



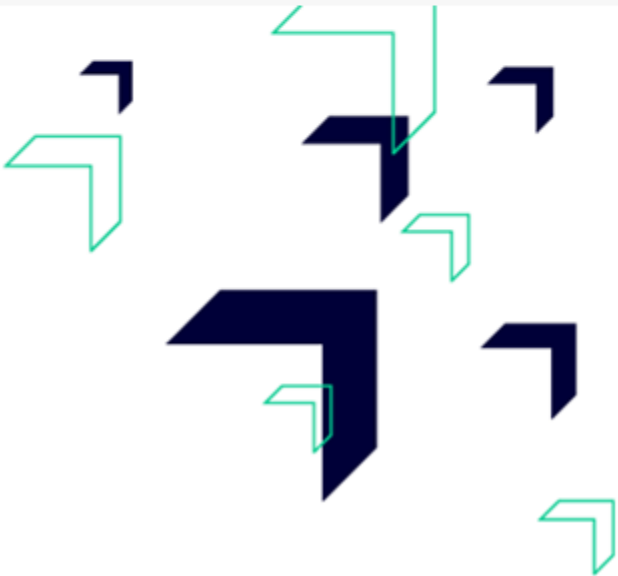
**GOVERNMENT
OF MALTA**



FONDI.eu

Business Enhance Grant Schemes

R D I Umbrella of Schemes



**Co-funded by
the European Union**

ERDF Programme 2021-2027

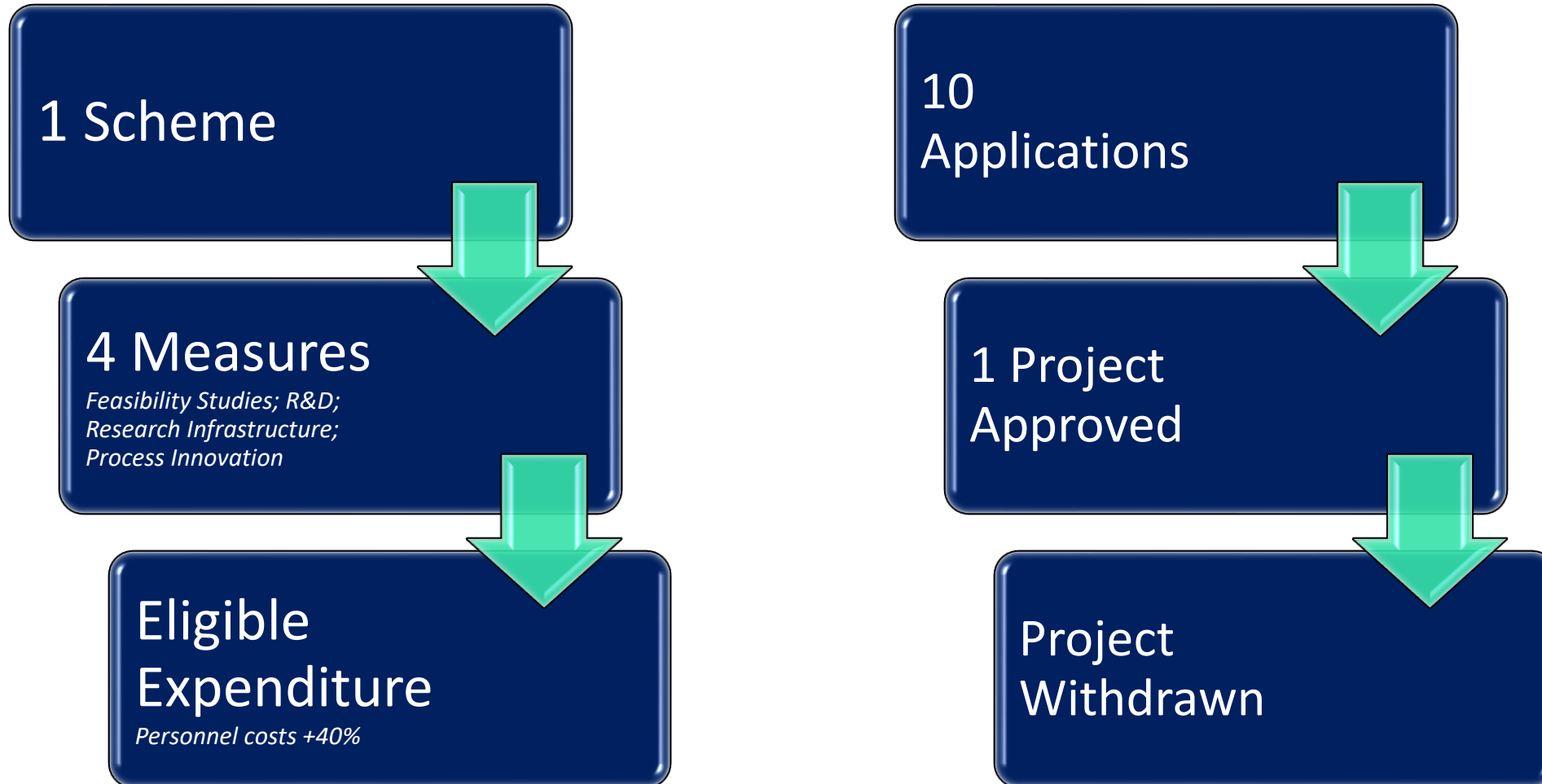
As indicated in the S3 strategy and the RRP, there is continued scope for increasing awareness of the value of R&I investment, which remains one of the barriers towards increased R&I investment. Furthermore, considering that Maltese enterprises are more inclined to develop incremental innovation, rather than radical innovation, the immediate necessity remains the creation of funding mechanisms that support the private sector in bringing new products and services to market as well as in innovating their operations.

