



Rialtas
na hÉireann
Government
of Ireland

Tionscadal Éireann
Project Ireland
2040

FUTURE JOBS
IRELAND
Preparing Now for Tomorrow's Economy

DISRUPTIVE TECHNOLOGIES INNOVATION FUND

Call 3

Webinar 22nd October 2020 – Q&A

Table of Contents

General Call Information.....	3
Timelines	3
Partner search and matchmaking.....	4
Participation in more than one project	5
Resubmissions and previous DTIF awardees	5
Selection Criteria.....	6
Lead partners	8
Being an agency client	9
Early stage companies	10
RPOs and others.....	11
Location in Ireland and international participation	11
Co-funding.....	13
Pre-finance for small companies	14
State Aid, De Minimis and relationship with other funding mechanisms	14
Eligible costs: general.....	15
Eligible costs: companies	18
Eligible costs: RPOs	19
Clinical trials	19
Other aspects	19

General Call Information

Q: Will slides / recording be available afterwards?

A: The Webinar slides and recording of the webinar and this FAQ are available at <https://enterprise.gov.ie>.

Q: Where can I find the template for the application and budget?

A: The Indicative Application Form, including budget information, is available at <https://enterprise.gov.ie>. Applications must be submitted through the online submission system which will open on 13 November 2020. Details will be available at <https://enterprise.gov.ie>.

Q: I am trying to fill in the Disruptive Technologies Innovation Fund Help online webform. When I click the link, the page doesn't allow me to fill in the required fields. Could you please advise?

A: The on-line submission system will open on 13 November. Please follow the revised instructions for assistance.

Q: Is it a 1-stage application, is there no pitching this year?

A: Yes, it is a 1-stage application process, as with Call 2. Applicants will submit their applications through the online submission system before the Call deadline of 3pm (Irish time) on 17 December 2020. Eligible applications will be reviewed remotely by independent international technical and commercial experts. Following remote evaluation, where projects are scored above threshold in each of the four selection criteria, DTIF consortia will be invited to a pitch presentation and Q & A session with the expert panel.

Q: How many applications are typically received and how many typically get through to the next stage?

A: A total of 90 full applications were received in 2018, with 27 funded. Of 63 applications in 2019, 16 projects were funded. Note that success rates may vary between Calls.

Q: Roughly how much do you expect to allocate in this call? How much out of the €360million will be allocated?

A: This depends on the quality of the applications and the outcome of the evaluation process. Funding of €75m was allocated in Call 1 and €65m was allocated in Call 2.

Timelines

Q: If a project is funded what is the timeline to Agreement signing and commencement of project, approximately?

A: The timeline to contract is expected to be between 3-12 months. Each partner in a project is required to sign an EI grant agreement (Letter of Offer for enterprises and General Annex for RPOs). All partners must then agree and sign off on a Consortium Agreement, a template for which is available at <https://enterprise.gov.ie>.

Q: Is it viable to start the project 5-6 months after winning the grant?

A: Yes. As above.

Q: Are there duration time frames for DTIF projects?

A: The DTIF project duration is for a maximum of three years, from the commencement date indicated in the project's executed Consortium Agreement.

Q: What is the draw down schedule and is this tied to progress related to milestones set at the beginning? If so, can these be amended if required as the project evolves?

A: Costs should be submitted for payment every 6 months. A technical progress report is required to show the progress, deliverables and industrial research conducted on the project during the period of the claim submitted. There is some latitude provided on milestones as this is a research related activity, provided always that the project remains within the scope of the initial application approved for funding and is completed within three years of the project commencement date.

Q: Do you know when the next call DTIF Call 4 might take place in 2021?

A: No decisions been made on future DTIF Calls. All Call announcements are posted on <https://enterprise.gov.ie>.

Partner search and matchmaking

Q: Is there a platform or space where other SMEs or Research organisations are looking for other partners, or would you provide guidance to those looking to join other consortia?

A: The DTIF does not provide such a platform or matchmaking facility. We would recommend that you use existing research communities and their communication channels e.g.

Knowledge Transfer Ireland:

<https://enterprise-ireland.com/en/Research-Innovation/Companies/Collaborate-with-companies-research-institutes/Knowledge-Transfer-Ireland/>

Technology Centres:

<https://enterprise-ireland.com/en/research-innovation/companies/collaborate-with-companies-research-institutes/technology-centres.html>

SFI Research Centres:

<https://www.sfi.ie/sfi-research-centres/>

Enterprises could discuss the DTIF with your Development Advisor at Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta.

RPOs could contact the Research Office at any Research Performing Organisation.

Q: Is there an opportunity or notification process for a company to indicate interest in being part of a consortium as needed?

A: The DTIF does not provide a matchmaking facility. See above.

Q: Do EI help with Partner Search - or is there any such facility?

A: The DTIF does not provide a partner search or matchmaking facility. See above.

Q: Is there a platform for prospective RPO's who are interested in promoting their expertise to potentially join a consortium as a research partner?

A: The DTIF does not provide a partner search or matchmaking facility. See above.

Participation in more than one project

Q: Can an organisation participate in more than one consortium?

A: Yes. But please ensure that you will have the financial and operational capacity to participate if you are successful in more than one consortium. If not, you may put both projects at risk for your partners.

