



Guidelines on Invest NI'S Grant for Research and Development (Grant for R&D) Programme

December 2014

1. Title of aid scheme

Grant for Research and Development (Grant for R&D) programme

2. Member State

United Kingdom

3. Region

Northern Ireland

4. Legal basis

The Industrial Development (Northern Ireland) Order 1982

The Industrial Development (Northern Ireland) Act 2002

The European Communities Act 1972

5. Annual expenditure planned under the scheme or overall amount of individual aid granted to the company

£40m

6. Maximum Aid Intensities

Aid for Grant for R&D

	Basic Aid Intensity	Increased ceilings for SMEs			Collaborative Bonuses		
		Small	Medium	Large	Small	Medium	Large
		20%	10%	Zero	15%	15%	15%
Experimental	25%	45%	35%	25%	60%	50%	40%
Industrial	50%	70%	60%	50%	80%	75%	65%

7. Aid for Project Definition (Feasibility Studies)

This aims to overcome the market failure that links to imperfect information. The studies are considered to be far removed from market and relatively high levels of aid intensity can be permitted. The aid shall not exceed the following levels:

Small	Medium	Large undertakings
70%	60%	50%

8. Date of Implementation

01 January 2015

9. Duration of Scheme

Until 31 December 2020

10. Objective of Scheme

Grant for R&D is discretionary funding awarded to support businesses developing new products, processes and services to improve company competitiveness and to benefit the NI economy. The Grant is designed to provide streamlined, transparent and accessible support for R&D and technological innovation relevant at all stages of company development and which will enable companies to progress from undertaking an initial research project to high level innovation and R&D activity.

The Grant will seek to encourage our client companies to achieve the following:-

- A significant ongoing/established R&D budget
- A demonstrable connection between R&D and the overall business objectives
- A culture of innovative thinking throughout the company which aims to harness the creativity of all the staff towards defined business goals.
- An established R&D team with high level skills
- High quality facilities for R&D
- Good quality R&D management systems and procedures

11. Economic sectors concerned

Assistance is available across all sectors, to companies of all sizes, individuals and research organisations in line with EU State Aid definitions.

Companies and individuals do not need to have any prior R&D experience to apply.

12. Eligible costs

The Technology Executive and/or Independent Technical Appraiser will make a judgement as to the reasonableness of all costs submitted by the applicant in relation to the Project. Costs associated with the following will be eligible for assistance under the Grant for R&D.

Wages/Salaries

The wages & salaries of researchers, technicians and other supporting staff to the extent that they are employed on the relevant R&D project or activity.

Instruments and Equipment

Depreciation costs of instruments and equipment to the extent and for the period used for the project will be eligible for assistance under the Grant for R&D as evidenced by the company's depreciation policy, stated in the company's annual accounts and subject to good accounting practice.

Depreciation of Buildings

In exceptional circumstances, only the depreciation costs corresponding to the life of the research project, as calculated on the basis of good accounting practice are considered.

Consultancy

Consultancy costs associated with technical and design aspects of the proposed development will be eligible for assistance under the Grant for R&D. Consultancy costs associated with defining the market opportunity, financial feasibility, technical feasibility, completing a scientific literature review and in the case of project definition developing a collaborative agreement of the proposed R&D will be eligible for assistance.

Intellectual Property

For SMEs only Grant for R&D will support the costs of initial registration of patent applications and costs associated with patent and information searches, if they have not already been supported under a Grant for Project Definition.

For SMEs and Large Companies

For large companies and SMEs, assistance will be provided where the purchase of a licence is essential to the project, and where further development will be required during the course of the project. Assistance in this respect may only be approved for a portion of the total licence fee, commensurate with the duration of the project.

Trials & Testing

Where trials/testing are outsourced, costs should be included under Sub-contracting. Where trials/testing are carried out in-house, costs should be included under labour and/or materials.

Materials

Grant for R&D assistance will be provided, in respect of raw materials, only where those materials are essential to the proposed project.

Travel & Accommodation

Where it is deemed necessary for the purposes of the project implementation, assistance will be provided in relation to the cost of travel and accommodation on the part of company personnel.

Sub-Contracting

When the applicant company is seeking to develop a new process which requires the manufacture of appropriate equipment, the costs will be supported.

Overheads

Under Grant for R&D, Invest NI will not support indirect costs which cannot be connected directly to a project. Universities overheads can only be calculated based on direct labour costs and may be declared on a flat rate basis.

Other Operating Expenses (Miscellaneous)

It is possible that the company will wish to include certain costs, incurred as a direct result of the project, not readily categorised under the above headings. These costs will be considered on a case by case basis hence they should be specified and described.

13. Transparency of aid

The scheme comprises transparent aid in the form of grant assistance.

14. Cumulation

The total amount of public support measures for a Grant for R&D assisted project shall be taken into account, regardless of whether that support is financed from local, regional, national or community sources. Grant for R&D support may be cumulated with other Invest NI aid schemes as long as those schemes concern different, identifiable eligible costs.

Where Grant for R&D is cumulated with other aid in respect of the same identifiable eligible costs, Invest NI shall ensure that such cumulation does not result in the highest aid intensity being exceeded,

15. Incentive effect

Grant for R&D support must have an incentive effect. Grant for R&D support to SMEs shall be considered to have an incentive either if, before work on the project or activity has started, the Client has submitted an application for support aid to Invest NI. For Large companies, the incentive effect is fully addressed within the appraisal process.

16. Monitoring

Invest NI shall maintain detailed records regarding Grant for R&D. Such records shall contain all information necessary to establish that the conditions laid down in the General Block Exemption Regulation are fulfilled, including information on the status of any Client whose entitlement to aid or a bonus depends on its status as an SME, information on the incentive effect of the aid and information making it possible to establish the precise amount of eligible costs for the purpose of applying the Regulation. Records regarding the Grant for R&D programme shall be maintained for 10 years from the date on which the last aid was granted under such scheme.

On written request, Invest NI shall provide the Commission within a period of 20 working days or such longer period as may be fixed in the request, with all the information which the Commission considers necessary to monitor the application of the General Block Exemption Regulation.

Where Invest NI does not provide the information requested within the period prescribed by the Commission or within a commonly agreed period or where Invest NI provides incomplete information, the Commission shall send a reminder setting a new deadline for the submission of the information. If, despite such reminder, Invest NI does not provide the information requested the Commission may, after having provided the Member State concerned with the possibility to make its views known, adopt a decision stating that all or part of the future aid measures to which the

Regulation applies are to be notified to the Commission in accordance with Article 88(3) of the Treaty; Article 11, GBER refers.

17. Name and address of granting authority

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