ERDF Programme 2021-2027

Output Indicator	Measurement unit	Target (2029)
Enterprises supported by grants	enterprises	37.00
Nominal value of research and innovation equipment	euro	16,000,000.00

Result Indicator	Measurement unit	Target (2029)
Private investments matching public support (of which: grants, financial instruments)	euro	44,000,000.00
Research jobs created in supported entities	Annual FTEs	190

R D I under ERDF 2014-2020



Snapshot of Changes – ERDF 14/20 → 21/27

2014-2020

Smart Specialisation Strategy

- Digital was only a horizontal enabler

Schemes: Focus on TRL 1-6

Budget 20m

2021-2027

Smart Specialisation Strategy (S3)

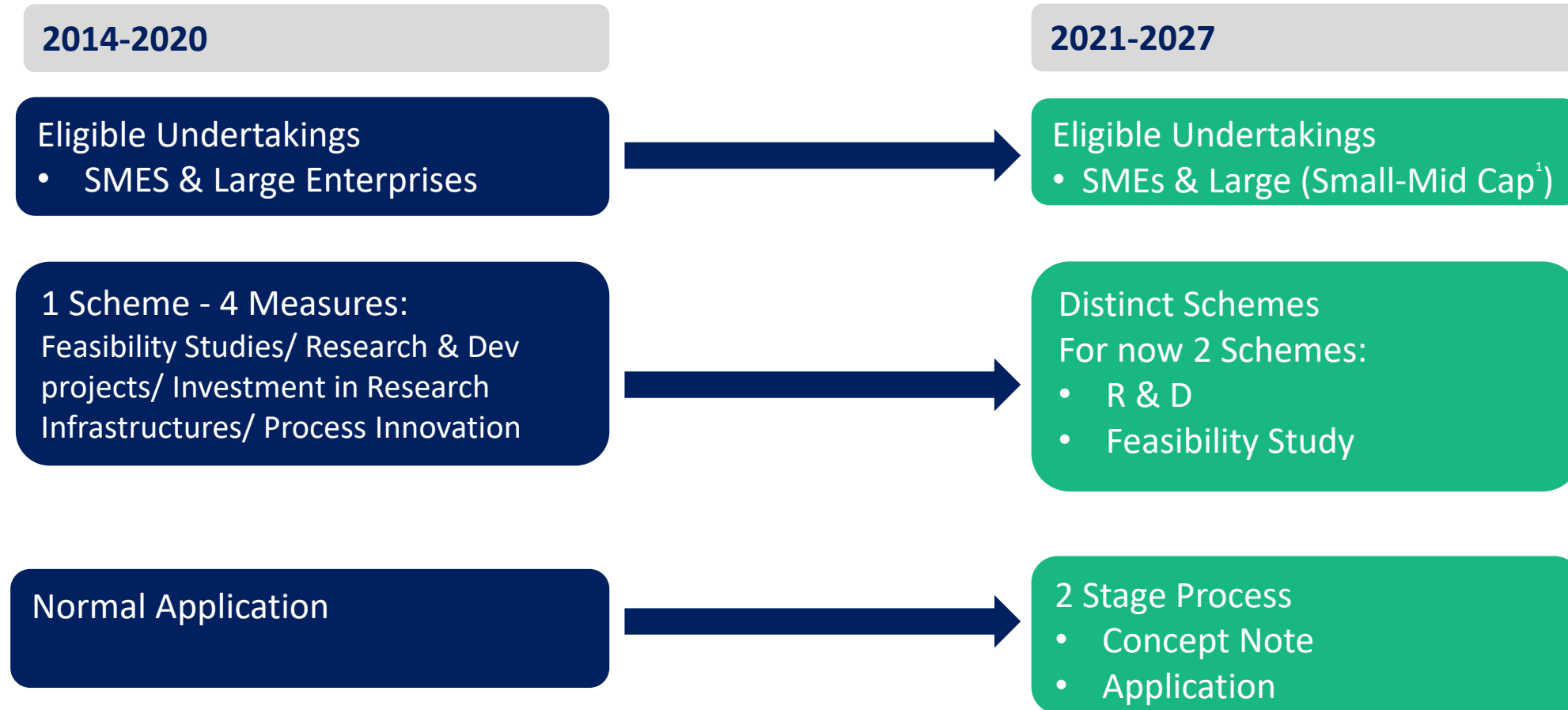
- Future Digital Technologies now one of the vertical areas

Schemes: Focusing on later TRLs

Budget 22m



Snapshot of Changes – ERDF 14/20 → 21/27



Large (Small Cap) up Staff Headcount < 500 and Turnover ≤ €100 m or Balance Sheet ≤ €86 m

Smart Specialisation Strategy (S3) Areas 2021-2027



TRL scale

New technologies go through the various stages of the TRL scale in their life cycle. During the research and development phases, it is possible to have iterations among the different TRL levels. There are nine Technology Readiness Levels TRL 1 is the lowest and TRL 9 the highest.

- TRL 1 — Basic principles observed
- TRL 2 — Technology concept formulated
- TRL 3 — Experimental proof of concept
- TRL 4 — Technology validated in a lab
- TRL 5 — Technology validated in a relevant environment (industrially relevant environment in the case of key enabling technologies)
- TRL 6 — Technology demonstrated in a relevant environment (industrially relevant environment in the case of key enabling technologies)
- TRL 7 — System prototype demonstration in an operational environment
- TRL 8 — System complete and qualified
- TRL 9 — Actual system proven in an operational environment (competitive manufacturing in the case of key enabling technologies, or in space)