Q: Can you be a part of more than one consortium in this call?

A: Yes. See above.

Q: Can a company be a partner on more than 1 application, for 2 different projects?

A: Yes. See above.

Q: Can an SME be a partner in two consortia, for 2 different projects?

A: Yes. See above.

Q: Can a company be a partner on more than 1 application, for 2 different calls?

A: Yes. See above.

Resubmissions and previous DTIF awardees

Q: Is there any consideration given to prior applications?

A: No, the current call is completely independent of previous calls and their evaluations. If you had made an unsuccessful application in a previous Call, please consider the evaluator summary report carefully as it should contain useful information to assist your new application. Previous applicants should especially note the change to the third selection criteria (Economic Impact and Sustainability) and the extension of the period for project commercialisation from 3-5 years to 3-7 years.

Q: Will scoring from last year's application be taken into account at all if resubmitted this year or is it completely independent of previous reviews?

A: No, the current call is completely independent of previous reviews. If you had made an unsuccessful application in a previous Call, please consider the evaluator summary report carefully as it should contain useful information to assist your new application. Previous applicants should especially note the change to the third selection criteria (Economic Impact and Sustainability) and the extension of the period for project commercialisation from 3-5 years to 3-7 years.

Q: Does a panel reviewing a resubmission have access to previous reviews?

A: No. As above.

Q: Are there any restrictions on applications from previous DTIF award winners?

A: No. Previous DTIF award winners can apply to the DTIF Call 3. Previous applicants should especially note the change to the third selection criteria (Economic Impact and Sustainability) and the extension of the period for project commercialisation from 3-5 years to 3-7 years.

Q: Can large enterprises which have previously won DTIF funding be part of a subsequent submission this year?

A: Yes.

Selection Criteria

Q: What is considered a 'disruptive' technology?

A: The DTIF uses the definition 'Disruptive technology is that which has the potential to drastically alter markets and their functioning and significantly alter the way that businesses operate. While it involves a new product or process, it can also involve the emergence of a new business model. Disruption is not about technology alone but the combination of technology and business model innovation'.

Q: Please clarify criteria 3 and 4 again?

A: Please consult the DTIF Call 3 Guide for Applicants pages 7 and 8 for an explanation of the four evaluation criteria. It is available at <https://enterprise.gov.ie>.

Q: Can you please discuss more how EI assess economic impact?

A: Please consult the DTIF Call 3 Guide for Applicants pages 7 and 8 for an explanation of the four evaluation criteria. It is available at <https://enterprise.gov.ie>.

Q: We understand clearly the importance of Sustainability. However, in some projects there will be no significant Sustainability consideration, will this go against the project given the change in evaluation criteria?

A: Successful DTIF Call 3 proposals will be expected to demonstrate, as much as possible, a positive contribution to the sustainability targets in the Climate Action Plan. At a minimum, projects must demonstrate that they do not hinder the achievement of Ireland's climate objectives nor have other significant negative environmental impacts.

Q: Are there pass/fail or weighting criteria for assessment of the level of partnerships, e.g. prior working relationship etc?

A: The Call evaluation criteria and their weightings are described in pages 7-8 of the [Guide for Applicants](#). A threshold of 60 marks out of 100 will apply to all scoring criteria; where a project falls below threshold in any category, it will not be funded. There are no pass/fail or weighting criteria for the individual subheadings under each criterion e.g. for Quality and Efficiency of the Collaboration:

- Strength and credibility of the partners in the consortium to deliver on project goals.
- Collaborations have a strong lead partner and a strong project management structure.
- Appropriateness of allocation of tasks, ensuring that all participants have a valid role and adequate resources in the project to fulfil that role.
- There must be at least one SME involved in every consortium with SME(s) in a consortium having an integral role in the project.
- Financial and other resources mobilised across the consortium provides appropriate co-funding against the DTIF contribution.

- Appropriateness of management structures and procedures, including risk and innovation management.
- Complementarity of the participants and extent to which the consortium, as a whole, brings together the necessary expertise.

Each subheading should be addressed.

Q: Is there a detailed definition/criterion for Industrial Research?

A: The definition is provided in page 17 of the Guide for Applicants. Industrial Research is defined in Commission Regulation (EU) No 651/2014:

Industrial research, means the planned research or critical investigation aimed at the acquisition of new knowledge and skills for developing new products, processes or services or for bringing about a significant improvement in existing products, processes or services. It comprises the creation of component parts of complex systems and may include the construction of prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems as well as of pilot lines, when necessary for the industrial research and notably for generic technology validation.

Q: Regarding "industrial research", if one member of the consortium would function more as a test site but also a future user of the disruptive technology, where does this sit in the "industrial research" umbrella?

A: All consortium partners drawing down funding must be able to demonstrate they are conducting industrial research. A company only providing test facilities would generally not be able to do this.

Q: What are the requirements of TRLs for the proposal technology? How is the distribution of this TRL requirements among partners?

