



FFG

Promoting Innovation.

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**GUIDELINES
FOR INDIVIDUAL PROJECTS OF
INDUSTRIAL RESEARCH**

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Changes from version 3.2

- Section [5.1](#) Simplified process for conclusion of funding contract
- Various linguistic clarifications to improve readability and understanding

1 PREFACE

The FFG is your partner for research and development. These Guidelines are designed to support you in submitting individual projects of industrial research. They explain:

- how to obtain funding,
- what conditions must be met,
- how the application process works.

The goals and priorities, the budget and the submission deadlines that are relevant to your project are described in the corresponding call guidelines.

2 THE BASIS OF FUNDING

2.1 What are individual projects of industrial research?

An individual project of industrial research is an innovative research project which is conducted by an institution in the category of **industrial research**. The organisation carries out major parts of the project and also bears the full thematic and economic project risk. One funding criterion for individual projects of industrial research is the aspect of additionality (see also section 2.6), i.e. the effect of funding. This criterion examines to what extent the funding is required to carry out the project or enables an expansion of the project scope.

Industrial research

Industrial research has the following characteristics:

- The focus is on planned research or critical investigation to acquire new knowledge and abilities.
- Industrial research takes place mainly in the laboratory or at laboratory scale.
- The development risk is higher than for experimental development.
- It is technologically less sophisticated, i.e. it has a lower technology readiness level.
- The time horizon for market introduction is longer.

For details on this research category see the [Annex](#).

These **criteria** must be met:

- Max. duration 3 years
- Funding amounts between approx. EUR 100,000 and max. EUR 1 million
- One funding applicant must have an establishment in Austria

2.2 Who is eligible for funding?

Legal entities, partnerships and sole traders that are not part of the Austrian federal administration are eligible to receive funding.

The following are eligible for funding:

- Companies of any legal form
- Research and knowledge dissemination organisations (see [GBER 2014](#), L 187/24)
 - Non-university research institutions, technology transfer institutions, innovation intermediaries
 - Other research-oriented organisations, e.g. associations with a relevant purpose
- Other non-commercial institutions
 - Autonomous administrative bodies
 - Non-profit organisations such as NPOs¹

The following are not eligible for funding:

- Universities and universities of applied sciences
- Local authorities

The following may participate but may not receive funding:

- Subcontractors: They are not partners within the project. They provide defined services for funding applicants which are listed under the cost category “third-party costs” and are not entitled to exploit the project results. Universities/Universities of applied sciences and local authorities may be involved via subcontracts and must then be listed under “third-party costs”. (Please note: Activities of local authorities falling within their statutory mandate are not eligible for funding.)
- Other participants: Persons or institutions that do not receive funding, but are mentioned in the funding contract, including the scope of their participation. Their rights and duties are also stipulated by contract.

Their participation needs to be justified in the application. Potential “other participants” may also include persons or institutions of the Austrian federal administration.

Not eligible to participate:

Organisations which have substantially contributed to the evaluation of the programme or the programme design for the relevant call within the last three years on behalf of the FFG or the funding provider are not allowed to participate in the call in any way for reasons of incompatibility.

¹“Non-profit organisations” do not distribute profits to their owners, members or other natural persons or legal entities in accordance with their legal status or articles of association.

If this refers to different units of an organisation, a participation in this specific call has to be coordinated with the FFG programme management. The organisation must demonstrate that there is no conflict of interest.

The FFG reserves the right to exclude applicants due to incompatibilities

2.3 How much funding is granted?

Funding is paid in the form of non-repayable grants and is limited to a **maximum of EUR 1 million** per project.

The funding rate varies depending on the type of organisation:

- The funding rate for enterprises is based on the company size
- The funding rate for research organisations and other institutions is 70%, provided that the contribution involves a non-economic activity. If the contribution of a research organisation or other institution involves an economic activity the funding rates are the same as those for enterprises.
- If the project receives additional funding from other funding institutions this must be stated in the application. In the event of multiple funding (i.e. funding from different funding authorities) the cumulative funding must not exceed the state aid limit under European law ([see GBER: Regulation \(EU\) No. 651/2014, OJ L 187/48](#)).

Funding rates

Table 1: Funding rates

Type of organisation	Research category Industrial research
Small enterprise	70 %
Medium-sized enterprise	60 %
Large enterprise	45 %
Research organisation (non-economic activities)	70 %
Non-commercial institution (non-economic activities)	70 %

Non-economic activities of research organisations include:

- primary activities such as education
- research and development, independent or as part of an effective collaboration
- knowledge dissemination and transfer ([see Framework for State aid for research and development and innovation](#))

Non-economic activities of non-commercial institutions include contributions to R&D projects related to the development of products, services and systems, where they act, e.g., as public clients.