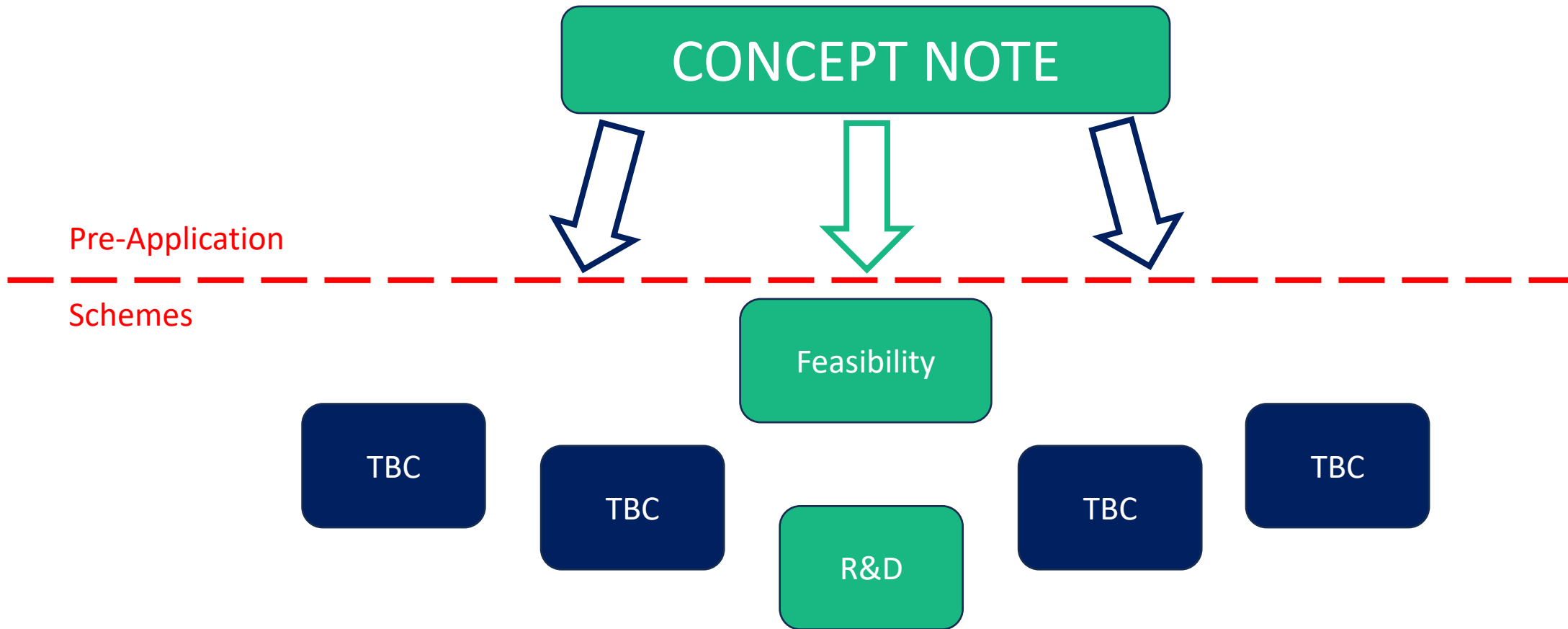
TRL examples

What is your solution?	TRL 3	TRL 4	TRL 5	TRL 6	TRL 7	TRL 8
A software	Initial script & functions to solve the desired problem.	Alpha version of the software tested internally (both functionalities and process) by the development team.	Alpha version of the software functionalities tested by outsiders of the development team.	Beta version of the software functionalities tested by selected end-user under a control mode.	Beta version of the software functionalities widely open to end-users.	Stable version of the software available for the market.

