Funding of Swedish participation in Eureka cluster projects

1. The offer in short

With this call, Vinnova aims to promote international cooperation for research, development, and innovation. Swedish actors can apply for funding for industrydriven Eureka Cluster projects. Cluster projects refer to international collaborations between large and small companies, institutes, and academia.

Eureka Clusters are thematic funding programs aimed at promoting international cooperation and strengthening European competitiveness. Eureka Clusters are initiated by European industry and focus on the needs of industry and business.

Vinnova can offer Swedish participants who have received a Eureka label and thus have an approved project proposal within a call in one of the Eureka Clusters the opportunity to submit a joint application for funding to Vinnova.

Innovation projects funded within the call should contribute to societal benefits and sustainable development in Sweden, as well as increase the competitiveness of Swedish industry.

Vinnova co-finances the projects with up to SEK 15 million. The projects always involve small and medium-sized enterprises (SMEs) and typically run for three years. The work effort from participating companies must constitute at least 60% of the consortium's total work effort. Vinnova can co-finance up to a maximum of 50 percent of the entire Swedish consortium's eligible costs.

Only Swedish project partners can apply for grants. A foreign organization with a branch or place of business in Sweden can apply for a grant. The costs in the project must be attributable to the operations at the branch or place of business.

2. What is the aim of our funding?

Eureka Clusters are European networks with public-private partnerships involving broad industrial participation, aimed at promoting research or standardization processes.

Cluster projects within Eureka are international collaboration projects with strong industrial engagement, focusing on the needs of industry. They are strategically important for Swedish industry and form a key part of Vinnova's efforts towards internationalization. In Eureka Cluster projects, at least two independent

organizations from at least two countries collaborate to develop new technologies, services, or standards of significant importance to European competitiveness. Collaboration between innovative large and small companies and strong, active universities, colleges, and research institutes is a crucial key to successful cluster projects. Projects funded within the call should contribute to increased competitiveness and growth for Swedish industry. In the long term, the projects should contribute to demonstrating or developing sustainable solutions to societal challenges.

With this call, we aim to:

- Create opportunities for companies to strengthen their competitiveness and growth in the short and long term, both nationally and internationally, through projects that clearly differ from the company's regular development of existing products, services, or processes.
- Create opportunities for companies to focus on the development of sustainable innovations, meaning new products, services, and processes that contribute to achieving one or more of the Sustainable Development Goals in Agenda 2030.
- Provide Swedish organizations with opportunities for strategic partnerships with leading international actors and offer a platform for networking.
- Enable Swedish organizations to acquire new knowledge and develop other unique assets and the opportunity to actively contribute to international standards.
- Promote diversified and gender-equal business and societal development, making Sweden an international role model.

Expected outcomes of completed projects include prototypes, demonstrators, and contributions to international standards. The impacts of implemented project results include new products, new business opportunities, skill development, and standardization that are relevant to the competitiveness and skill supply of Swedish industry.

Contributing to a sustainable system transition

Vinnova's mission is to promote sustainable growth and system transition. To achieve sustainable system transition, we have chosen to base our efforts on the UN's global sustainability goals, defined in Agenda 2030. Vinnova prioritizes two perspectives: gender equality and climate transition. All actions and projects we finance are assessed based on how they contribute to these perspectives.

We, therefore, always follow up and evaluate:

- Whether women and men participate in the project in a gender-equal manner, benefit from the funding, and have influence and power over the project.
- How well the project analyzes and considers whether there are gender or sex aspects relevant to the project's problem formulation, solutions, and impacts.

Equal funding of innovations

The 2030 agenda a key driver of innovation

3. Who is the call aimed for?

The Swedish consortium that has received a Eureka-label for their Eureka-cluster application are invited to submit a joint proposal on national co-financing.

The project partners eligible for funding are Swedish companies, universities, and research institutes.

4. What do we finance?

Vinnova funds activities in research, development, and innovation within industrydriven, flexible international collaboration projects at companies, universities, or research institutes. The funding can also be used for international and national project management of Eureka Cluster projects.

Costs eligible for funding?