The company size is to be determined according to the SME definition as specified by EU competition law: see information on [SME definition](#).

2.4 What costs are eligible?

Eligible costs must be allocable directly to the project. This means that:

- they are incurred additionally to the normal operating costs during the funding period
- they are in accordance with the funding contract
- they can be evidenced by receipts

The earliest possible date for the start of the project is after submission of the application for funding.

For details on the eligibility of costs see the [Cost Guideline](#).

Special provisions for individual projects of industrial research:

Third-party costs are limited to 20% of the total costs per partner. Any excess must be justified in the Project Description. This limit does not apply to services provided by affiliated companies which are shown as third-party costs.

2.5 What about intellectual property rights?

The research results obtained with the support of FFG funding must be put to the best use to provide maximum benefit to the Austrian economy. The intellectual property rights for the project results are held by the funding recipient.

The funding recipient shall notify the FFG of any patent application for the research results obtained with the support of funding or disclosure of the research results to third parties via licence or know-how agreements.

Please note in this context that expenditure for the protection of intellectual property (IPR) is eligible for funding. This includes costs for patent applications and patent searches. Patent maintenance costs are not eligible for funding.

2.6 What criteria are used to assess applications for funding?

Applications for funding are evaluated according to 4 criteria:

- 1 Quality of the project
- 2 Suitability of the funding applicants / project partners
- 3 Benefit and exploitation
- 4 Relevance to the call

The table shows the relevant sub-criteria. The projects are evaluated by awarding points in each criterion. Projects not reaching the stated threshold value for a certain criterion will be rejected. Projects which receive zero points in any of the sub-criteria of criterion 4, “Relevance to the call”, will also be rejected.

The project’s allocation to the category of ‘industrial research’ will be checked during the evaluation procedure. If the check reveals that the project does **not** qualify as industrial research, the funding application will be rejected.

Evaluation criteria

Table 2: Evaluation criteria – Quality of the project

1. Quality of the project (threshold = 18 points)	max. points 30
1.1 How well are the state of the art (level of knowledge/technology) and/or the commercially available products and services described and how plausible is the assessment?	6
1.2 What is the level of innovation beyond the state of the art and/or existing products and services and how high is the associated risk?	13.5
1.3 What is the quality of planning based on the following criteria? <ul style="list-style-type: none"> – Transparent structure of work packages – Transparent presentation of costs – Transparent description of work packages according to the scope of work – Adequate relationship between costs and work plan – Adequate scope of project management – Provisions for risk management – Realistic implementation of plan (duration, deadlines, milestones, results) 	6
1.4 If the project relates to people: To what extent have gender-specific topics been taken into account in project planning? <ul style="list-style-type: none"> – Quality of the analysis for gender-specific topics – Integration in the methodical approach of the project <p>Please note: If (groups of) persons are the subject of the project or if people will be affected by the research results, this must be reflected in the research design. Projects in which content and focus have no gender relevance according to this analysis will score full points in this subcategory.</p>	4.5

Table 3: Evaluation criteria – Suitability of funding applicants / project partners

2. Suitability of funding applicants / project partners (threshold = 12 points)	max. points 20
2.1 Does the funding applicant have the scientific, technical, economic and management skills required to achieve the project goals?	8.5
2.2 To what extent does the funding applicant have the required qualifications and resources to ensure successful implementation of the project?	8
2.3 Does the composition of the project team reflect the aim to improve the gender balance in the sector?	3.5

Table 4: Evaluation criteria – Benefit and exploitation

3. Benefit and exploitation (threshold = 18 points)	max. points 30
3.1 What is the benefit for those applying the project results and the exploitation potential? Different dimensions are relevant depending on the research category: <ul style="list-style-type: none"> – Knowledge increase in the relevant scientific-technical target group – Communication of benefits to the relevant target group has been documented in a transparent manner – Benefits, advantages or USPs have been described quantitatively and qualitatively and are plausible 	11
3.2 What is the impact or strategic significance of the project results for the funding applicant? For example, <ul style="list-style-type: none"> – increasing R&D capacities on a long-term basis – securing or extending their R&D position – expanding existing R&D activities to include new fields of application – development of R&D platforms – opening up new business fields etc. 	9

