Guidelines for an application for State aid

**Investment aid for research infrastructures**

What are research infrastructures?

Research infrastructures means facilities, resources and related services that are used by the **scientific community** to conduct **research** in their respective fields. Such infrastructures may be ‘single-sited’ or ‘distributed’ (an organised network of resources).

As regards research infrastructures definition, *scientific community* relates to any structured or unstructured group or network of persons engaging in a **systematic activity to acquire knowledge**. ([General Block Exemption Regulation](http://ec.europa.eu/competition/state_aid/legislation/practical_guide_gber_en.pdf) – FAQ, March 2016).

Via state aid for research infrastructures, the Government aims at supporting the availability to national scientific community of ground breaking research equipment, which would be too expensive to be used by a single entity. Aid applicants shall demonstrate the benefit for other parties to use such equipment as part of their own research activities.

Please note that in the prospect of sharing the research infrastructures, the Ministry shall communicate the list of contemplated equipment to interested players. The Ministry reserves the right to conduct comparative studies to assess availability of similar equipment to avoid subsidising multiple times similar equipment with public funds.

Applicant undertakings shall commit to communicate on the conditions of access to the research infrastructure and shall ensure that access is granted on a non-discriminatory basis. Undertakings which have financed at least 10 % of the investment costs of the infrastructure may be granted preferential access under more favourable conditions. In order to avoid overcompensation, such access shall be proportional to the undertaking's contribution to the investment costs.

The price charged for the operation or use of the infrastructure shall correspond to a market price, or, where market price is not available, operation price shall take into account all services costs and generally includes a margin.

As regards replacements of existing equipment, state aid shall be limited to the extent of the expected extension in the field of application.

The Ministry reserves the right to sequence the payment of the aid in several instalments with regards to business plan and objectives (for instance, 25% upon proof of acquisition of research infrastructure, 25% at opening, 25% after mid-term review and 25% at termination of grant agreement).

A) Foreword

This document serves as a guidebook for undertakings compiling an application for State aid in the area of:

**Investment aid for research infrastructures**

**Legal basis :** Art. 10, of the amended Act of 17 May 2017 on the Promotion of Research, Development and Innovation.

It contains **guidelines** covering the most essential items of information that need to be included in the application form. The formal application is to be sent accordingly:

* as original version by post to:

Ministry of the Economy

Department for Research and Innovation

L-2914 Luxembourg

* by E-mail as Word or Excel file (mandatory) including part B, C and D to:

[FAE@eco.etat.lu](mailto:FAE@eco.etat.lu)

The documents addressed by E-mail and the version sent by post shall be identical. The e-version does not necessarily require a signature.

**It is imperative to submit the aid application before the start of the project** in the company.

This document outlines a structure for the descriptive part of the project that **may be adapted** according to specific requirements. The Ministry of the Economy reserves the right to request further information that it deems necessary for the full understanding of the project.

These documents can be written in English, French or German.

The guidelines to be used by the undertaking for preparing the research-development application shall be based on the version effective at the time of the application submission.

All the data collected on the basis of this application are processed by computer in strict compliance with the law of 1 August 2018 on personal data protection..

In compliance with the General Block Exemption Regulation (651/2014), the applicant undertaking is informed and accepts that the State aid and more specifically all the information referred to in Annex III of the regulation including the beneficiary, the registration number and the granted State aid amount, shall be published on a dedicated website in case the aid exceeds EUR 500,000.

|  |  |
| --- | --- |
| B) General Information[[1]](#footnote-1) | |
| B.1. Information about the applicant organisation In case of multiple applicant undertakings, every applicant shall submit a form. A summary document shall recall the roles of each co-owner of the research infrastructure and shall present the common objectives of the research infrastructure. | |
| IDENTIFICATION OF THE APPLICANT undertaking | |
| Undertaking name : |  |
| Address : |  |
| Main activity : |  |
| [NACE Code](http://ec.europa.eu/eurostat/documents/3859598/5902521/KS-RA-07-015-EN.PDF) of the company or, if different, NACE Code applicable to the project: |  |
| Business permit:  (to be attached when first applying) | No dated |
| Operating permit (classified establishments): | No dated |
| V.A.T. number: | LU |
| National identification number (11 figures) : |  |
| National registration number (letter + 5 figures) : |  |
| Bank : | IBAN LU BIC : |
| Share capital : |  |
| Website : | www. |