Our funding is subject to state aid regulations, which govern the types of costs we can finance. These are referred to as eligible costs.

In this call, the following types of costs are eligible:

- **Personnel costs**: Salaries, social security contributions, and other personnel-related expenses.
- **Equipment, land, and buildings**: Instruments, equipment, and rent for premises other than the regular operational premises.
- **Consulting and licensing costs**: Consultancy services, knowledge, and patents purchased or used under license from an external party.
- **Other direct costs**: For example, materials, supplies, and travel necessary to carry out the project and fees to the Eureka Cluster Secretariat.

• Indirect costs (overhead): Costs not incurred as an immediate result of, but related to, the project, such as regular premises and cleaning. Indirect costs may constitute a maximum of 30 percent of personnel costs.

For more detailed information on which costs we can finance, see the Guidelines for Eligible Costs.

För mer detaljerad information om vilka kostnader vi kan finansiera, se <u>Vinnova's</u> general terms and conditions for funding

What requirements apply to the costs we finance?

In order for an expense to be eligible, it must:

- Be real and auditable.
- Worn by applicant companies.
- Have emerged during the project period.
- Be established in accordance with the company's usual accounting principles and generally accepted accounting principles.

For a cost to be eligible, it must be necessary for the activities in the project. Project costs must also be accurately accounted for and separately reported from the organization's other expenses.

For more detailed information on the requirements, limitations, and exceptions that apply, see <u>Vinnova's general terms and conditions for funding.</u>

5. How large are our grants?

The state aid regulations also determine the proportion of costs that we can finance. This is determined individually for each organization. Therefore, we distinguish between the total grant the project can receive and the amount each participating project partner can receive.

How much funding can the project receive?

Vinnova co-finances the projects with up to SEK 15 million in total, and the project duration is up to 3 years. Vinnova co-finances a maximum of 50 percent of the eligible costs for the Swedish consortium.

How much funding can a project partner receive?

How much funding each participating project partner can receive depends primarily on:

- The activities the partner will carry out in the project
- The partner's size and type of operations

In this call, we provide funding under Section 9 of our regulation (2015:208) on state aid for research, development, and innovation, i.e. research and development projects according to Article 25 of the Commission Regulation (EU) No 651/2014:

- Industrial research
- Experimental development

In this call:

- Small and medium-sized enterprises (SMEs) engaged in economic activities and covered by the EU's definition of an SME can be granted funding of up to 50 percent of their eligible costs.
- Large companies and other organizations engaged in economic activities but not covered by the EU's definition of an SME can be granted funding of up to 30 percent of their eligible costs.
- Universities, colleges, and research institutes can be granted funding of up to 100 percent of their eligible costs.

Refer to the European Commission's document "User guide to the SME definition" to determine whether your company is classified as an SME or a large company. <u>Funding rules for our funding state aid to companies</u>

EU SME self-assessment questionnaire

6. Conditions for assessing your proposal?

For us to consider and evaluate your application, it must meet certain formal requirements. If the requirements are not met, the application will be rejected.

Requirements for the organizational form of project partners

- All project partners must be legal entities. We do not grant funding to sole proprietorships.
- The coordinating partner must be a Swedish legal entity and conduct operations in Sweden.
- The Swedish consortium must include at least one SME.
- For SMEs, the individual company must demonstrate that the following requirements are met when the Swedish application is submitted to Vinnova:

- The company must have a net turnover of at least SEK 1 million according to the latest annual report or auditor's certificate. Public funding from sources like Vinnova or the EU is not counted as part of net turnover.
- The company must have a number of employees equivalent to at least three full-time equivalents.

These requirements also apply to companies that wish to participate as fully selffinanced partners.

Requirements of the project

- The project manager must be employed by one of the project partners.
- The project must not start before the application is submitted.

Requirements for the application

- The application must have a Eureka label.
- The application must be written in Swedish or English.
- The application must follow the instructions provided in Section 9.
- The application must include all required attachments.

7. The process for assessment of the application.

What do we assess?