3. Benefit and exploitation (threshold = 18 points)	max. points 30
<p>3.3 How complete and transparent is the exploitation strategy based on the following criteria?</p> <ul style="list-style-type: none"> – Quality of exploitation and dissemination strategy for the scientific results – Quality of exploitation strategy for the economically relevant results – If persons are affected by the exploitation of the project results: Consideration of gender-specific issues in exploiting the economic potential – Adequate protection strategy or strategy for ensuring a competitive edge – Exploitation skills – either in house or via existing contacts and collaborations in relation to <ul style="list-style-type: none"> – dissemination and exploitation of project results 	10

Table 5: Evaluation criteria – Relevance to the call

4. Relevance to the call (threshold = 12 points)	max. points 20
4.1 To what extent does the project address the call topics?	8
4.2 To what extent does the project contribute to achieving the goals of the call?	8
<p>4.3 To what extent does the funding influence the project positively in one or more of the following dimensions?</p> <ul style="list-style-type: none"> – Implementation: the funding enables the project to be implemented in the first place – Acceleration: the funding accelerates implementation – Scope: the funding increases the scope of the project – Range: the funding makes the project more ambitious through: <ul style="list-style-type: none"> – a more radical innovation approach – higher risk – new or extended collaborations – long-term strategic orientation 	4

2.7 What documents are required for submission?

Project applications may only be submitted electronically via [eCall](#)

- Online cost plan (eCall)
- Project description (descriptive part of the application, PDF)

Attachments to the electronic application:

- Annual accounts (balance sheet, profit and loss account) from the past 2 financial years
- [Declaration of SME status](#) for associations and sole traders

If any additional documents or attachments are required, this will be specified in the project description template (application form).

The call announcement also specifies the language in which applications are to be submitted, which is usually German and/or English.

2.8 Is it necessary to mention other projects?

Applicants are required to list additional projects related to the proposed project in order to facilitate the evaluation. The results and expertise obtained must be presented. Relevant projects include:

- previous projects whose results provide the basis for the proposed project,
- ongoing or completed projects (of the previous 3 years) that are thematically related to the proposed project.

Multiple recognition of costs that have already been funded is not permitted. The proposed project must be clearly distinguished from projects that have already received funding.

2.9 Is research integrity ensured?

Funding may only be granted to applicants who demonstrate scientific integrity during application and project execution.

The FFG is a member of the [Austrian Agency for Research Integrity \(OeAWI\)](#), and is thus committed to safeguarding good scientific practice.

If a lack of scientific integrity or misconduct is suspected in the course of the evaluation process or project reviews, the relevant documents may be forwarded to the OeAWI Commission for Scientific Integrity, which will then decide whether to initiate an independent investigation procedure and, if necessary, will undertake the necessary investigations.

If the investigation reveals a lack of scientific integrity or misconduct (e.g. plagiarism), the application must be rejected for formal reasons. If funding has already been granted, the funding must be reduced, retained or reclaimed.

3 SUBMISSION PROCEDURE

3.1 What is the procedure for submission?

Applications must be electronically submitted via [eCall](#) before the deadline:

How does it work?

- Download and complete the project description template via eCall
- Enter cost calculation online – the system verifies compliance with the funding requirements (e.g. funding amount, max. project size)
- Upload the required documents
- Finalise application in eCall and click “Submit application” (“*Einreichung abschicken*”)
- Upon successful submission, an acknowledgement will be sent automatically by email
- Not necessary: additional postal submission of duly executed copy

Not possible:

- Resubmission or modification of individual parts of the application form
- Revision after submission

The application documents are to be submitted by the funding applicant or by duly authorised representatives. The FFG may request evidence that the submitting person is authorised to represent the applicant. If you are unable to provide such evidence the FFG reserves the right to reject the application for formal reasons.

The eCall Tutorial can be found at: <https://ecall.ffg.at/tutorial>.

3.2 How will confidential project data be used?

The FFG processes the personal data of funding applicants and funding recipients provided by the data subjects as part of the application for funding, data collected by the FFG for the purpose of concluding the funding contract, and data generated by searches in the transparency portal according to Sec. 32 (5) of the Transparency Database Act (TDBG 2012) for the following purposes:

- Processing of the funding application and assessment of whether the general and specific funding requirements have been met;
- Conclusion of the funding contract and (if a funding contract has been concluded) compliance with the relevant contractual obligations, including but not limited to administration of the funding payments and monitoring of compliance with funding requirements;

- Compliance with statutory obligations, including but not limited to reporting obligations and control purposes in order to avoid double funding (i.e. Sec. 38 in conjunction with 18, 27, 28 ARR, as well as Sec. 12 FTFG and Sec. 9 FFG-G).

The legal basis of processing is therefore Art. 6 (1) (b) GDPR, i.e. performance of a contract, and Art 6 (1) (c) GDPR, i.e. compliance with legal obligations.