|  |  |  |  |
| --- | --- | --- | --- |
| IDENTIFICATION OF THE CONTACT PERSON | | | |
| Surname, First Name |  | Phone number |  |
| Position |  | Fax |  |
|  |  | E-mail |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| SHAREHOLDER(S) OF THE APPLICANT COMPANY (ULTIMATE BENEFICIAL OWNERS TO BE SPECIFIED IN AN APPENDIX, IF APPLICABLE) | | | | | | | | | |
| **Name of the company or of the physical person** | | **% of ownership** | | **Number of employees** | **Turnover** | | **Total balance sheet** | | |
|  | |  | |  |  | |  | | |
|  | |  | |  |  | |  | | |
|  | |  | |  |  | |  | | |
| **B.2. Employment-related information**  **B.2.1. Number of employees at the time of application (Full-time equivalents)** | | | | | | | | |
|  | | | **Total** | | | **Of which R&D headcount** | | |
| Permanent contracts | | |  | | |  | | |
| Fixed-term contracts | | |  | | |  | | |
| Interims | | |  | | |  | | |
| **B.2.2. Evolution of the headcount at the end of the settlement period (over the last 3 fiscal years)** | | | | | | | | |
| **DATE** | **total Headcount** | | | | | | |
| \_\_ / \_\_ / \_\_\_\_ |  | | | | | | |
| \_\_ / \_\_ / \_\_\_\_ |  | | | | | | |
| \_\_ / \_\_ / \_\_\_\_ |  | | | | | | |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **B. 3. Development of the company’s key business metrics over the last 3 fiscal years (at least)**  **B.3.1. Reference period**   |  |  | | --- | --- | | REFERENCE PERIOD – FISCAL YEARS | | | Annual closing date (DD/MM) |  |   **B.3.2. Development of investments in previous years (in EUR)** | | | | |
| **Year** | **Investments (A)** | **Decpriciation (B)** | | **Net Investments  (A-B)** |
|  |  |  | |  |
|  |  |  | |  |
|  |  |  | |  |
| **TOTAL** |  |  | |  |
| **B.3.3. Change in net profit (in EUR)** | | | | |
| **Year** | **Net profit after tax** | | **DISTRIBUTED INCOME (DIVIDENDS AND ATTENDANCE FEES)** | |
| 20\_\_ |  | |  | |
| 20\_\_ |  | |  | |
| 20\_\_ |  | |  | |

**B.4. SME analysis**

In accordance with the General Block Exemption Regulation Annex I and in accordance with the model set out in Appendix I (organisational chart) or in the Excel file SME Analysis.xlsx, the following data shall be documented for all companies (partner and linked) related to the applicant undertaking.

*Summary:*

|  |  |  |  |
| --- | --- | --- | --- |
| **Date** | **HEADCOUNT (FULL-TIME EQUIVALENTS)** | **ANNUAL TURNOVER (IN EUR)** | **TOTAL BALANCE SHEET (IN EUR)** |
|  |  |  |  |

**B.5. Balance sheet and Profit and Loss accounts**

Please complete the Excel file BS and PL.xlsx which is included in the .ZIP compressed folder.

C) Section concerning the research infrastructure project

**C.1. Description of the research infrastructure (please detail equipment constituting the research infrastructure, including those that are not submitted as part of eligible costs)**

**C.1.1. List and short description of equipment submitted for benefice from State aid**

|  |  |
| --- | --- |
| Equipment designation | Short description – Main technical features |
|  |  |
|  |  |

NB: equipment related documentation may be appended to the aid application

**C.1.2. List and short description of other current additional equipment (made available to the research infrastructure, yet not submitted for benefice from this State aid)**

|  |  |
| --- | --- |
| Equipment designation | Short description – Main technical features |
|  |  |
|  |  |

**C.2. Project location**

C.2.1. Address

C.2.2. Description of facilities – please provide a layout of the research infrastructure

**C.3. Project timeline**

C.3.1. Start date = signature of the first order (excl. preliminary studies)

C.3.2. End date = opening of the research infrastructure / beginning of operations

C.3.3. What are the main milestones to realise the project? (opening date for the infrastructure, etc.)

**C.4. Aid level**

C.4.1. Investment amount:

C.4.2. Requested aid amount:

**C.5. Undertaking’s use of infrastructure**

C.5.1. How should the research infrastructure be used? As part of which activities of the undertaking should the infrastructure be used for?

