

# FUNDING OPPORTUNITIES FOR R&D IN AUSTRIA

ABA's Virtual Open Day Reloaded

BDO Consulting - Petra Lahofer, MBA

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## TAX

In order to be successful in the market, an alongside consultant who will provide solutions for complex challenges and acts as a future oriented guide, is essential. Many years of experience and professional expertise ensure you to receive a thorough perspective on all national and international tax issues and guarantee the seamless development of your tax affairs.

## AUDIT

Generating added value and the creation of trust, distinguish our company. The focus of our work as auditors lies with personal support and reliability, as well as the highest international auditing and quality standards.

## CONSULTING

We shape businesses permanently into top form. With the help of our on multidisciplinary based know-how and our vast spectrum of tools and methods, we offer individual and innovative solutions to increase the performance of your company.

## CORPORATE FINANCE

As things go faster and faster in our world, it is more important than ever to be able to count on specialists with extensive expertise. We offer advise concerning all questions about transactions and financing. Further, we conduct due diligence investigations as well as company valuations, in order for you to be able to make well informed corporate finance decisions.

## BUSINESS SERVICES & OUTSOURCING

We are here for you. So you can continue to focus on your core competency, we support you with the execution of all your finance processes and provide reliable data for your entrepreneurial decisions.



**WELL - ROUNDED  
FIVE INDUSTRIAL  
APPLICATIONS**

# WE ENABLE COMPLETE GEAR SOLUTIONS THROUGH OUR EXTENSIVE PORTFOLIO

## CONSULTING

Innovation, transformation and security need the best minds - BDO Consulting has them.

We manage complex scopes with a wide range of innovative solutions, state-of-the-art tools and extensive know-how - from the first analysis through to the final implementation, on a national and international level.

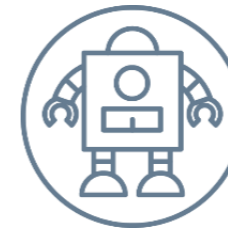
Our goal is your lasting success!

Change happens,  
Innovation leads.

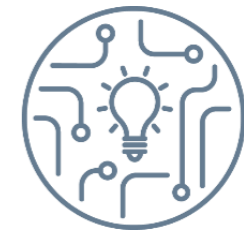
## Portfolio Overview



Management Consulting



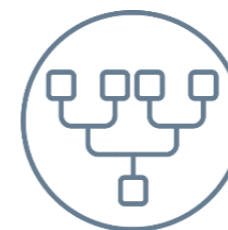
Digital



Information Technology



Risk Advisory



People &  
Organisation



Funding

# WE ACCOMPANY INNOVATIVE COMPANIES IN THE PROJECT DEVELOPMENT AND PROMOTION OF R&D PROJECTS

Extract of our consulting service portfolio

## Funding

### Funding screening & Conception

- ▶ Overview of strategic topics & investments (roadmap)
- ▶ Individual clarification of the eligibility for funding of individual projects & plans
- ▶ Screening of funding programs (regional, national, EU level) & concept development
- ▶ State-aid law

### Funding controlling & Project management

- ▶ Coordination of project teams/consortia in project management
- ▶ Ongoing monitoring of project progress & budget
- ▶ Reporting & communication with the funding agency

### Preparation of funding applications & Partner search / Consortium

- ▶ Topic sharpening & project structuring
- ▶ Integration of relevant departments & collection of project information
- ▶ Information preparation, budget preparation, project planning, document preparation and submission
- ▶ Preparation of the project consortium & coordination of partners

### Research Bonus

- ▶ Survey of all R&D projects, activities & costs
- ▶ Structuring into R&D main points
- ▶ Preparation of technical project descriptions & calculation bases

# THE LOGIC OF R&D&I FUNDING IN AUSTRIA

# MAIN DIRECT FUNDING INSTRUMENTS AND CONDITIONS

An excerpt

## Main direct funding instruments



### Grants

Traceable grant/cash grant (e.g. foundation premiums, pre-seed, FFG subsidy)



