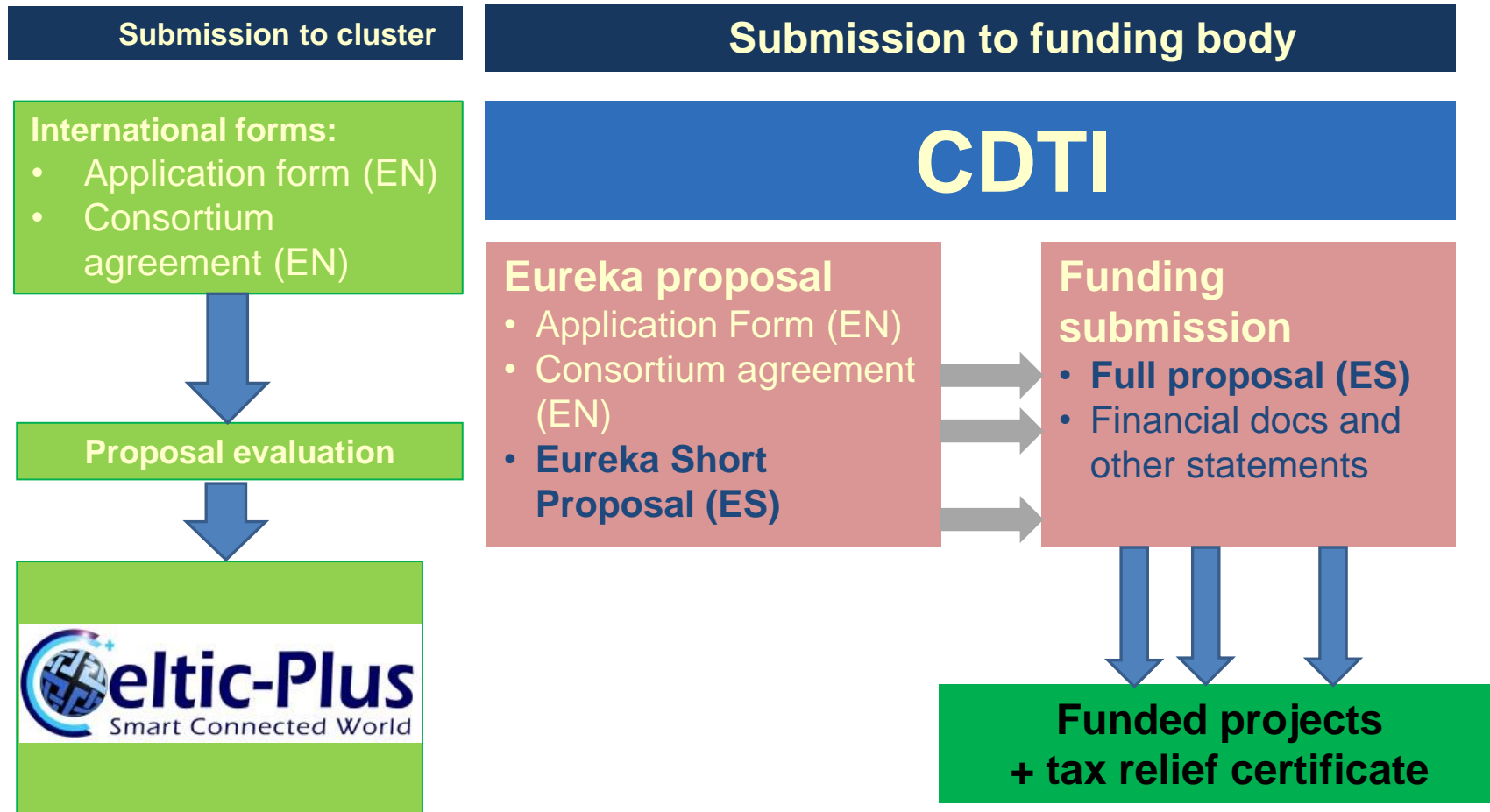


# Funding in Spain for



Madrid, March 16th, 2016

# Two-step procedure



# Submission to funding body

- **First: Eureka proposal submission**
  - The leader of the spanish consortium submits a single Eureka proposal
  - CELTIC Plus: we recommend submission of Eureka proposal **at the same time as the FPP submission**
  - CDTI: **pre-evaluation of spanish participation in Eureka project**
- **Second: Funding submission**
  - If positive assessment: ***N* single project applications are generated**, one for each spanish company in the project.
  - **Each spanish company is responsible for its own project submission.**

