

**PROCEDURE**

**BG16RFPR001-1.001 "Development of innovations in enterprises"**

**Programme "Competitiveness and innovation in enterprises" 2021-2027**

**MINISTRY OF INNOVATION AND GROWTH**

**PROCEDURE OBJECTIVE:**

Providing focused support to Bulgarian enterprises to increase their innovation activity by developing innovations in the thematic areas of Innovation Strategy for Smart Specialization (IS3) 2021-2027.

**TOTAL BUDGET FOR THE PROCEDURE:**

**127 000 000 BGN**

**AMOUNT AND INTENSITY OF GRANT FUNDING:**

<u>Minimum</u> amount of the applied grant	<u>Maximum</u> amount of the applied grant, depending on the enterprise category
<b>50 000 BGN</b>	<p><b>Micro enterprises: 250 000 BGN</b> <i>(but not more than 100% of the average annual net sales revenue for 2020, 2021 and 2022)</i></p>
	<p><b>Small enterprises: 400 000 BGN</b> <i>(but not more than 60% of the average annual net sales revenue for 2020, 2021 and 2022)</i></p>
	<p><b>Medium-sized and Small Mid-Caps enterprises: 500 000 BGN</b> <i>(but not more than 25% of the average annual net sales revenue for 2020, 2021 and 2022)</i></p>
	<p><b>Large enterprises: 500 000 BGN</b> <i>(but not more than 10% of the average annual net sales revenue for 2020, 2021 and 2022)</i></p>

1. Maximum intensity of grant funding for **Element A "Development of the innovation"** under the regime "Aids for research and development projects" and with two permissible options for the development of the innovation - experimental development and industrial scientific research:

Type of research	Micro and small enterprises	Medium-sized enterprises	Small Mid-Caps and large enterprises
Experimental development	60%	50%	40%
Industrial scientific research			

The above-mentioned maximum aid intensity is in case the project is implemented under one of the following conditions:

- involves effective cooperation between two enterprises, at least one of which is an SME, and neither enterprise bears more than 70% of the eligible costs under Element A, or
- project results are widely disseminated through conferences, publications, open access registries, free or open source software or
- provided, that the project is implemented outside the South-West region.

2. Maximum intensity of grant funding for Element B “Protection of the developed innovation” under the “de minimis” regime:

Enterprise category:	Maximum intensity of grant aid:
Micro, small, medium-sized, small mid-caps and large enterprises	60%

**ELIGIBLE APPLICANTS:**

1. **Merchants according to the Commerce Act or Cooperatives act** or an equivalent person within the meaning of the legislation of a member state of the European Economic Area.
2. **To be registered not later than 31.12.2020.**
3. **To be micro, small, medium-sized, small mid-caps or large enterprises, as:**
  - **Large enterprises can apply under the procedure only in effective cooperation with SMEs;**
  - **Only micro, small and medium-sized enterprises can implement projects in the thematic area “Clean technologies, circular and low-carbon economy”.**
4. **To have realized net sales revenue for 2022 as follows:**

Enterprise category	Net sales revenue for the 2022:
Micro enterprise	≥ 80 000 BGN
Small enterprise	≥ 200 000 BGN

<b>Medium-sized and Small Mid-Caps enterprises</b>	≥ 800 000 BGN
<b>Large enterprise</b>	≥ 3 000 000 BGN

5. It is permissible for the projects to be implemented in partnership, and the partnership **is mandatory only if** the applicant enterprise is a large enterprise.

**ELIGIBLE PROJECTS:**

- 1. Implementation of the project should lead to the development of an innovation falling into ONE of the thematic areas and sub-areas of IS3 2021-2027\*:**

1. Thematic area "Informatics and ICT";
2. Thematic area "Mechatronics and microelectronics";
3. Thematic area "Industry for healthy living, bioeconomy and biotechnology";
4. Thematic area "New technologies in the creative and recreational industries";
5. Thematic area "Clean technologies, circular and low-carbon economy".

**\*Thematic areas and their priority sub-areas are listed in an appendix to this presentation!**

- 2. The project must be aimed at developing a product innovation or an innovation in business processes, aimed at the production of goods and provision of services.**

- 3. Eligible for support under the "Aids for research and development projects" regime are the supported parts of project proposals that fall entirely within one of the following categories of research:**

- **experimental development or**
- **industrial scientific research**

**ELIGIBLE ACTIVITIES:**

- I. Element A "Development of the innovation" - mandatory:**

1. Carrying out research, testing, measurement and validation necessary for the development of a product (good or service) or production innovation (innovation in business processes aimed at producing goods and providing services).
2. Creation and testing of prototypes and pilot lines related to the development of a product (good or service) or production innovation.
  - In connection with the implementation of the eligible activities under Element A (item 1 and item 2, above), the applicants/partners may hire **on an employment contract for a minimum of 4 working hours per day**

**researchers, technical staff and other qualified staff**, who will be directly involved in the innovation development activities.

## II. Element B “Protection of the developed innovation” – optional

### ELIGIBLE COSTS:

#### I. Element A “Development of the innovation”:

- 1. Costs for remuneration (including health and insurance contributions at the expense of the employer) of employees for the duration of the project - researchers, technical personnel and other qualified personnel directly involved in the activities for the development of the innovation.**
  - The costs under item 1 (Element A) are permissible for both the applicant and the partner, in the form of a single cost for hourly remuneration in the amount of BGN 31 per hour.
  - Remuneration costs are eligible for researchers, technical and other qualified staff employed solely for the purpose of the project on a contract of employment for a minimum of 4 working hours per day.
- 2. Depreciation costs of own equipment and tools, entered in the applicant's/partner's assets and representing fixed tangible assets (FTA), necessary for the development of the innovation, to the extent that they are used, and for the period during which they are used for the purposes of the project.**
- 3. Depreciation costs of buildings and premises entered in the assets of the applicant/partner, necessary for the development of the innovation, in the part in which they are used (sq. m.) and for the period during which they are used for the purposes of the project.**
- 4. Costs for external services necessary for the development of the innovation, which include:**
  - Costs for commissioning scientific research;
  - costs for knowledge and patents, licensed from external sources on the principle of transaction between unrelated persons, necessary for the development of the innovation;
  - costs for consulting and equivalent services used exclusively for the development of the innovation.
- 5. Costs of materials and consumables necessary for the development of the innovation.**

## II. Element B “Protection of the developed innovation” (only eligible for applicants):

**1. Costs for the protection of industrial property at the national and international level and the use of the necessary expert assistance - up to BGN 20,000 in total, including:**

- expenses for fees for applying and registering a patent and/or utility model and/or industrial design of the developed innovation;
- costs for services for carrying out research (on "prior art", "novelty", "inventive step" and "technical applicability"), preparation of an application for a patent and/or utility model, and/or design of national, European and/or international level of the developed innovation;
- costs for consulting and legal services related to the granting of licenses and receiving income from the rights to the innovation developed under the project.

**DEADLINE FOR IMPLEMENTATION OF THE PROJECTS:**

**18 (eighteen) months**, counted from the date of entry into force of the administrative contract for the provision of grant aid.

**DEADLINE FOR PROJECT SUBMISSION:**

**15.05.2024**