### Loans / Credits

Low-interest loans (e.g. ERP credits, FFG loans)



### Garantuees

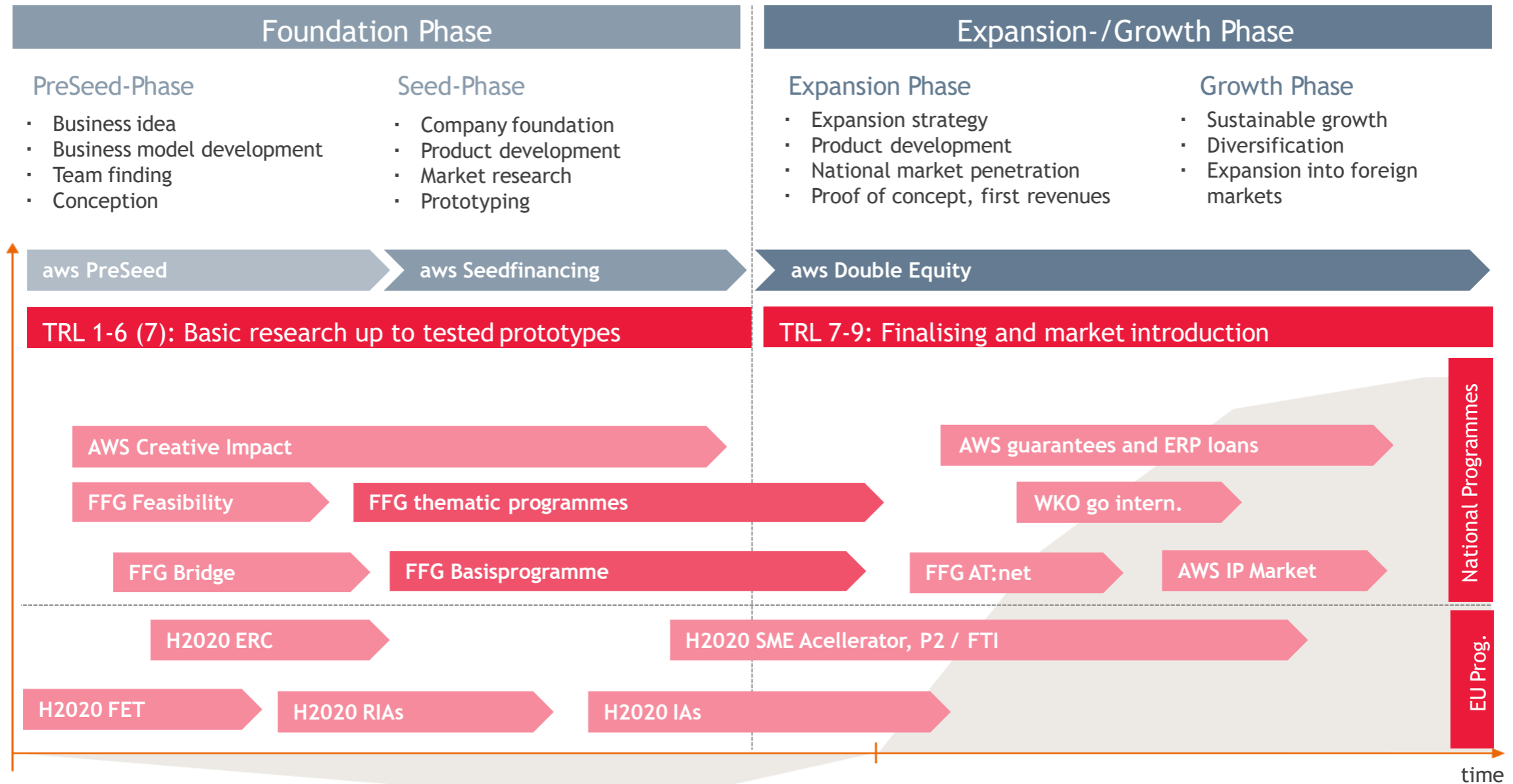
Credit protection through the adoption of liability by the funding agency (e.g. aws liability)

