sea and land.



In order to bring shipping in line with the Paris Climate Agreement, the maritime sector needs to reduce CO₂ absolute emissions by 50 percent by 2050. This will require not only great leaps of technology advancement, but also shifts in business models and modus operandi; including in the interface between land and sea. With an increased awareness and competence within sustainable solutions, the Nordic region could act as a testbed for new business models, where e.g. a marketplace for sustainable transport solutions could be made available for consumers. For new business models to be scalable, an easier shift of transport modes between sea and land will be needed, as well as an increase in demonstration initiatives for smart mobility and connectivity, not least to create higher transparency in the interface between transport modes. A consortium participating in the Nordic Innovation Mobility Mission: Sea Meets Land could help build, evaluate and scale these new business models.

Moreover, digitalization has brought many opportunities for improved performance and reduced carbon footprint in many industries. However, maritime transport is perhaps one of the industries where this development has been lagging, not least due to great complexity and cost. As digitalization is an enabler for transformation of maritime transport and trade, it is suggested that it could transform the following areas:

- Performance management (i.e. cost savings and improving the performance of the vessel)
- Capacity optimization (i.e. transparency in the global movement of goods, with aim to discover and quantify trading opportunities, vessel deployment, cargo routing, repositioning and much more)
- Value beyond the vessel (i.e. inefficiencies optimized throughout the customer journey from origin to destination, such as digital freight forwarding, software as a service for freight forwarders, and using shipping data to predict global trade movements)
- Reinventing the operating model (i.e. focus on end-users, changing the customer journey and allowing the shipping industry to become more involved in the whole value chain, providing supply chain transparency).

While these four transformation scenarios are targeting shipping exclusively, land-to-sea operations could take learning here, especially as the two latter scenarios suggest a need for wider collaboration across the different modes of transport.

Thus, improved mobility and connectivity for land-to-sea operations, enabled by industry-wide digitalization, can unlock new value whilst reducing the carbon footprint of seaborne trade. Nordic collaborations can pilot and validate solutions, create competitive advantage for Nordic companies, and attract benefits for Nordic ports.

Who can apply?

Companies (SMEs and larger companies), public sector organizations (e.g. infrastructure owners, regulators, procurers, innovation ecosystems), cluster organizations, business networks or research institutions may apply. Please note that the involvement of industry and the direct benefit of the project for companies in the Nordic region will be part of the evaluation criteria. We are looking for consortia that show ambition, complementary strengths, competence and experience with international activities.

As we emphasize the significance of active participation of problem and technology owners, consultancies should not take the role as project owner or project leader.



Applicants seeking to build a strong Nordic base/consortium for future EU projects on mobility and connectivity are also invited to participate in this call.

Consortium partners from countries outside the Nordic region are welcome to participate, but only partners from the Nordic countries can receive funding from Nordic Innovation.

General eligibility criteria

Only projects that meet all the following general eligibility criteria will be considered for funding:

- The project must include partners from minimum three Nordic countries. The balance between the countries should be reasonable.
- Nordic Innovation requires co-funding of minimum 50%, in the form of direct funding
 or in-kind contributions (working hours). The total share of any in-kind contributions
 must be reasonable and well-balanced. The co-funding requirement applies to
 the project as a whole and not individual partners.
- The project period cannot exceed 12 months and the latest project must end by April 1st 2021 at the latest.
- Technology Readiness Level (TRL) 6 or higher:

TRL 1 – basic principles observed

TRL 2 – technology concept formulated

TRL 3 – experimental proof of concept

TRL 4 – technology validated in lab

TRL 5 – technology validated in relevant environment (industrially relevant environment in the case of key enabling technologies)

TRL 6 – technology demonstrated in relevant environment

TRL 7 – system prototype demonstration in operational environment

TRL 8 – system complete and qualified

TRL 9 – actual system proven in operational environment

- Only applications submitted through Nordic Innovation's application portal will be accepted.
- All applications must be within the scope of this mission.

De Minimis Aid

It is a requirement that all grants from Nordic Innovation comply with the aid rules of the European Union and the Agreement on the European Economic Area (The EEA Agreement). However, organizations under the Nordic Council of Ministers were given new guidelines for State Aid as of 2019, and these applies a.o. for Nordic Innovation.

The support you are being offered is being granted in compliance with Commission Regulation (EC) No 1407/2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to De Minimis Aid, published in the Official Journal of the European Union L 352 from 24.12.2013.

Grants from Nordic Innovation comes from the five Nordic governments and a Nordic undertaking is allowed to receive up to EUR 200,000 of de minimis aid from each of the Nordic



countries. Consequently, a Nordic company can receive up to EUR 1,000,000 over a rolling period of three fiscal years from Nordic Innovation under the De Minimis regulation, given that the company has received no grants as De Minimis Aid prior to this grant.