C.5.2. What capacity of the infrastructure will be available to third parties?

**C.6. Justification of the benefit for the scientific community**

In order to qualify for State aid, the benefit for the scientific community to use this research infrastructure is to be evidenced. There are two options available (Option A or Option B) for demonstration:

**Option A – Usage Road-map of the research infrastructure**

* Option A is favoured: a network of potential users shall define a road-map depicting the usage of the infrastructure – by equipment groups – as part of identified research projects. Such a road-map shall not have to match necessarily the capacity of the equipment and additional users may be identified during the operation phase. While the road-map shall be planned over a three year period minimum, it is agreed that the infrastructure manager shall keep all flexibility to adapt the road-map to meet developments naturally required for research and development activities.
  + Please attach a file for each potential user of the infrastructure indicating:
    - Name of the undertaking
    - Name and signature of the legal representative(s)
    - Envisaged use of the research infrastructure in expected user’s R&D projects
    - Expected usage rate of the research infrastructure per year, for at least the 3 coming years
    - Expected budget for the rent of the research infrastructure
  + Research programme for the 3 coming years

Research infrastructure use schedule for at least 3 years: Equipment / User / Usage rate

* + Identified competition : location, price charged, identified weaknesses
  + Particular positioning: targeted undertakings, price policies, infrastructure access conditions, infrastructure promotion plan, etc.

**Option B – Justification of the potential use of the research infrastructure**

* + Description for each envisaged piece of equipment (or groups of equipment pieces when they cannot be separated in terms of use) in terms of specificities and of potential interests for their users:
    - Envisaged use of the piece of equipment
    - Luxembourg potential users, and more generally beyond
    - Identified competition : location, price charged, identified weaknesses
    - Particular positioning: targeted undertakings, price policies, infrastructure access conditions, infrastructure promotion plan, etc.

**C.7. Impact on innovation – Potential effects on the Luxembourg economy**

* What is the potential effect of the research infrastructure on the Luxembourg economy?
* How does the research infrastructure contribute to the overall strategy of economic development?
* Will the research infrastructure trigger collaborative R&D projects? If so, please explain

**C.8. Intellectual property policies**

* Will research infrastructure users hold the full legal ownership of results obtained from the research infrastructure or may intellectual property rights be shared in some instances?

**C.9. Prices and conditions of access**

* + Research infrastructure access policies: research infrastructure access granting procedure for external users
  + Please clarify whether the infrastructure will be used solely for research purposes or whether it may be used for other purposes (such as quality control, etc.)
  + Please provide the basis of price policy – demonstration that the research services or contract research are provided at market price or reflect the full costs of the service and generally include a margin
  + In case of research infrastructure held by a research performing organisation, please document the accounting separation between economic and non-economic activities.
  + Confidentiality and data protection policies

**C.10. Operational timeline**

* Which scientific and technical employees shall be allocated to the management of the research infrastructure?
* How will the maintenance and upgrade of the research infrastructure be managed?
* Research infrastructure promotion plan (sales initiatives, website, etc.)

**C.11. Research infrastructure objectives and financial viability**

* What are the operational objectives with regards to the use of the research infrastructure: by the promoter? By external users (time allocation/ expected revenues)?
* When may the research infrastructure be breakeven?

**C.12. Projected cash-flow**

Please attach projected cash-flow tables for at list 3 years. Tables should be provided on a 3 months basis:

* Please provide a cash-flow projection for the research infrastructure (regarded as a “business unit” within the applicant entity)
* Please also provide a second cash-flow projection for the undertaking applying for the State aid (as a complete structure)

**D. Funding of the research infrastructure**

NB: A technical sheet –characteristics- of each contemplated investment shall be provided along with related quotes.

**D.1. Investments.** (Art.10, amended Act of 17 May 2017)

Investments directly related to the project

|  |  |  |  |
| --- | --- | --- | --- |
| **acquisition category**  **Designation** | **Unit Acquisition cost in EUR (excl. VAT)** | **Usage rate as a research infrastructure** | Total (in eur) |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **TOTAL INVESTMENTS** | |  |

**D.2. Financing plan**

|  |  |  |  |
| --- | --- | --- | --- |
| **Uses (detailed above)** | | **Sources** | |
| **Type** | **Amounts (in EUR)** | **Type** | **Amounts (in EUR)** |
|  |  | Equity |  |
|  |  | Capital increase |  |
|  |  | State aid |  |
|  |  | Bank loan (please provide agreement in appendix) |  |
|  |  |  |  |
|  |  |  |  |
| **TOTAL** |  | **TOTAL** |  |