## Main conditions for R&D&I funding

- ▶ Company headquarters in Austria (already established or in the process of being established)
- ▶ Most of the R&D costs must be incurred at the location in Austria
- ▶ Strong focus on the development of R&D competencies (employees, know-how, infrastructure) in Austria
- ▶ R&D activities and results must:
  - exhibit technical risk and uncertainties of outcome,
  - have a high novelty content (above the state of the art) and
  - demonstrate high market and location potential (regional and national)
- ▶ Companies must be able to prove the ability to finance the non-funded part
- ▶ Beyond that one achieves plus points through:
  - Cooperation with Austrian universities and research institutions
  - high potential for patents and licenses
  - Investments in infrastructure and location

# THE PRONOUNCED FUNDING LANDSCAPE OFFERS SUPPORT IN ALL PHASES - DIRECT FUNDING FOR PROJECTS (GRANTS)

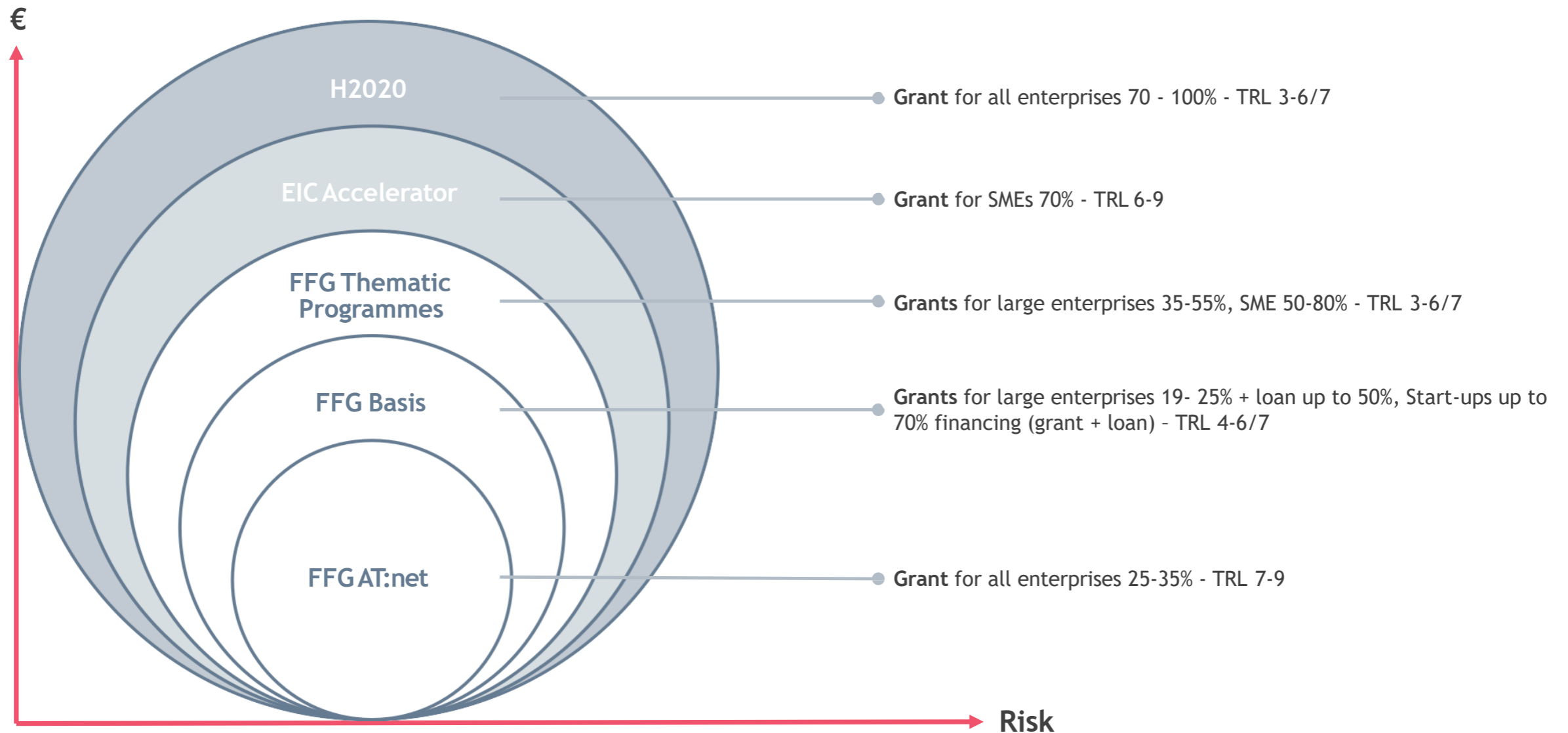
## Company and technology life cycle



# THE GREATER YOUR R&D RISK, THE HIGHER YOUR FUNDING

The bigger the company, the smaller the grant (Exception: EU H2020)

- ▶ Nationally, the closer to the market (TRL 7-9), the less subsidy is granted
- ▶ De-minimis rule applies here (partially - e.g. AT:net, WKO go international)