A: See page 18 of the Guide for Applicants. Projects submitted to the DTIF scheme are expected to be in the range of TRL levels 3 – 7 based on the descriptions below. Ideally the consortium should be capable of demonstrating how it will move from the current state of the art in TRL 3 to a system prototype in TRL 7:

- TRL 3 – experimental proof of concept
- TRL 4 – technology validated in laboratory
- TRL 5 – technology validated in relevant environment (industrially relevant environment in the case of key enabling technologies)
- TRL 6 – technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)
- TRL 7 – system prototype demonstration in operational environment

All partners are expected to carry out industrial research within the TRL levels 3-7 range. Research in TRL levels 1-2 and 8-9 is ineligible and will not be funded.

Q: While the TRL at submission must be between levels 3 – 7, can the projects advance technologies beyond 7 to market readiness?

A: We are all eager to see the DTIF projects progress. However, note that ideally the consortium should be capable of demonstrating how it will move from the current state of the art in TRL 3 to a system prototype in TRL 7. NB. All partners are expected to carry out industrial research. Research in TRL levels 8-9 is ineligible and will not be funded.

Q: Are letters from perspective international clients who would be willing to purchase the technology post-development considered in economic and market impact?

A: Letters of support are not required, but if submitted, will be counted in the page count of the application. As indicated in the selection criterion Economic Impact and Sustainability, the proposal should consider the further stages and activities needed to commercialise the innovation.

Q: Are consortia including an MNC partner with export capacity viewed more favorably by reviewers e.g. viz-a-vis growth potential of tech?

A: The Call criteria and their weightings are described in pages 7-8 of the [Guide for Applicants](#). All subheadings under each criterion should be addressed. As indicated in the selection criterion “Economic Impact and Sustainability”, the proposal should demonstrate potential to create significant new market opportunities and exports, support job creation and retention, strengthen competitiveness and growth of the partner companies within a 3 to 7-year timeframe.

Q: We represent a sector that traditionally would not have a record of high-end disruptive initiatives unlike manufacturing, ICT, health sectors etc. Our proposal is focused on greater predictability, better supply chain integration. Would this be a profound enough proposition?

A: This is a matter for the international evaluators to assess and will form part of the evaluation of a proposal. The proposal must meet the definition of industrial research (as defined above) and you should carefully consider the subheadings under each selection criterion to determine if you can articulate the disruptive nature of the proposed technology and level of risk of your proposal.

Q: Can you please provide a case example of what a 'potentially dramatically altering market' technology is?

A: See multiple examples in the summary table at https://en.wikipedia.org/wiki/Disruptive_innovation#Disruptive_technology. See also DTIF projects funded to date at <https://enterprise.gov.ie>.

Q: Is it an advantage if projects span multiple topic areas?

A: This is a matter for the international evaluators to assess. While it is not necessary to cover more than one area, the focus should be on disruptive technology projects utilizing industrial research.

Q: International partnerships was highlighted early in the call as a goal / objective - can more info be provided please?

A: We would like to see DTIF consortia to be able to compete internationally in European or global initiatives e.g. in Horizon Europe. Project partners in other countries can be included as part of a consortium, but they are not eligible to receive funding.

Lead partners

Q: Are there any restrictions on who can lead the DTIF consortium? i.e. RPO vs MNC vs SME?

A: No. The lead partner should be chosen carefully to fulfil the requirements of the selection criterion ‘Quality and Efficiency of the Consortium’ e.g.

- Strength and credibility of the partners in the consortium to deliver on project goals.
- Collaborations have a **strong lead partner** and a strong project management structure.

- Appropriateness of allocation of tasks, ensuring that all participants have a valid role and adequate resources in the project to fulfil that role.

Please note that lead partners can include the costs of a project manager (see Section 8.1.g of the Guide for Applicants).

Q: Is there a preference on whether an enterprise or RPO leads a project?

A: No. As above.

Q: While the call is enterprise focused, is there any indication an application led by a Research Performing Organisation would be negatively reviewed or negatively impacted due to the lead?

A: No. As above.

Q: Can Micro organizations with less than 10 staff lead?

A: Yes, a micro enterprise can participate and potentially lead a project, but you should carefully consider if you have the financial and operational capacity to carry out a project of this scale. To drawdown funding under DTIF, the micro enterprise must be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta.

Being an agency client

Q: Do all members of the consortium need to be clients of EI?

A: No. To drawdown funding under DTIF, the participant must be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta or an eligible Research Performing Organisation (RPO). Other companies can participate but they will not be funded.

Q: Must all partners, including, say a large concern, be clients of EI, IDA, etc?

A: To drawdown funding under DTIF, applicants must be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta or an eligible Research Performing Organisation (RPO). If not, you may still be involved in a collaboration, but you will not be eligible for funding.

Q: Are there any circumstances where a Local Enterprise Office (LEO) client would be considered as the SME partner on a collaboration i.e. able to draw down funding?

A: No. To drawdown funding under DTIF, the company must be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta. Other companies can participate but they will not be funded. A LEO client could contact Enterprise Ireland to determine if the company could become an Enterprise Ireland client.

Q: If only one of the 3 enterprises is an EI (or Údarás na Gaeltachta) client can the other enterprises (who are non-qualifying) access 50% funding as subcontractors?

A: No. The DTIF requires a minimum of three eligible consortium members, at least two of which are enterprises, including at least one SME, drawing down funding.