**D.3. Declaration of other State aids received for the costs included in the research infrastructure**

* Granting authority :
* Description of the received State aid:

# E. Attachments

* Copy of the business permit and the operating permit (when first applying or in case of updates)
* Mandate of the person signing the aid application and the declaration of honour, if different than the RCSL certificate
* Cash-flow forecasts for the project duration (on a monthly or 3 months basis)
* Documents describing equipment constituting the research infrastructure
* Declarative statement for potential users of the infrastructure (if option A of section C.6 has been selected)
* Balance sheet and income statement for the past 3 accounting years if the undertaking is a company
* Legal status of the undertaking
* Organisational chart of the group’s structure (if applicable), as detailed in Appendix I, specifying existing links, the percentage of participating interests and the company name, address, distribution of the share capital, workforce, turnover and total balance sheet (data for the last accounting year ended) for each undertaking.
* Excel file *SME Analysis.xlsx* or, as an alternative option, the SME self-assessment wizard <http://ec.europa.eu/growth/tools-databases/SME-Wizard/smeq.do;SME_SESSION_ID=siOT9FYJi352LK2NIZtjODOnMKCKX0Sa4DDQp8GjtubX5R9ctd96!103665658?execution=e1s1> .
* Completed spreadsheets:
  + Balance Sheet and Profit and Loss account for the last 3 fiscal years, file *BS and PL.xlsx,* to complete for :
    - The applicant company
    - The group, if applicable

-the consolidated Financial Statement at the highest available consolidation level

or

-the annual accounts of the companies belonging to the Single Economic Unit (SEU)

* If the company exists for less than 3 years, a detailed business plan shall be submitted
* Bank account statement
* Other documents deemed useful

# F. Declaration of honour (statutory declaration) and commitment

I - We[[2]](#footnote-2) the undersigned (Surnames(s) – First name(s) and position[[3]](#footnote-3))………………………………………………………………………………………

……………………………………………………………………………………………………………………….……………………………………………………………………….

certify that the undertaking……………………………….…………...……………………………………………………………..……….………………….

is informed of, and commits to comply with the following provisions[[4]](#footnote-4) :

1. □ no binding commitment with regards to the acquisition of the research infrastructure has been taken before the submission of the application for aid to the Ministry of the Economy ;
2. □ the undertaking has or shall, before the project starts, put in place a system for monitoring the costs pertaining to the research infrastructure enabling the related costs to be justified and audited. This system shall in particular enable a detailed monitoring of the use of the infrastructure by user and by final beneficiary, specifying the aim of operations in order to define reliably whether the infrastructure is being used for research purposes, and the price policies applied for each use of a third party, in order to determine reliably usage rate and infrastructure capacity for third parties ;
3. □ the applicant undertaking and the single economic entity it belongs to, is not subject to an outstanding recovery order following previous European Commission decision;
4. □ the project is neither being carried out in whole, nor in part, on behalf of a third party;
5. □ access to the research infrastructure is open to any undertaking, as per the conditions presented in this application;
6. □ in case of preferential access, conditions will be made publicly available;
7. □ the undertaking has received no other State aid measures for the costs included in the research infrastructure besides those indicated in section D.3. “Declaration of other State aids received for the costs included in the research infrastructure”. Moreover, the undertaking agrees not to further apply for financial support towards the costs born for the research infrastructure from any other national or European authority without previous notice to the Ministry of Economy, whom shall verify whether this additional aid is compliant with rules regulating State aids;
8. □ the undertaking is not an undertaking in difficulty according to art. 2 paragraph 18 of the General Block Exemption Regulation (No. 651/2014) and has not initiated insolvency proceedings;
9. □ the undertaking commits itself to inform the Ministry of the Economy forthwith of any substantial changes to the use of the research infrastructure (termination, suspension or reduction of access to third parties, etc.) or pertaining to its situation (in case of insolvency, etc.);
10. □ in cases of mismanagement, non-conformity with generally accepted rules or violations of one or more of its commitments in accordance with chapter VIII of the amended Act of 17 May 2017 on the promotion of research, development and innovation, the undertaking will reimburse the capital grants paid out as well as the applicable statutory interests.
11. □ the company accepts that the aid measure which is the subject of this convention will be published on a website dedicated to transparency, provided that it is higher than €500,000.
12. the company is informed and accepts that certain pieces of information may be exchanged between the Ministry of Economy and Luxinnovation for the good progress of the project application