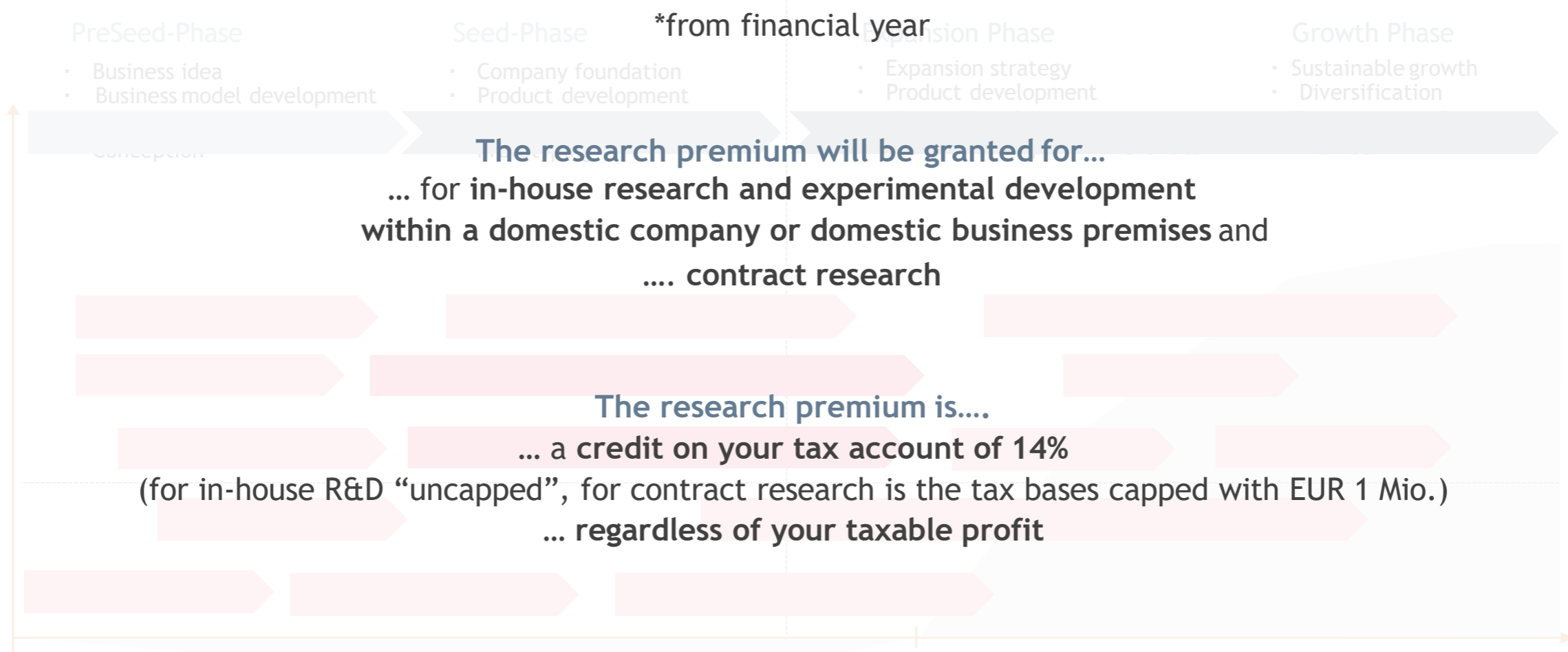




# IN ADDITION, FOR ALL R&D EXPENSES WITHIN A YEAR, LESS THE ALREADY RECEIVED GRANTS, A TAX CREDIT CAN BE GRANTED

A tax credit as indirect R&D funding instrument

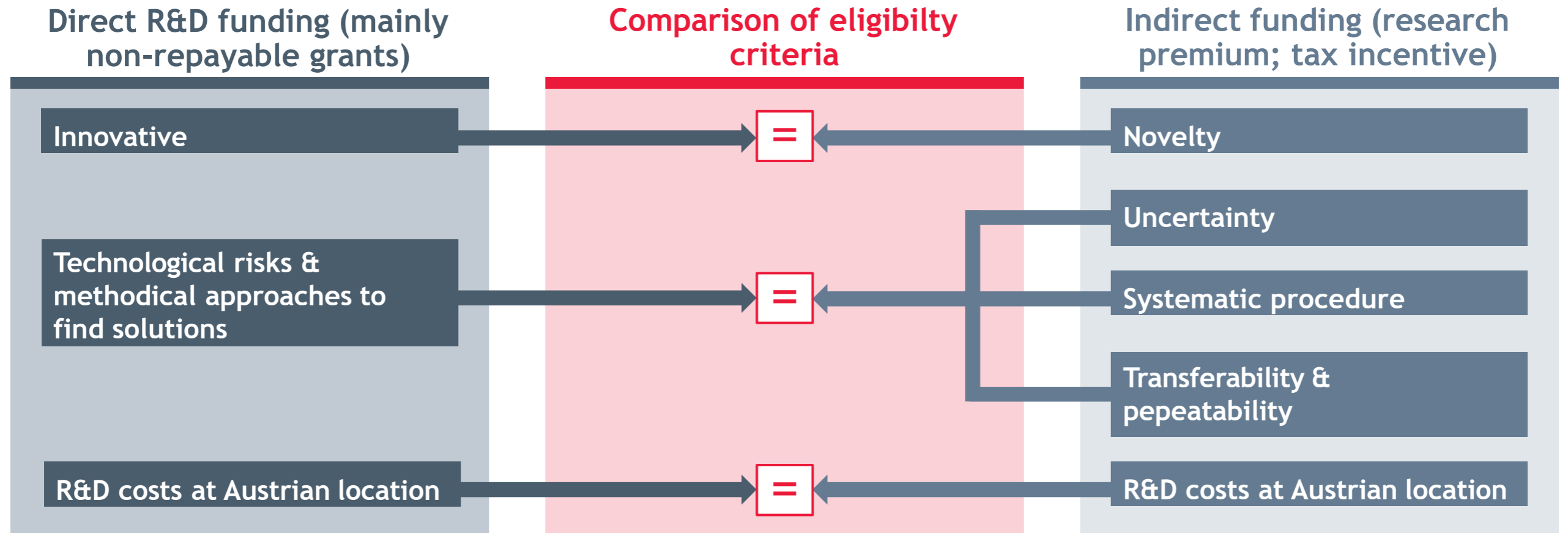
## 14%\* Research Premium (tax incentive)



Zeit

# R&D&I ACTIVITIES ELIGIBLE FOR FUNDING - CRITERIAS TO BE FULFILLED

Two forms of funding for R&D&I - direct (project grants) and indirect (tax incentive)



The criteria to be fulfilled for direct R&D funding (i.e. grants) and indirect research premium are nearly the same!