# Funding for R&D Projects <sup>1</sup>

- Minimum budget per company in project: **175.000€**
- Project length: **12-36 months**
- Contribution from academia, R&D centres: **subcontracted**
- Eligible costs: R&D employee costs, subcontracting (R&D activities), fixed equipment depreciation costs, materials, overhead and external audit.
- **Loans at Euribor (now: 0%) interest rate** (fixed rate set on project approval)
- Funding percentage: **75% (+10%) of eligible budget**
- Reimbursement period: **10 years**
- Interest-only period: **3 years**
- **Non-reimbursable percentage of loan: 30%** (for all Eureka projects, including Clusters)
- Advanced payment of 25% up to 200.000€, and up to 75% subject to additional guarantees

(1): As of March 16th, 2016



# Tax relief certificate issued by CDTI <sup>2</sup>

Entitles to discounts over total tax due:

<b>DEDUCTIBLE EXPENSE</b>	<b>R&amp;D</b>
Project expenses	25 %
Employees with full-time dedication to R&D	42% (+17%)
Purchase of equipment for R&D	8%
Bonus if R&D expenditure exceeds the average of the two previous fiscal years	42% (+17%)

(2): As of March 16th, 2016



# Proposal -> Project



# Exemption of financial guarantees

R&D Projects



**UP TO 75% OF GUARANTEE EXEMPTION**

GIVEN THAT:

1. SME
2. Technical Excellence
3. Eligible for ERDF (FEDER)

Limits to CDTI loan:

- 500.000 € → small
- 1.000.000 € → medium

# Some key issues

- **Spanish tasks in project:** must start after the individual project submission date (incentive effect)
- **Eligible activities in budget:**
  - Specification analysis and design
  - Project development: HW development, prototyping and software development (eg. lean SW development)
  - Test and validation (could be in real scenario)
  - Project management
- **Non-eligible activities:**
  - Feasibility study
  - Project preparation, consortium building, legal assesment, etc.
  - Travel costs (included in overhead)
  - Dissemination and exploitation WP
  - Pilots
  - Equipment purchase (only depreciation costs)



# Concerning SW projects

- Usually intensive in **qualified employee costs**
- However **freelance personnel can also be included in budget**
- **SW licenses** can be included as depreciation costs
- Cloud expenses: only for **project development**
- **In SW projects**, CDTI's funding usually reaches the testing of a **beta release**.
- **Non-eligible for funding:**
  - *Product adaptation for new markets*
  - *Development of new vertical solutions based on previously developed core technology*
  - *Development of minor SW releases*
  - *Standard technology: mobile apps, web development*
  - *Undefined contributions based on technical expertise*

# Tips for international submission

- Consider national funding rules when planning and distributing the tasks among partners. **In CDTI:**
  - *Minimum budget per partner of 175 K€*
  - *National Consortium-> subset of individual projects*
  - *Contribution of academia/research centres -> must be subcontracted*
  - *Spanish contribution must end in prototype validation*
- Avoid consortiums with many spanish companies, **unless there is firm leadership in the project.**
- Contribution of spanish partners must be **clear and specific**
- Check financial viability with partners beforehand

# Thanks for your attention!

Javier Echávarri Delmás

Departamento de Energía, Transporte, Fabricación y Sociedad Digital

Dirección de Promoción y Cooperación

Madrid, 16 de marzo de 2016