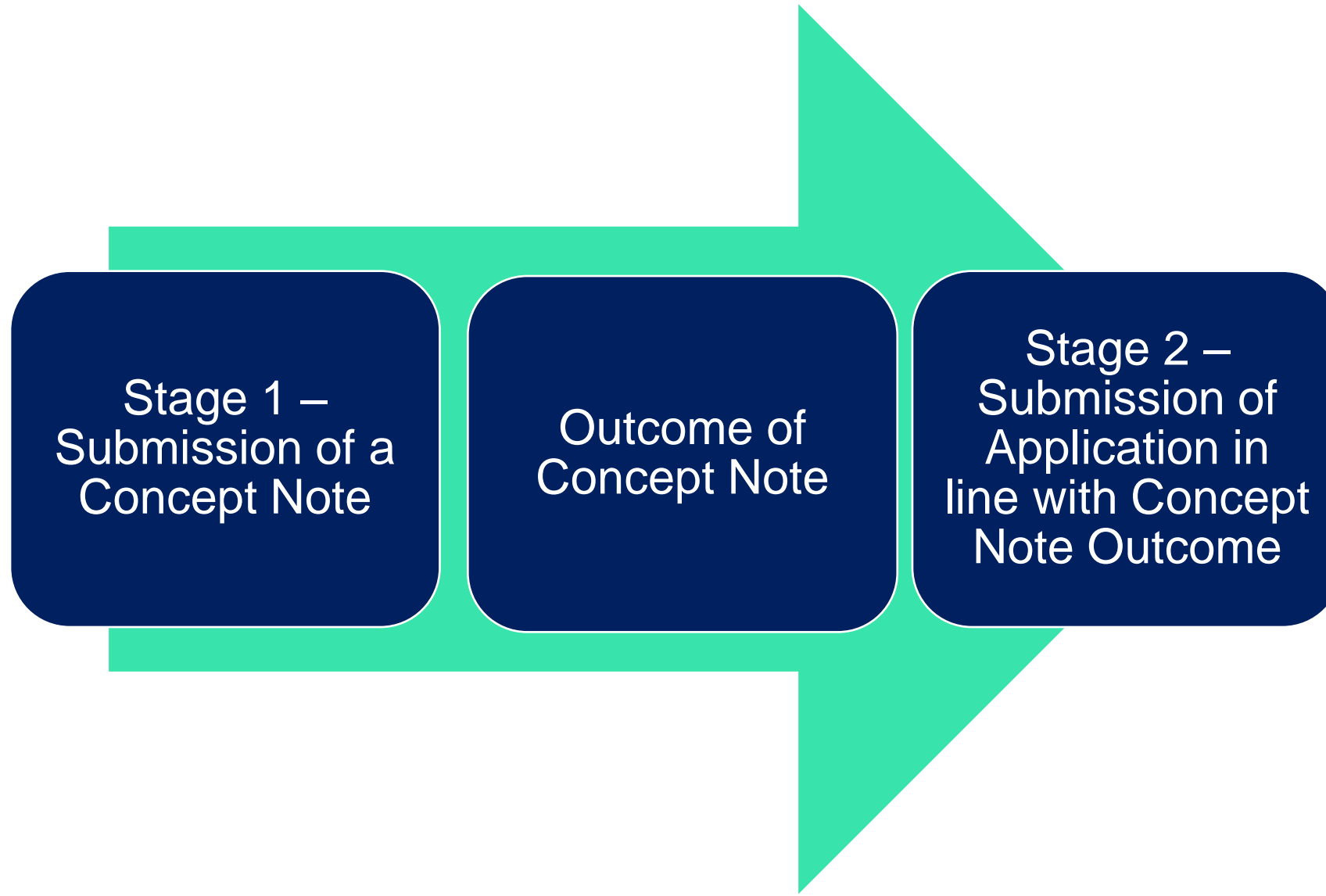
TRL examples

What is your solution?	TRL 3	TRL 4	TRL 5	TRL 6	TRL 7	TRL 8
A medical device	Initial proof of concept demonstrated with a limited number of in vitro & in vivo trials including the expected device characteristics.	Proof of concept and safety of the candidate is demonstrated in a laboratory or animal model.	Pre-clinical studies including GLP animal safety & toxicity to support the Investigational New Drug (IND) application or similar EU process.	Phase 1 clinical trials completed to proceed with Phase 2 clinical trials. If it is the case, Investigational New Drug application submitted and reviewed.	Phase 2 clinical trial completed & Phase 3 plan is approved.	Phase 3 clinical trial completed. Regulatory body approves application.