Q: If only one of the 3 enterprises is an EI client, can other non-qualifying enterprises (i.e., international or non-IDA clients) make up the minimum consortium quota?

A: No. The DTIF requires a minimum of three eligible consortium members, at least two of which are enterprises, including at least one SME, drawing down funding. Other enterprises which are not clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta can participate, but they will not be funded.

Q: What qualifies a company as being a client of EI? For example, we have received an innovation voucher from EI. Are we therefore a client?

A: Receipt of an innovation voucher does not qualify a company as an Enterprise Ireland client. We recommend that you talk directly with our HPSU team to see if you meet the criteria of becoming an Enterprise Ireland client:

<https://www.enterprise-ireland.com/en/Start-a-Business-in-Ireland/Do-I-qualify-as-a-HPSU-Overview.html>.

Q: We are in early process of engagement with EI, and they have said they will provide a letter of support. Is this sufficient?

A: You can apply to the DTIF Call as a potential Enterprise Ireland client. Note that to drawdown funding under DTIF, your company must be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta. You should consider the timeframe to becoming a client carefully to avoid putting the project at risk for your partners. Projects are expected to commence within 3-12 months of approval. Note that letters of support are not requested as part of the application. Where included, they are counted within the page limits.

Q: If Enterprise Ireland UK is the shareholder of the company, is it eligible to submit application here?

A: Company applicants must be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta to draw down funding. If not, you may still be involved in a collaboration, but you will not be eligible for funding. Note that entities outside Ireland can collaborate in the project but will not be considered eligible partners or able to receive DTIF funding.

Q: If we had a company in the EU who was becoming or is a client of IDA, are they eligible for drawing down funding? What is the position for partners based outside Ireland? Must all partners, including, say a large concern, be clients of EI, IDA, etc?

A: The company can apply to the DTIF Call as a potential IDA Ireland client. Note that to drawdown funding under DTIF, the company must be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta. You should consider the timeframe to becoming a client carefully to avoid putting the project at risk for your partners. Projects are expected to commence within 3-12 months of approval. Companies that are not clients may be involved in a collaboration, in addition to the minimum of three funded partners, but they will not be eligible for funding.

Early stage companies

Q: Are start-ups eligible and do they qualify as an SME?

A: Yes. But note that they must confirm that they have the financial and operational capacity to participate.

Q: Are HPSU's eligible?

A: Yes. But note that they must confirm that they have the financial and operational capacity to participate.

Q: Is the company required to show positive earnings before interest, taxes, depreciation, and amortization (EBITDA) to be eligible please?

A: No. Companies must confirm that they have the financial and operational capacity to participate. For successful applicants the financial and operational capacity will be reviewed prior to progressing to contract.

Q: Are SMEs which are in the process of capturing VC or other investment for company running costs (or is likely to capture this in the near term), eligible?

A: Yes. But note that they must confirm that they will have the financial and operational capacity to participate i.e. are expecting investment in the near term AND note that the DTIF funds industrial research (not running costs). Projects are expected to commence within 3-12 months of approval.

Q: If a University spin out company has not raised private funding yet but has written commitments for funding, is this acceptable? Funding will be in by Q1 2021.

A: Yes. But note that they must confirm that they will have the financial and operational capacity to participate i.e. are expecting investment in the near term AND note that the DTIF funds industrial research (not running costs). Projects are expected to commence within 3-12 months of approval.

RPOs and others

Q: Can UCC be considered as partner while creating consortium?

A: Yes, University College Cork is an eligible Research Performing Organisation. A full list of eligible RPOs can be found in the [Guide for Applicants](#).

Q: Are semi-state companies eligible and are they co-funded / does their contribution count to the 50% funding?

A: Semi-state companies are not eligible to draw down DTIF funding. They may be involved in a collaboration. This will be in addition to the minimum of three partners that draw down funding.

Q: Is it possible to have unfunded partners in a consortium or can Semi-state orgs join a consortium?

A: Yes. You may have unfunded partners or semi-state organizations in the consortium. This will be in addition to the minimum of three partners that draw down funding.

Location in Ireland and international participation

Q: Does it matter where in Ireland an SME is based?

A: No. The DTIF is open to applicants from all regions in the Republic of Ireland. Applicants must be clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta from anywhere in the Republic of Ireland, to draw down funding. The project work must be carried out in the country.

Q: In a 3-partner consortium - SME, RPO, Multinational, does the Multinational portion of the Research/Spend have to take place in Ireland?

A: It is expected that the project work will be carried out in Ireland. Any exceptions to this must be made clear at application stage and must be justified. It is a requirement that the majority of the funded activity be undertaken in Ireland.

Q: Is it possible to include a European partner (not commercial) on a project as a non-funded collaborator?

A: Yes. Note that the international collaborator must be in addition to the minimum 3 eligible partners.

Q: Can one of the 3 partners be a non-Irish based company (assuming they do not seek funding)?

A: No. The international collaborator must be in addition to the minimum 3 eligible partners.

Q: Can an international partner provide funding to the project overall, although they cannot draw down funding? Is the 50% matched per Irish company or for the project overall?

A: An international collaborator can provide funding. Each Irish company must co-fund its own participation i.e. the grant rate is 50%.

Q: Can a consortium contain a partner that establishes an Irish company and can this NewCo receive matched funding?

