

# TERMS AND CONDITIONS R&D PROJECTS (2021)

## Programme objectives and scope

R&D project funding supports projects that ultimately aim to develop or implement innovative products, processes, or services. This includes industrial research, experimental development and process or organizational innovation projects.

The classification of your project in one of these categories is based on technical factors (TRL levels, a system for measuring the technological maturity of an innovation or technology) and commercial factors (CRL levels, the equivalent for commercial maturity). These criteria are explained for each category below.

### Industrial Research (TRL 1 to 4, CRL 1 to 5)

*What projects are eligible for funding?*

- An **industrial or commercial aim** has been identified but the **scientific expertise** required to realize this aim must be **gained**.
- Some academic or industrial research may already exist but is **insufficient to launch the development** of a new product, service, or process.
- The state of the art has been examined (**preliminary literature review**), a **research** program has been put in place, and the key milestones have been laid down.
- At the end of the project, the **new expertise** required to develop a new product, process or service will have been gained. **The state of the art will have been exceeded. A POC or prototype in a laboratory environment** may be produced.

*How are projects funded?*

Projects are funded through subsidies.

Size of the company	Level of contribution individual project subsidy
Micro enterprise	70%
Medium-sized enterprise	60%
Large enterprise	50%

These levels may be increased by 15% in the event of effective collaboration, with a level of contribution of maximum 80%.

### Experimental development (TRL 4 to TRL 7, CRL 4 to CRL 7)

*What projects are eligible for funding?*

- You wish to **develop an innovative product, service, or process**.
- You have an **initial idea of the feasibility of your project**, for example because you have already developed a POC.
- The needs in terms of functionalities and/or purpose are essentially known, even if they may still evolve at the margins.
- There are still **unknowns and risks** associated with the specific use of the technologies envisaged for the proposed project and their integration into the product, process or service which will be developed, and/or the existing solution. For example, a choice may still have to be made between 2-3 technologies, whose theoretical characteristics and advantages/disadvantages have already been studied at least preliminarily.
- A **development plan** has been put in place and the **key milestones** have been laid down.

- At the end of the project, **the prototype will have been validated in a real environment**, for example after being applied to a pilot case.

#### *How are projects funded?*

The experimental development may be financed in two distinct ways, by **subsidy** or **recoverable advance**. In the first case, you keep the funding. In the second case, it is paid back (fixed part + variable part pro rata to commercial success).

You will be eligible for a **subsidy** if:

- You have **identified and analysed the market** and the relevant market segments for your product, process, or service.
- From this, you have identified an **MVP** which you intend to **develop through the project**
- You have **identified the contribution of your product, process or service to the market** and generated **price assumptions**, even if they have not yet been fully validated because technical developments still need to be carried out.
- If you already have an existing product, process or service that is already commercialized, you intend to develop innovations during the project that **deviate significantly from it**, and which require an **in-depth re-analysis of the value proposition and the market-product combination**.

Examples of products which may receive a subsidy: products, processes or services which make it possible to address a new market or market segment, which is a significant pivot in relation to the existing activity, development of products, processes or services that significantly change the company's commercial offering.

Notes:

- A company less than 3 years old will be funded through a subsidy even if it has already commercialized a product, service, or process, unless it has already obtained financing for this from Innoviris.
- A "pilot" sale of a POC or first prototype does not rule out the granting of a subsidy - It is up to Innoviris to assess the state of commercial progress and determine how the project will be financed.

You will be eligible for a **recoverable advance** if:

- You have a product, process or service which has **already been commercialized**.
- You intend to make new developments **with the aim of improving this product, process, or service**, or extending your range, by drawing on your **technological and commercial expertise**.
- The planned developments will enable you to **better meet the needs** of the markets or market segments **in which you are already active** or in **related** segments.
- The planned developments **do not require a fundamental reworking of the value proposition and the market-product combination**.

Size of the company	Level of contribution subsidy	Level of contribution recoverable advance
Micro enterprise	45%	55%
Medium-sized enterprise	35%	45%
Large enterprise	25%	35%

These levels of contribution may be increased by 15% in the event of effective collaboration.