R D I Umbrella of Schemes



Application Process



Concept Note

The Concept Note shall include the following contents:

1. Applicant Description

- Provide the name of Applicant together with the registration number (company number or ID card in case of a self-employed person) as well as the NACE code to determine whether the applicant is eligible under these schemes.

2. Problem/Market opportunity/ Planned project

- Describe the problem you are trying to address from the customer/user point of view. Explain why it is a problem and for whom.
- A clear description of the planned research and development project indicating the estimated project start and end dates and the location where the project is to be implemented.
- Fit within S3 areas

3. Solution/Product or Services

- Present the solution; explain how it works in practice, what it changes for potential users, the way(s) in which it is unique, why it has breakthrough potential, why it is better than existing solutions available on the market, explain concretely how you have achieved the current TRL level, and the TRL level targeted to be achieved.
- A plan indicating the Milestones to be achieved. Explanation of why now is the right time to bring it to the market.

Concept Note

4. Market and Competition analysis

- Describe your business model and the target market, explain why customers would be willing to pay, who are the competitors, and what are the advantages and disadvantages of your solution. Explain why your planned project will be successful in these markets.

5. Risks and Broad Impacts

- Draw up a risk assessment with respect to the market situation, and how this may impinge upon demand, pricing...
- Describe and quantify, if possible, the broad expected impact of your innovation on society, the environment and climate. Refer to any relevant EU or other policies or targets.
- The expected outcomes and impact should clearly state what the project hopes to achieve and how it will contribute to the broader goals of the organization or community.
- Project's impact including Prototypes and patents in the area.

6. Team and Management

- Present your team members, including: the track record of the founders and key managers, identify missing skills, recruitment targets and employee retention plans designed to address the required skills.

Concept Note

7. Funding request, Budget and Resources

- A breakdown of the project budget as per cost categories eligible under the scheme. The budget and resources section should provide a detailed breakdown of the costs associated with the project, as well as the resources required to implement it.

Together with the submission of the Concept Note Applicant is to provide:

- A confirmation from an expert to confirm the current TRL;

Concept Note – Evaluation Process



Applicant may be required to provide more in-depth information to demonstrate the proposal through a meeting and/or through supporting documentation.

Concept Note – Outcomes

Unsuccessful - right of appeal

Successful - applicant can proceed directly to submit an Application for the R&D Scheme

Conditional - applicant shall satisfy set conditions prior to submission of the full Application under either the Feasibility Studies or R&D Schemes. A condition for an R&D application can be the provision of a feasibility study (which can be applied for)

Overview – Feasibility Study

The aim of a Feasibility Study Grant is to help companies or individual entrepreneurs with the cost of researching their proposed business or new business idea to see if it could be viable and sustainable. The study should help the promoter to reach firm conclusions about their business as well as identifying the resources required to carry it through and ultimately its prospects for success.

Budget and aid intensity

Initial Budget allocated - €2M.

Maximum Aid per Undertaking - €100,000

Small	Medium	Large (Small Mid-Cap)
70%	60%	50%

Feasibility Study

- Can **only** apply for Feasibility Study if **identified** in the Concept Note Decision
- If any documents are missing, Applicant can rectify within 2 months.

Proposed Contents to include:

Executive summary including any details related to the starting TRL

Market Research

Estimation of Costs and Revenue Generation

Financial, Economic and Welfare Assessment

Risk Profile

Next Steps

- The Beneficiary shall commit the expert who provides the feasibility study to be available for any meeting or provision of further documentation to the IB.

Feasibility Study - Criteria

Evaluated and Assessed only against Gateway Criteria

Complete application: an Undertaking must present a fully compiled application together with all the requested supporting documentation, by the indicated deadline.

Eligible Undertaking: the Undertaking is an eligible Undertaking in line with the Guidance Notes.

Eligible Action: the action for which the Applicant is asking for support is eligible and at least includes an eligible activity.

Match Financing: the Applicant has submitted evidence as to its capacity to match finance the project from private sources.