A: The new company can apply to the DTIF Call as a potential Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta client. Note that to drawdown funding under DTIF, the company must be a client of one of those three agencies. You should consider the timeframe to establishment in Ireland and becoming a client carefully to avoid putting the project at risk for your partners. Companies that are not clients may be involved in a collaboration, in addition to the minimum of three eligible partners, but they will not be eligible for funding.

Q: Can a partner be based in the north of Ireland now with BREXIT?

A: Entities based in Northern Ireland are not eligible to receive funding. The DTIF is open to applicants from all regions in the Republic of Ireland. Applicants must be clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta from anywhere in the Republic of Ireland, to draw down funding. The project work must be carried out in the country. Entities outside Ireland can collaborate in the project but will not be considered as one of the minimum three eligible partners or able to receive DTIF funding.

Q: Queens University Belfast have knowledge of the disruptive technology we are considering, I assume the RPO must be in the Republic of Ireland? Are SMEs or RPOs based in Northern Ireland eligible for receiving funding?

A: Entities based in Northern Ireland are not eligible to receive funding. Entities outside Ireland can collaborate in the project but will not be considered as one of the minimum three eligible partners or able to receive DTIF funding.

Q: Could the project for example marine take place in Irish Sea, between Wales and Ireland?

A: Yes. To drawdown funding under DTIF, the Irish entities must be clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta or an eligible Research Performing Organisation (RPO). Entities in Wales can collaborate in the project but will not be considered as one of the minimum 3 eligible partners or able to receive DTIF funding.

Q: Are there specific rules relating to the amount of activity that can be carried out outside of Ireland?

A: It is expected that the project work will be carried out in Ireland. Any exceptions to this must be made clear at application stage and must be justified. It is a requirement that the majority of the funded activity be undertaken in Ireland.

Co-funding

Q: How does the company show that the partners can contribute financially in the project? Do they have to put an amount of money into an account?

A: Having access to financial resources to conduct the project is a declaration all partners sign on the application. There is no requirement to provide evidence for this at application stage, but it may put the project at risk if a partner cannot proceed upon approval.

Q: Does each of the partners have to provide an equal amount of the matching funding? In other words, if you get €1.5m from DTIF does each of the partners have to provide €500k each?

A: No. Partners in a consortium can apply for different amounts of funding. It would be expected that no participant should account for less than 10% of the project funding, though, unless they have specific capability or intellectual property on which the project hinges.

Q: In what form is the co-funding e.g. finance, people time or other?

A: The DTIF requires 50% private funding or finance as co-funding. There are no in-kind contributions in the DTIF. Company claims must be based on incurred costs.

Q: Are in kind contributions from partners allowed - i.e. access to data, end users and market expertise?

A: The DTIF requires 50% private funding or finance as co-funding. There are no in-kind contributions in the DTIF. Company claims will be based on incurred costs.

Q: Can provision of capital items by industry be considered as part of their financial contribution?

A: The DTIF requires 50% private funding or finance as co-funding. There are no in-kind contributions in the DTIF. Company claims must be based on incurred costs.

Q: For the finance model, taking the €1.5M min award amount as an example - do the enterprises need to match with 50% cash or can in-kind contribution count as matched funds? Can the 50% contribution come from international partner in the way of in-kind access to a test facility?

A: The DTIF requires 50% private funding or finance as co-funding. There are no in-kind contributions in the DTIF. Company claims must be based on incurred costs.

Q: Can a blend of secured private equity funding, asset finance and HPSU funding form the basis of matching sought DTIF funding?

A: Such aspects would need to be considered on a case by case basis, as each company's circumstances will differ. Note that the funding must be specific to the DTIF project, i.e., not allocated to other projects.

Pre-finance for small companies

Q: Please clarify the 33% pre-financing for SME's - what is the "feasibility check" (are we talking ring-fenced funds in a separate bank account)?

A: SMEs employing less than 50 employees that are a partner in a successful application can apply for a pre-finance payment of up to one-third of the research grant prior to the approved costs being incurred. The SME must supply a rationale for why the company requires pre-finance and evidence that it has available to it enough assets to cover its liability under the grant. The assessment will require the SME to provide audited accounts, management accounts and, where necessary, other evidence of assets.

Successful applicants must prepare financial records of payments and receipts and maintain an adequate accounting code for all transactions related to the project. If this is not possible, they must provide a dedicated and separate grantee bank account for the project into which the grant monies will be paid.

Q: For pre-financing, if a small company applying meets this criterion for pre-financing but is part of a group, is the Company applying for the DTIF or the Group viewed for this criteria on pre-financing approval?

A: To be eligible for pre-finance, the company must be a small company, employing less than 50 employees. The Group structure would be assessed to determine that it is eligible.

State Aid, De Minimis and relationship with other funding mechanisms

Q: Does DTIF come under De Minimis – does De Minimis apply to DTIF? Do State Aid Rules Apply?

A: The DTIF scheme is developed in accordance with the General Block Exemption Regulation 2014-2020, published in Official Journal No. 57, 26th June 2014, Commission Regulation (EU) No. 651/2014 (General Block Exemption Regulation (GBER)) as amended by Commission Regulation (EU) 2017/1084 of 14 June 2017. In July 2020, the General Block Exemption Regulation was prolonged until 31 December 2023.