# OPTIMISED R&D FINANCING VIA DIRECT AND INDIRECT FUNDS

Scenario Start-up (SME) vs. large enterprise - Example calculation

## R&D & foundation costs

- ▶ MEUR 1.2 costs for foundation and growth
- ▶ MEUR 1 R&D costs until prototype (thereof KEUR 800 submitted for FFG Basisprogramm funding)
- ▶ Total MEUR 2.2 / thereof MEUR 1 R&D

### Scenario I - Start-up

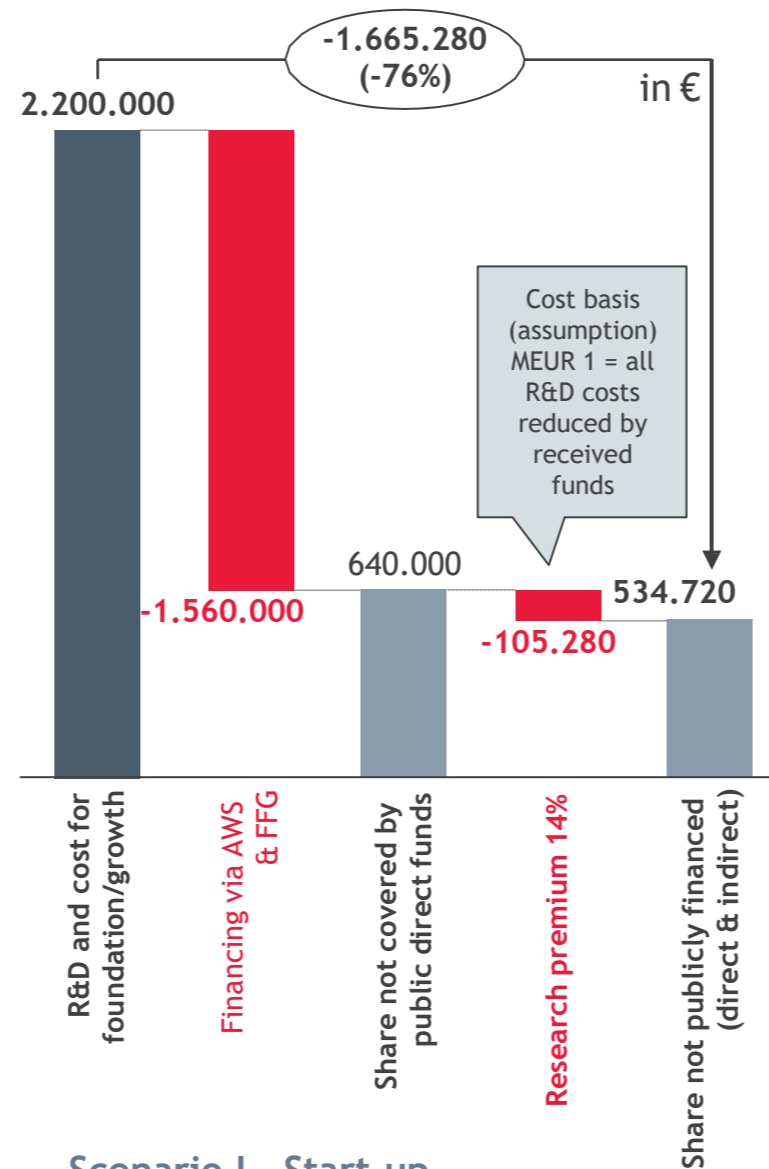
#### Potential financing

- ▶ Preseed grant (<KEUR 200)
- ▶ Seedfinancing repayable grant (<KEUR 800)
- ▶ FFG Basisprogramm (<MEUR 3; <70% financing: grant 31% + low-interest loan 39%)
- ▶ Research Premium 14%
- ▶ *Plus Double Equity Option*