Potential (weight 40 %)

- Degree of utilization / exploitation of project results by Swedish companies according to clear measurable indicators (KPIs).
- The project's potential to lead to increased competitiveness and growth in participating Swedish companies.
- The project's relevance and potential to promote Swedish competitiveness and growth from a broader perspective, for example through effects from the creation of standards, platforms, leading competence.
- The value of the exchange that comes from international cooperation.
- Potential to contribute to societal benefits and sustainable development in accordance with Agenda 2030.

Actors (weight 20 %)

• The Swedish consortium's credibility to carry out major international projects (Swedish international project- or work package management is considered positive)

- How well balanced the international consortium is (No country's total costs should account for more than 60 percent of the project budget)
- How well positioned the Swedish consortium members are in the value chain to ensure that the results will be utilized either commercially or through funding for interoperability and standards.
- The project must be industry-driven and have an active participation and commitment from Swedish companies (The work effort in time from the participating companies must be at least 60 percent of the Swedish consortium's total work effort)
- The project constellation's access to relevant sustainability skills

Feasibility (weight 30 %)

- Realism, credibility and effectiveness of the project plan and budget
- Approach, organization and involvement of project partners and relevant actors including users / customers / requirements makers.
- Relevance and credibility in the risk assessment
- Credible and realistic plan for national and international cooperation
- Clear description of how the project results will be disseminated to other actors.
- To what extent relevant aspects of sustainability have been integrated into the project plan
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Equality (weight 10 %)

- How well the team (key people) are composed regarding gender distribution, as well as the distribution of power and influence between women and men
- How well gender issues were integrated into the project plan
- The project results' potential to contribute to increased equality

How do we assess?

Within the Eureka Clusters, project calls are organized, usually in two stages, and these are published on the respective cluster websites.

International assessment

Vinnova participates in the evaluation of international cluster applications within the respective Eureka Clusters. These are assessed according to the criteria of each cluster, with a focus on industry-driven research and innovation projects.



Typically, an initial project outline (PO) is first evaluated by the cluster's industry representatives and the funding agencies of the respective countries, including Vinnova. If the outcome of this assessment is positive, the project can proceed in the process and submit a full international project application, a full project proposal (FPP).

Vinnova uses appointed independent evaluators when assessing the project outline and full project proposal. If both the industry representatives and the funding agencies have a positive view of the project, it receives a Eureka label.

National assessment

Vinnova can invite the Swedish consortium in a project that has received a Eureka label to submit a national application for funding.

The Swedish application is evaluated by independent reviewers and by employees at Vinnova. Projects may be invited to an interview at Vinnova. After the interview, if conducted, Vinnova makes an overall assessment that forms the basis for our final decision.

The applications are evaluated according to the assessment criteria in Section 7. The evaluation is conducted competitively among the submitted applications.

Before deciding on funding, we also perform a comprehensive assessment of the organizational and financial status of those receiving grants. We use information obtained from credit reports, currently from Dun & Bradstreet.

To be eligible for funding, the following must apply:

- Organizations applying for funding for personnel costs must be registered as employers with the Swedish Tax Agency.
- Organizations must not be insolvent, undergoing liquidation, or corporate restructuring. They must also not have unpaid debts with the Swedish Enforcement Authority.
- Limited companies must not have consumed half or more of their share capital.

How to join an ongoing cluster project

In exceptional cases, it may be possible for project partners to join an ongoing cluster project with a Eureka label.

Swedish project partners seeking funding from Vinnova should contact the cluster manager and express their interest in joining an ongoing cluster project.

8. What happens after the decision?

Once we have evaluated all applications, we will send a decision in which we either approve or reject your application. The decision will specify how much funding each project partner is granted. Our decision cannot be appealed.

Terms and conditions for approved grants

If we approve your application, you must comply with our general conditions for grant. The conditions include, among other things, the following:

- You must sign a specific document in which you agree to participate and commit to carrying out the project.
- You must regularly report on your progress, costs, and achieved results to us throughout the project period.
- If there are multiple partners, you must agree on your mutual rights and obligations in the project in a contract. It may take time to finalize a project agreement, so it's advisable to start this process before the project begins.