The DTIF RD&I Fund is administered in accordance with the following Irish legislation: Industrial Development Act, 1986, Section 29; Industrial Development (Enterprise Ireland) Act, 1998, Section 7.

Q: Do State Aid Rules Apply?

A: Yes, State Aid rules apply. See above.

Q: Could we get a copy of the state aid rules excerpts which refer to co-matching not coming from other grants?

A: In signing the [Enterprise Ireland grant agreement](#), companies warrant that funding has not been and will not be sought for the DTIF project within or outside of the State from any government agency and/or EU by way of grant for the purpose of funding the Project.

Q: Can other grants be used to cover the match funding?

Other State or EU grants cannot be used as matched funding. In signing the Enterprise Ireland grant agreement, companies warrant that funding has not been and will not be sought for the DTIF project

within or outside of the State from any government agency and/or EU by way of grant for the purpose of funding the Project.

Q: Please confirm, EIC co-funding through secured equity commitments is allowed but not the grant part of the EIC agreement? Can other grants be used to cover the match funding?

A: European Innovation Council (EIC) equity funding could be used. Other EU or State grants cannot be used as matched funding (as above).

Q: Can DTIF funding be combined with the EU Innovation Fund?

A: No. As above.

Q: Could the DTIF award be leveraged as the co-funding portion in an EU Horizon application, e.g. MSCA COFUND?

A: No. The legislative basis of the DTIF, its industrial research focus and the timeframe of a maximum of 3 years would not allow it.

Q: Can a company qualify if they are also in receipt of EI other R/D funding?

A: Yes. The DTIF is separate to other Enterprise Ireland supports that are not directly linked to the project for which funding is being sought.

Q: What is the link between DTIF and EI Commercialisation Partnership program scheme please?

A: There is no link between the DTIF and any other Enterprise Ireland funding schemes.

Q: Can we apply for DTIF during EI Commercialization Fund or is it too early?

A: Projects are expected to commence within 3-12 months of approval. Note that any RPO researcher may submit an application with a qualifying consortium.

Eligible costs: general

Q: The budget in the application form is high level, and there is no budget justification section?

A: Yes, we do not require the underpinning budget justification at this stage. We will request this information from successful applicants upon approval. Applicants are advised to be as accurate as possible in providing their costings as ineligible costs will not be funded and this may impact the viability of the project.

Q: What are the types of eligible costs that are covered through DTIF? Are there any rules around capital equipment?

A: The eligible costs are described in detail on pages 10 to 15 of the Guide for Applicants. They include detailed descriptions on capital equipment for R&D. Applicants are advised to be as accurate as possible in providing their costings as ineligible costs will not be funded and this may impact the viability of the project.

Q: Can you talk to eligible costs personnel cost and equipment? / Hardware or Lab Equipment?

A: As above.

Q: Can you comment on the categories which money can be spent on?

A: As above.

Q: Last year the minimum funding that a partner could ask for was 10% of the overall funding. Is that still the case?

A: There should be appropriate balance in the consortium and ideally no participant should account for less than 10% of the project funding, unless they have specific capability or intellectual property on which the project hinges.

Q: In example 2 in the slides, the SME is getting 5% of the funding. Is this example proposal incorrect?

A: A revised example is now available in the webinar slides on the Department's website at www.enterprise.gov.ie/DTIF.

Q: Is Capital Equipment funded differently for RPO versus SME/Enterprise? Example, RPO are 100% funded but SME/Enterprise can only claim the depreciation?

A: Yes. See Guide for Applicants page 13 for companies and 15 for RPOs for full details.

Q: How long should equipment be depreciated over i.e. if purchased on day 1 of a 3-year project and used 100% on the project can it be 100% depreciated or should depreciation be over say 5 years?

A: Capital equipment is usually depreciated over 5 – 10 years in line with standard accounting practices. Only the actual time in use on the project can be covered. Note that it would generally be difficult to certify 100% use across an industrial research project.

