



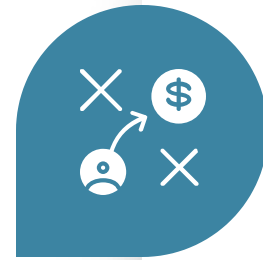
# Research and Development Incentives 2024 - 2026

Guidelines to support innovative industrial research and collaborations.



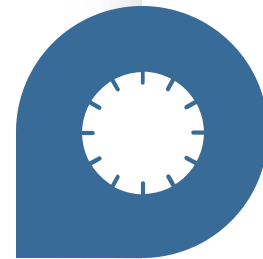
# Introduction

An Overview of the Initiative's Key Aspects



## Objective of the Initiative

The primary objective is to support industrial research and experimental development, aiming to foster the creation of innovative products and solutions that meet market needs and challenges.



## Project Duration

This initiative is set to run from 1st January 2024 to 31st December 2026, providing a three-year timeframe for research and development activities to unfold effectively.



## Encouraged Cooperation

Collaboration is encouraged through participation in EUREKA network projects, fostering partnerships and clusters that enhance knowledge sharing and resource utilization among various stakeholders.



## Financial Commitment

The overall budget allocated for this initiative amounts to €15 million, with an annual budget of €5 million, ensuring sufficient funding is available to support various projects and cooperative efforts.

# Key Definitions

Understanding Key Terms in R&D

## Industrial Research

Acquiring new knowledge for new or improved products, processes, or services. This involves various methods, including market analysis, technology assessments, and innovation strategies that can lead to breakthroughs in various industries.



## Experimental Development

Combining existing knowledge to create prototypes, conduct testing, and develop commercializable solutions. This phase is crucial for transforming ideas into tangible products that can be brought to market, often involving iterative testing and refinement.



## Effective Collaboration

Joint projects with clearly defined scopes, shared risks, and mutual results. Such collaborations often enhance innovation by pooling resources and expertise, allowing enterprises to tackle complex challenges more efficiently.



## Eligible Enterprises

Small and Medium-sized Enterprises (SMEs) as well as large enterprises qualify for certain research and development programs. This inclusivity ensures that a wide range of businesses can contribute to and benefit from innovation initiatives.



# Incentive Overview

An Overview of Financial Assistance Options for Research and Development



## Types of Aid

The various forms of financial assistance available include Tax Credits, Cash Grants, or a combination of both. These options are designed to support research and development initiatives effectively.



## Capping of Aid Available

**Industrial Research Aid Intensity** - Capped at 70%, facilitating substantial investment in innovative solutions.

**Experimental Development Aid Intensity** - Capped at 45%, allowing businesses to develop and refine new products and processes.

**Collaborative Projects:** maximum support of 80% is available for collaborative and assisted-area projects, encouraging partnerships and resource sharing.



## Maximum Budget

This scheme shall have a budget of five million euro per annum (€5,000,000) and an overall budget of fifteen million euro (€15,000,000).

# Eligible Costs

Eligible Expenses for Small Businesses

## Personnel Costs

Personnel costs encompass the gross salaries of researchers and technicians dedicated to the project. These costs are essential for staffing the research team, ensuring that qualified individuals are compensated for their contributions.

01

## Equipment & Instruments

Equipment and instruments are vital for research activities. The eligible costs include depreciation expenses specifically tied to the usage of these assets within the project, ensuring that the financial impact of utilizing equipment is accounted for.

02

## Research Contracts

Research contracts include costs associated with acquiring knowledge or patents under arm's length conditions. This ensures that any collaborative or contractual agreements are fair and transparent, promoting integrity in research.

03



## Land & Buildings

Costs related to land and buildings are also eligible. This includes depreciation costs for buildings utilized in the project as well as acquisition costs for land that may be necessary for research purposes.

04

## Operating Costs

Operating costs refer to the overheads and materials needed to support research activities. A flat rate of 20% may be applied to these costs, providing flexibility in budgeting and financial planning.

05

## I R&D INCENTIVES

# Application Process

**Implementation Planning**

Upon acceptance, we will begin planning for the implementation of the scheme benefits or requirements within the business operations. This may involve strategic planning, resource allocation, and compliance with scheme guidelines.

04

**Review and Acceptance**

Once the application is reviewed, we will receive a decision regarding acceptance into the scheme. If approved, carefully review the terms and conditions of participation.

03

**Prepare & Submit Documentation**

We will gather all necessary documents and submit the completed application form with supporting materials to the designated authority managing the scheme.

02

**Review Eligible Criteria**

We will ensure that you meet all eligibility requirements for the scheme.

01

# Eligibility Criteria

Criteria for Application Consideration



## Eligible Applicants

Partnerships and companies that operate under the Companies Act are eligible to apply for the program. Additionally, registered overseas entities and co-operatives also meet the eligibility requirements. This opens the opportunity for various business structures to participate and benefit from the offerings.



## Exclusions

Certain entities are excluded from eligibility, particularly those with outstanding debts. Specifically, undertakings with VAT, Income Tax, or Social Security dues exceeding €1,000 are disqualified. Furthermore, public entities, research organizations, and any groups under recovery orders are not eligible. This ensures that the program is focused on financially stable applicants.

# State Aid Rules

Understanding Compliance, Aid Limits, and Transparency

01



## Compliance with State Aid Regulations

Entities seeking state aid must adhere to the General Block Exemption Regulation. This regulation outlines the types of aid that can be provided without prior notification to the European Commission, ensuring that aid does not distort competition within the internal market.

02



## Aid Limits for Research and Development

The state aid limits are set at €35 million for industrial research projects. This substantial funding aims to encourage innovation and technological advancement within industries. Additionally, experimental development can receive up to €25 million, facilitating the transition from research to practical application.

03



## Transparency in Aid Provision

Any state aid exceeding €100,000 must be published. This requirement promotes transparency and accountability, allowing stakeholders to understand the distribution and impact of public funding, thereby fostering trust in the state aid system.





**For any additional questions or further clarification, please do not hesitate to contact us:**

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