### Scenario II - Large Enterprise

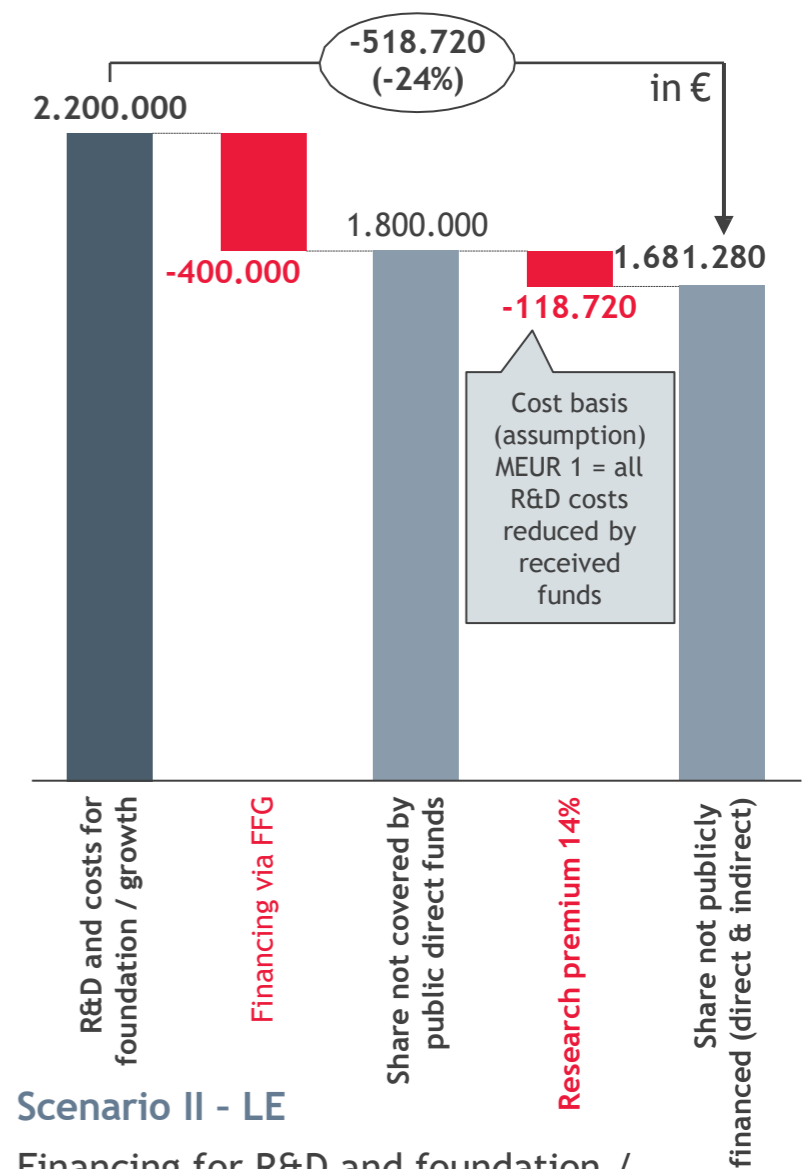
#### Potential financing

- ▶ FFG Basisprogramm (<MEUR 3; <50% financing: grant 19% + low-interest loan 31%)
- ▶ Research Premium 14%



#### Scenario I - Start-up

Financing for R&D and foundation/growth costs >70% possible.



#### Scenario II - LE

Financing for R&D and foundation / growth costs >20 % possible ⑦ potential for increase, depending on no. of suitable topics & projects to be funded.

# IN CASE YOU HAVE ANY QUESTIONS



PETRA  
LAHOFER

Senior Manager  
Head of Team Funding  
+43 1 537 37 - 736  
[petra.lahofer@bdo.at](mailto:petra.lahofer@bdo.at)