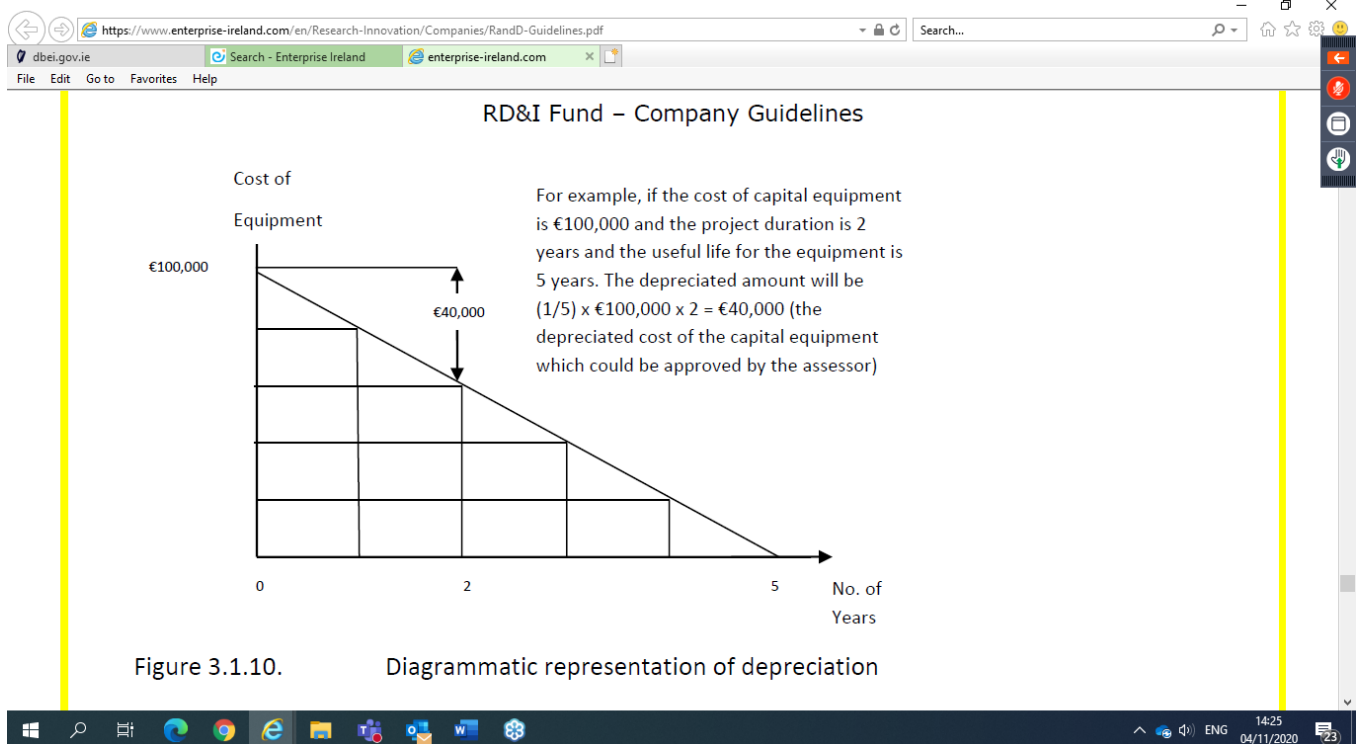
Q: Please explain basic R&D capital depreciation rules and typical % of R&D capital spend vs revenue?

A:

Enterprise Ireland provides the following guidance:

- Include R&D equipment (tangible assets) purchases which are essential to the project. This is for long-term rights or outright purchase, costs of software purchased outright (perpetual licences, with no recurring cost) may also be entered in this category.
- Licenses or rent for use of equipment or software for the period of the project is covered separately in Materials.
- Enter the category of asset e.g. developer PCs, oscilloscopes, software license, etc. Note that support for specific assets is subject to the following criteria being met:
 - o That the items are essential for the successful completion of the RD&I programme described in the application.
 - o Only the time that the asset is specifically used on the RD&I programme is supportable.
- Building costs for dedicated new R&D premises for a new R&D team if necessary may be entered.
- Eligible costs of assets are limited to the extent and for the period they are used in the research project. If such assets are not used for their full life within the research project, only the depreciation costs corresponding to the life of the research project, as calculated on the basis of good accounting practice, are considered as eligible. In accordance with the EU guidelines for RD&I capital grants, the depreciation in years (useful life) for equipment is 5 yrs. For ICT capital costs (including software & software licenses costs) a shorter appropriate number of years could be used, e.g. 3 years. Linear depreciation is assumed, see Figure 3.1.4 below.
- General production equipment, or equipment that will subsequently become production equipment is not eligible for RD&I capital equipment grants.

- Eligible RD&I Capital Equipment used in the RD&I project can be included but depreciation costs can only be used in line with the accounting policy of the company and accelerated depreciation for RD&I equipment will not be considered.
- The company must enter the time the asset will be used on the project (months). This cannot be longer than the project duration.
- Enter the depreciation period (i.e. the predicted functional life of the item in months). If the company has a formal depreciation policy agreed with its auditors, these figures may be used. Otherwise, generally equipment is considered to be depreciated over 3 years for ICT (computer) equipment and 5 years for other equipment. Buildings are depreciated over 20 years.



Most projects incur higher staffing costs than capital costs.

Q: Is there a cap on subcontract - and do subcontractors need to be in Ireland?

A: Contractual research, knowledge acquisition and consultancy services used exclusively for the project must form a minority of the partner’s cost and are allowable for SMEs only. Consultancy/contracting costs are generally only provided for work commissioned by SMEs in Ireland. Where consultancy needs to be contracted outside Ireland, it should form a small proportion of the spend and a clear business case needs to be provided.

For RPOs, contractual research, knowledge acquisition and consultancy services used exclusively for the project can account for 20% of their salary costs at most. Such costs are generally only provided for work commissioned in Ireland. Such costs are provided to RPOs primarily to facilitate the introduction of other academic partners who add value to the project.

Full details are provided on pages 12-13 (for SMEs) and 14-15 (for RPOs) of the Guide for Applicants.

Q: Is the cost of renting or leasing equipment fully allowed?

A: Yes, but only for the portion of the time used on the project.

Q: R&D requirement to develop a new environmentally friendly building technology/ construction material is €1m. I assume that is eligible for funding. Question - it would be crucial to build out a pilot property also to prove the concept (say €8m build cost). Can some of the €8m be eligible for funding?