#### **Process innovation or organizational innovation**

- You wish to **implement** a new process or a new method of production or delivery within your company.
- You have **identified the problems** which this process or method aims to solve.
- You have **made an initial estimate of the gains** that this process or method could bring to your company.
- You have **developed this process or method on a small scale** (pilot project) and you now need to implement it within your company, in a real situation

Note: the development of the process or method is not eligible. This can be covered by experimental development assistance. It is a question here of implementing the method (moving from a "prototype" to a larger scale, in a real context)

*How are projects funded?*

Projects are funded through subsidies.

Size of the company	Level of contribution subsidy
Micro enterprise	50%
Medium-sized enterprise	50%
Large enterprise (in effective collaboration with an SME)	15%

## Eligible costs

Eligible costs are as follows:

- **Staff costs:** personnel costs (salaried or self-employed) to the extent that they are employed on the project. Wages must be in accordance with the practices and salary scales (if any) of the industry in question.
- **Investment costs:** costs of instruments and equipment used in the project (purchase cost/depreciation period\*project usage period\*usage rate).
- **Subcontracting costs:** This category relates mainly to subcontracting in the broad sense. The company can, if necessary, call upon relevant external expertise (such as services provided by a Fablab).
- **Operating costs:** including the costs of materials, supplies and products, necessary for the successful completion of the project.

A more detailed description of eligible expenses is available in [Innoviris' accounting guidelines](#).

### Note – Explanation of the ability of the company to contribute its financial share

In addition to being able to secure its financial share of the project, it is important to note that any applicant organization must be financially prepared to advance the costs necessary to carry out the project, given that there may be a time lag between the start date of the project and the receipt of the first instalment of the subsidy, and that the payment of a portion of the subsidy is always made after the project is completed.

## Eligibility criteria

In order to benefit from the financial intervention of the Brussels-Capital Region (BCR) in the framework of this program, each applicant must

- **Be a company:** any company with a legal entity of any form (SA, ASBL, SC, SRL, etc.) at the closing date of the call is eligible.
- **To have at least one operating headquarter in the BCR.**
- **To not be in financial difficulty:** see section 20 of the Guidelines on State aid for rescuing and restructuring firms in difficulty other than financial institutions. This aspect only concerns companies that have been in existence for more than three years.
- **Propose a project that corresponds to the scope of the action:** the project must meet the objectives of the program.
- **Have fulfilled any obligations towards the Region in the context of previous aid.**
- **Demonstrate the incentive effect of the aid:** the applicant company must demonstrate that the project could not be carried out, or would have to be significantly less ambitious, without the intervention of Innoviris.
- **Not already benefit from public support for the tasks included in the project** (prohibition of double financing).

#### **Note – Collaborative project**

Within the framework of this call for projects, collaborations between companies are possible, provided that each partner not only carries out experimental tasks, but also carries out an innovative activity involving sufficiently important unknown factors and sources of risk to justify public intervention.

In this case, only one application for funding should be submitted, using the form dedicated to collaborative projects "Joint R&D Project". The division of tasks between the different partners must also be described in the work program.

## **Selection/evaluation of applications**

Applications for funding are received followed by the verification of eligibility. Eligible applicants will then be invited to defend their project at a review meeting.

At the review meeting, applicants will have the opportunity to present their project, followed by a question-and-answer session, at the end of which a funding decision will be made. For projects classified in the "Industrial Research" category, an expert jury will also be organised to evaluate the scientific aspects of the project

As the decision on whether or not to recommend for funding is made at the end of the review meeting, it is crucial that the information provided in the application form is complete, detailed and substantiated. It is important to note that the following aspects will be evaluated:

- **Innovation and project objectives:** The project objectives are clear and concrete. In addition, in the case of an industrial research project, the project will broaden the scope of international research in the areas covered and generate significant new knowledge.
- **Feasibility and implementation:** The work program must be relevant and realistic in terms of tasks, budget, expertise, and resources.
- **Economic and strategic impact:** The activity under consideration must demonstrate a real potential for value creation. The underlying assumptions are translated into figures in a financial plan and demonstrate the economic sustainability of the activity studied. The project must be in line with the organization's overall strategy and reflect a viable business model.
- **Societal impact:** the activity that is the subject of the project must demonstrate a social, environmental and/or Brussels ecosystem impact.
- **In the case of a collaborative project:** the relevance of the collaboration to the overall project is demonstrated and the management of the collaboration is established in a concrete and effective strategy.