In addition, under the provision of Annex I of the General Block Exemption Regulation No. 651/2014, the company declares to be a4:

□ small enterprise □ medium-sized enterprise □ large enterprise

(NB: research performing organisations are regarded as large enterprises)

The accuracy of the information provided is certified.

|  |  |  |  |
| --- | --- | --- | --- |
| Location |  | Date |  |
| Signature(s) and undertaking stamp : |  | | |

**G. Specimen aid application letter**

Letter to be sent to:

Ministry of the Economy

Department for Research and Innovation

L- 2914 LUXEMBOURG

Re.: State aid application under Art. 10 of the amended Act of 17 May 2017 on the Promotion of Research, Development and Innovation.

Dear Minister,

The undertaking … is promoting a research infrastructure project entitled «  … », aiming at … (please detail objective).

We hereby request a subsidy from the Ministry of the Economy amounting to €xx for an investment in a research infrastructure with an eligible expenditure assessment basis of €xx, i.e. xx% aid rate.

The project is scheduled to start on xx/xx/xxxx, to end on xx/xx/xxxx and to take place in the municipality of ……..

The aid application is appended hereto.

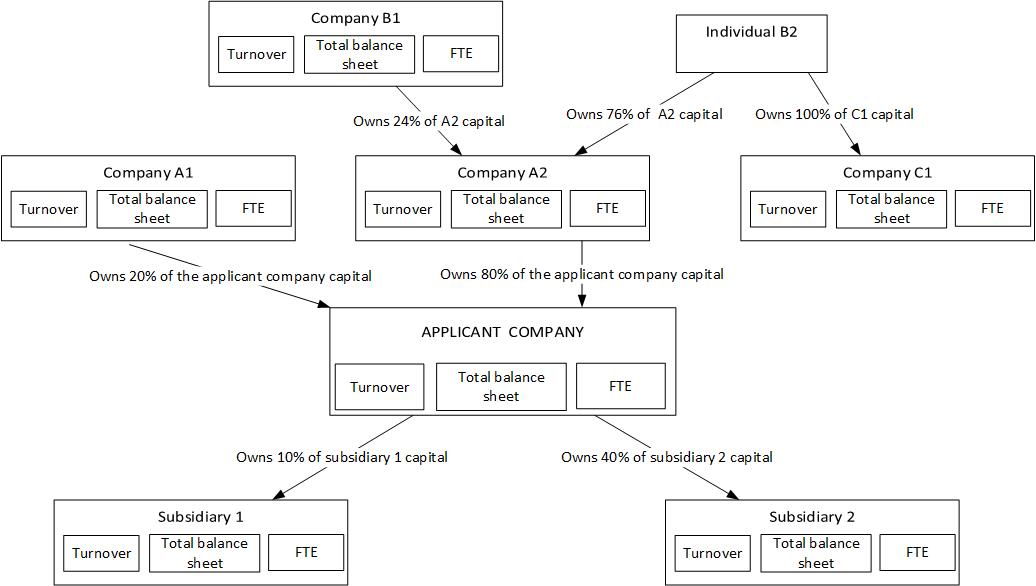
Date, place

Signature (surname-first name, position)

Stamp.

Appendix I organisational chart

As for example



In this case: computation and explanation:

|  |  |  |
| --- | --- | --- |
| Companies | % of voting rights to be considered regarding turnover, total balance sheet and number of EFT: | Grounds |
| Applicant company | 100% | applicant company |
| Company A1 | 0% | participation < 25 % in applicant company |
| Company A2 | 100% | participation > 50 % in applicant company |
| Company B1 | 0% | participation < 25 % in applicant company |
| Individual B2 | 100% | participation > 50 % in applicant company |
| Company C1 | 100% | because participation of B2 >50% in company C1 |
| Subsidiary 1 | 0% | participation of applicant company < 25 % |
| Subsidiary 2 | 40% | 25 % < participation of applicant company < 50 % |

1. Research performing organisations may not fill in irrelevant parts. [↑](#footnote-ref-1)
2. Delete as appropriate [↑](#footnote-ref-2)
3. Person(s) authorised to commit the company [↑](#footnote-ref-3)
4. Mark the appropriate boxes [↑](#footnote-ref-4)