A: Only costs related to Industrial Research tasks and activities can be funded under the DTIF. It would be expected that most projects would incur higher staffing costs than capital costs. The DTIF is not aimed at supporting the construction of infrastructure.

Q: Can there be a supplier - customer relationship and associated R&D Team i.e. three parties working on an infrastructure project where R&D is funded, the supplier requests funding for process improvement and customer requires funding for infrastructure enhancements.

A: No. Only costs related to Industrial Research tasks and activities can be funded under DTIF. Each Consortium member must be carrying out industrial research to claim costs.

Q: If there is a large capex requirement for one of the partners in the collaboration versus the others in the project how is that handled?

A: Capital expenditure budgets for consortium partners can vary e.g. some partners may have a larger capital expenditure requirement than others. Note that capital expenditure typically accounts for a small part of the budget of any partner. The DTIF is not aimed at supporting the construction of infrastructure.

Q: Can you also comment on the overheads rates for SME and for RPOs?

A: Enterprise partners will be paid overheads at the rate of 30% of eligible salary costs as a contribution to indirect costs of the project (e.g. administration, finance, IT support etc.). RPO partners will be paid overheads at the rate of 30% of Modified Total Direct Costs, excluding capital equipment, as a contribution to indirect costs of the project (e.g. administration, finance, IT support etc.).

Eligible costs: companies

Q: Can any market validation and entry costs be covered under DTIF?

A: No sales or marketing costs can be covered under DTIF.

Q: You mentioned that clinical trials could be included in medical disciplines, however for technical companies can certifications be included which may be required for future "experimental development" (eg ISO, EIT, CC)?

A: Certification and testing costs will only be supported on industrial research work resulting directly from the project. Experimental Development costs are not supported.

Q: Should an international company wish to provide equity funding in an Ireland-based start-up in order to enable this project, can a proportion of costs incurred by the international entity then be allowable (e.g. supporting labour / know-how, assets provided to enable operations in Ireland, etc.) - such costs contracted through the Irish company? (Note this strengthens such Irish companies in attracting inward investment)

A: No. Only eligible costs for industrial research activity conducted in Ireland can be supported. It is expected that the project work will be carried out in Ireland. Any exceptions to this must be made clear

at application stage and must be justified. It is a requirement that the substantial majority of the funded activity be undertaken in Ireland.

Eligible costs: RPOs

Q: Can DTIF fund an RPO researcher who's already in an EI-funded competence centre?

A: DTIF can fund RPO researchers already in an EI-funded competence centre. It is expected that staff engaged on the project would be spending at least 10%-20% of their time on the project for a sustained period, usually with a core team spending a significant proportion of their time on the project.

Q: For RPO applicants, are there specific eligibility criteria in terms of employment contract status (e.g. permanent staff member or contract researcher with contract that covers award duration?) Are Contract Research Salaries covered under the 50% contribution to the RPO - you have indicated that permanent staff cannot be covered?

A: The RPO researcher must be an employee of the RPO, either permanent or with a contract that covers the duration of the project. The salaries and wages of permanent academic staff are not eligible for grant support.

Q: Can an academic who has role in a company which is a partner in the DTIF application also act as the University principal investigator?

A: This is a matter for discussion with the RPO Research Office team.

Clinical trials

Q: Is there a specific definition for what DTIF consider a clinical trial (as opposed to simply patient-facing research, e.g., market access etc)?

A: The DTIF does not provide definitions of clinical trials. Funding towards clinical trials (up to phase 2A) is eligible provided that the results are a necessary input to develop the product/service/process as part of the industrial research project and are demonstrating market impact.

Q: Regarding Clinical Trials - Phase IIa is covered for pharma. What is the equivalent level for medical devices?

A: The DTIF will fund First-in-Human trials as part of an industrial research activity.

Q: In a Phase 2 clinical trial, recruitment is key to completion, so do all clinical trial sites have to be in Ireland?

A: Clinical trial sites do not have to be in Ireland.

Other aspects

Q: Is there a boiler plate legal agreement available to partners?

A: The DTIF Call 3 Consortium Agreement template is available at www.enterprise.gov.ie/DTIF. This Agreement is mandatory, although provision will be made for limited amendment subject to satisfactory

demonstration by enterprise partners of a commercial rationale for doing so. Successful applicants sign individual contracts (grant agreements) with Enterprise Ireland, following notification of approval. These grant agreements are not made available at application stage.

Q: Should any IP negotiations follow the national IP protocol?

A: The national IP protocol should generally be followed by consortia involving companies and research performing organisations. There is no formal protocol for consortia involving companies only, so IP negotiation is a matter for the companies themselves to agree.

Q: I am just wondering if a 'term-sheet' is required in the application?

A: No, a term-sheet is not required.

Q: Can R&D tax credit be claimed on the industry contribution?

A: This is a matter for your accountants and the relevant tax authority.

Q: How might a DTIF impact an R&D tax credit claim?

A: This is a matter for your accountants and the relevant tax authority.

Q: Is there any flexibility on the proof of three years of contracted work? Some people might be relying on this to secure that.

A: This question is not clear to us. See section on Timelines above.