Vinnova's terms and conditions for our funding

The following special conditions apply to everyone who is approved a grant in this call for proposal:

- § 1.1 General terms and conditions apply only to Swedish Project Parties
- The condition regarding Project agreement in § 1.4, General terms and conditions, is considered fulfilled when a consortium agreement is signed by all parties in the international consortium. The Swedish Coordinator shall confirm to Vinnova that the agreement has been signed by all parties.
- For the first payment, in addition to § 6.2 p. 1, General terms and conditions, the following General terms and conditions apply. The Swedish coordinator has confirmed to Vinnova that the international project has started. This confirmation is done by stating the date when kick-off took place.
- In addition to the general terms and conditions, the following applies. The project will be represented at the seminars or program conferences that Vinnova will organize during the project period. Costs for participation in such a seminar / program conference are eligible costs. If necessary, the project will provide Vinnova with image and text material for project catalogues, annual reports and the like.



Complementary special conditions can be decided for individual projects.

In addition to Vinnova's terms, the project partners should also follow the terms set by the respective clusters.

Can you be required to repay the grant?

If you do not follow our terms and conditions, you may become liable to repay. This also applies if you have been granted a grant incorrectly or with an excessive amount.

9. How to apply?

To apply for funding, you need to complete an application in our e-service. The application includes questions about the project, participating project partners, and budget.

You should also attach the following documents to your application:

- Project description according to the template for the Swedish part of the Eureka cluster project, with a clear focus on sustainable development and growth potential for Sweden
- CV template
- KPI template (either Vinnova's or your own document)
- Full Project Proposal (FPP)

The project description template and other templates are available on the website. Eureka cluster funds international industrial cooperation

The process to apply

The general application process is described in the steps below. However, it may vary between different cluster calls, so it is important to check the applicable conditions and dates for the chosen call on Vinnova's call page and the respective cluster's call page.

Step 1: You send an outline, a so-called project outline, to the selected cluster.

Step 2: The cluster and Vinnova assess the proposal and, if it is of sufficient quality, you are invited to submit a full proposal (FFP).

Step 3: The full proposal from the international consortium is assessed and the applications that are approved receive a so-called Eureka-label. This means that the national consortia are given the opportunity to submit applications to each



country's funding public authority. At this stage, the Swedish consortium is invited to submit a proposal to Vinnova.

Step 4: To submit a joint application for funding for Swedish participants in a Eureka cluster project with a Eureka label, you need to complete an application in our e-service. A link to the e-service is provided in the invitation from Vinnova.

Once the application deadline has passed, any additions to the application can only be made at our request.

Please note that you cannot start the project before the application has been submitted and approved. The project may start when at least two countries have been granted funding.

In the application you attach the following appendix:

Project description according to the template for the Swedish part of the Eurekacluster project with a clear focus on sustainable development and growth potential for Sweden (see paragraph 7.1)

Note that the international cluster application does not need to be attached.

Project title should be Eureka-cluster name project name

Example: EUREKA ITEA4 THING

Once the application deadline has expired, the proposal can only be completed on request from us.

Please note that you may not start the project before the proposal is submitted and has been approved. The project may start when at least two countries have been granted funding.

Start your application early

Keep in mind that it takes time to complete an application. Filling in templates can take several days, as they are based on analyses you need to conduct.

In our e-service, you can begin entering information and then continue at a later time. You can also grant permissions to others who you want to contribute to the application. When the application is complete, mark it as finished.

You can unlock the application and make changes at any time up until the final submission day. If you unlock the application, you must mark it as finished again for it to be registered when the call closes.

10. What happens when the call closes?

When the call closes, your application is registered. We will then send an email confirmation to the account holder, the project manager, and the authorized signatory. If you do not receive confirmation within 24 hours after the call closes, please contact us.

Once the call has closed, you cannot make changes to the application. You may only supplement the application if we request it.

Who can read the application?

Applications submitted to us become public documents, but we do not disclose information about an individual's business or operating conditions, inventions and research results in case it can be assumed that an individual suffers damage if the information is disclosed.

Official documents and confidentiality