Conditional Successful Concept Note Decision: The applicant has been provided with a Conditional Successful Concept Note Decision where the need of a Feasibility Study was identified.

FOR MC APPROVAL

Overview – Research & Development

Experimental Development activities required by industry for the acquisition of knowledge leading to the development of innovative products and solutions. The activities should achieve a Technology Readiness Level (TRL), ranging from TRL 4 to TRL 8 to be eligible. Activities above TRL 8 cannot be covered by the grant.

The commitment to achieve a higher TRL is a requirement for the project.

By way of example if a project applies for TRL 7 it is understood that the project has fully achieved a readiness level of TRL 6. The same applies to all the TRL levels.

Budget and aid intensity

Initial Budget allocated - €10M.

	Small	Medium	Large (Small Mid-Cap)
Malta	45%	35%	25%
Gozo	50%	40%	30%

Overview – Research & Development

Proposed projects can apply to get support:

- Either to advance by 1 TRL in a single Application (Applicants can submit other applications to reach further TRL/s once that original TRL is reached)
- Or to reach multiple TRLs in a single Application (eg TRL 4 till TRL 7)

The maximum grant value under this scheme is set at €5,000,000 per Undertaking, irrespective of the amount of grants approved.

R&D Eligible Expenditure

<p>a) Personnel Costs Based on Simplified Cost Options</p>	<ul style="list-style-type: none"> • Full Time Researcher with Post- Doctoral Experience - €4,059 per person per month; • Full Time Researcher without Post-Doctoral Experience - €2,930 per person per month; • Full Time Technical Person - €2,340 per person per month.
<p>b) Costs of instruments and equipment</p>	<p>Depreciation costs</p>
<p>c) Costs of Contractual research, knowledge and patents bought or licenced from outside sources</p>	
<p>d) Additional overheads</p>	<p>20% applied to total eligible cost of (b) and (c)</p>

Assessment and Selection – R&D Project

Gateway Criteria	Selection Criteria	Evaluation against Excellence
If any documents are missing can rectify within 2 months	Maximum Marks: 60 Pass Mark: 30	Maximum Marks: 40 Pass Mark: 20
Applications that pass the Gateway Criteria are moved to the Selection Criteria and Expert Evaluation	Evaluation done by PSC	Evaluation done by PSC based on an expert review.
	Assessed on: <ul style="list-style-type: none"> • Risk Assessment • Impact & Sustainability • Quality & Efficiency of Implementation 	Assessed on: <ul style="list-style-type: none"> • Need • Scientific Merit • Commercial Viability • Impact • Risk
In order for a project to be selected it needs to get at least a pass mark from both the Selection Criteria and the evaluation against Excellence		



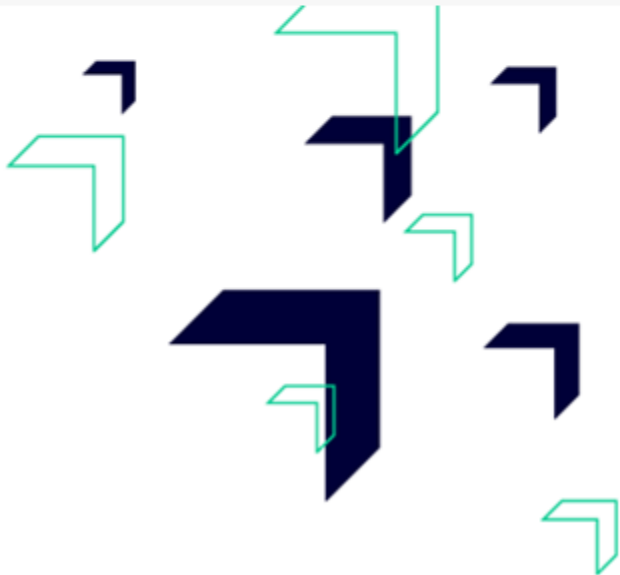
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