Eligible costs

- Working hours
- Travel costs
- Meeting costs
- Communication
- External services

Nordic Innovation's approved hourly rate (PDF).

Ineligible costs

- Basic research
- Investments in individual companies
- Independent freelance activities
- Writing applications
- Costs for procurement of equipment
- Overtime costs
- Salary increases
- Indirect taxes and duties, including VAT
- "Return on capital employed", including dividends and other distributions of profits
- Provisions for possible future losses and charges
- Costs related to any interests
- Provisions for doubtful debts
- Unnecessary or ill-considered expenses
- Marketing, sales and distribution costs for production and services
- Leasing costs (or part thereof) where the leasing arrangement has the effect of unnecessarily increasing the charge made to the project (e.g. where the cost without interest of the leased equipment is higher than if purchased)

Evaluation criteria (TBD)

All applications/project outlines will be evaluated based on the following four criteria:

1. Impact (30%)

- Business level: Nordic Innovation seeks projects with the potential to create high impact for Nordic companies, in terms of business opportunities and sustainable growth, more innovation, entrepreneurship or access to new markets.
- Nordic level: Applicants should describe the Nordic added value of the project (why will it be advantageous to carry out the project at Nordic level as opposed to e.g. at national or local level).
- Societal level: Applicants must clarify how the projects will address joint societal challenges or relevant Sustainable Development Goals (e.g. 9 and 11). The projects should also have a potential for positive impact for Nordic citizens and beyond.
- Exit strategy: All applications must demonstrate how they intend to ensure the sustainability of the project results and impact creation after the project has ended.
- Visibility: Nordic Innovation will prioritize high impact projects with a high potential for visibility. Describe how the project and its results will be disseminated or given visibility.



2. Quality and relevance (25%)

The project must show quality and relevance with regards to:

- Nordic Innovation's overall mission: To contribute to sustainable growth, increased entrepreneurship, innovation and competitiveness for Nordic companies.
- The topic mobility and connectivity as described in this call.
- Cross-sectoral innovation within the topic of mobility and connectivity.
- Describe the concrete innovative result and the innovative aspects of the project (new concept, process, business model, product or service) of relevance to the call text.
- Describe how the project addresses real market needs.

3. Competence and implementation (25%)

- The consortium must demonstrate necessary and relevant implementation capacity and competence. The role, competence and responsibility of all project partners must be described, including the key role they play in implementing the project and/or the results of the project. Short CVs (1/2 page) may be attached.
- The Nordic added value and synergies created through the consortium as a whole must be described.
- Project partners should preferably have experience with international cooperation projects.
- The project plan and management should be realistic, well-structured and clearly defined.
- The involvement of Nordic businesses and industries must be described.

4. Budget and value for money (20%)

- The total budget and cost structure must be reasonable, realistic and in line with the ambitions of the project.
- A high degree of own investment in the project will be assessed positively as it demonstrates commitment to the project.
- Is the project financially viable and does it provide good value for money?
- A budget template will be available on Nordic Innovation's website. This must be attached to the applications.

Application process and other requirements (TBD)

All applications must be submitted via the application portal on Nordic Innovation's website. The portal will be opened by **mid-November 2019.**

All questions regarding this Mobility Mission will be answered through a <u>Frequently Asked Questions section</u> on Nordic Innovation's website. The section will be updated on a regular basis. Questions regarding this call may be submitted to: Nina Egeli (<u>n.egeli@nordicinnovation.org</u>) or Ivar Josefsson (<u>i.josefsson@nordicinnovation.org</u>).

Please note that the short summary of the project (re application form) may be published on Nordic Innovation's website.

Proposals can be written in English or a Scandinavian language. An executive summary must be provided in English.

Evaluation procedure (TBD)



All applications will be evaluated by a panel consisting of external and Nordic Innovation experts. The final funding decision lies with Nordic Innovation. All proposals will be evaluated according to the evaluation criteria described in the mission text.

Communication and reporting

Funded projects must provide a communication plan to be approved by Nordic Innovation before project start up. Funded projects must always acknowledge the support of Nordic Innovation in external communication (media, presentations, websites etc.). Furthermore, Nordic Innovation's logo must be visible in all communication material related to the project. Communication material should as a main rule be based on the Nordic Council of Ministers' design manual unless something else is agreed upon in the final contract. When using social media Nordic Innovation (@nordicinno and #nordicmobility) should be tagged or mentioned.

A reporting template will be provided. Reporting will take place in accordance with the requirements of Nordic Innovation's Standard Terms and Conditions of Contract (see below). Furthermore, Nordic Innovation will establish regular contact with the successful projects to ensure visibility and support.

The Mobility Mission call text may be subject to change until mid-October.

Standard Terms and Conditions of Contract (PDF).