The personal data will be disclosed to the following institutions in compliance with legal obligations:

- the FFG's owner ministries, other contracting authorities for the management of funding measures (e.g. other federal ministries, regional governments, KLIEN)
- third parties, which may include the Court of Audit, EU bodies, and other federal or regional funding agencies.

National and international experts will be given access to the submitted documents for the purpose of project evaluation, see section [4.2](#). Such experts act as data processors in the name and on behalf of the FFG and are required to take technical and organisational measures to ensure data security and data confidentiality.

Project content and results may only be published (e.g. on the website or in social media forums) with the consent of the funding recipient (Art 6 (1) (a) GDPR) unless the FFG has a legal obligation to publish such information.

The FFG must also obtain the consent of the data subject for any other data use exceeding these provisions.

The FFG is under a legal obligation to maintain secrecy about company and project information pursuant to Sec. 9 (4) of the Austrian Research Promotion Agency Act (FFG-G, Federal Law Gazette BGBl. I No. 73/2004).

The FFG will ensure a level of security appropriate to the risk in terms of confidentiality, integrity, availability and resilience of the systems by implementing technical and organisational measures within the meaning of Art. 32 GDPR that are sufficient and appropriate for protecting the data against accidental or unlawful destruction, loss and unauthorised access.

Further information about ensuring the confidentiality and security of personal data during the course of the project is available in the eCall Tutorial.

4 EVALUATION AND DECISION

4.1 What is the formal check?

In the formal check the application is examined for formal correctness and completeness.

The FFG will communicate the result of the formal check within 4 weeks of submission via an eCall message.

- If the formal criteria are not met and the deficiencies cannot be corrected, the application for funding will not enter the subsequent steps of the procedure.
- If the deficiencies can be corrected, you may rectify these problems within a reasonable period of time.

Should it transpire after the formal check that incorrect information has been given, the funding application may also be removed from consideration at a subsequent point in the procedure.

The **checklist for the formal check** can be found in the Project Description template.

4.2 How is the evaluation procedure organised?

The documents submitted will be reviewed by national and international experts based on the criteria given in section 2.6.

An evaluation committee will make a funding recommendation taking into account the written reviews.

It is possible to exclude reviewers (individuals or staff of particular organisations) stating the reasons. eCall includes an entry field for this purpose.

FFG experts examine the financial potential of the companies involved, including credit rating and liquidity. Undertakings in difficulty are not eligible for funding. The decision as to whether an undertaking is considered to be “in difficulty” is made based on the definition contained in the [General Block Exemption Regulation](#) (OJ L 187 p. 19), which provides the European legal basis of the present funding scheme.

Additional recommendations and requirements may be formulated in the course of the assessment. Recommendations are non-binding remarks and opinions of the evaluation committee, which are designed to support the funding applicant in the implementation of the project.

Requirements are binding, see section 5.2.

4.3 Who makes the funding decision?

The funding decision is made by the responsible Federal Ministers on the basis of the funding recommendation made by the evaluation committee.

5 THE FUNDING PROCEDURE

5.1 How is the funding contract concluded?

In the event of a positive funding decision, the FFG will send the applicant a document or view with the key parameters of the funding contract (e.g. amount of funding granted, amount of eligible costs, start and end date of the funding period, reporting obligations and possible binding requirements) via the eCall system.

If the document or view is accepted within the given deadline, the FFG will prepare the funding contract and send it to the funding applicant. The funding applicant must return the duly signed contract to make it legally valid. There shall be no entitlement to funding until the signed contract has been returned.

5.2 How are requirements taken into account?

Binding requirements may be imposed in the course of the review.

Two types of additional requirements are possible:

- Requirements that must be met prior to the conclusion of the funding contract.
- Requirements that must be met by the funding recipient during the course of the project.

These requirements shall form an integral part of the contract.

5.3 How are the funding instalments paid?

The first instalment will be paid once the requirements have been met and the funding contract has been signed. The amount will be transferred to the bank account of the funding recipient.

Subsequent instalments will be paid in accordance with the progress of the project:

- Once the interim reports and interim accounts have been approved
- Where necessary: once additional requirements have been met
- Payments will be made according to the FFG payment plan

If the interim reports indicate a delay in project progress or if the costs are below budget the instalment can be reduced.

The payment of funding during the course of the project does not imply approval of the costs.

FFG funding scheme

Table 6: FFG funding scheme

Number of reports and instalments	0 to 18 months project duration	19 to 30 months project duration	31 to 36 months project duration
Number of reports (interim reports and final report)	1	2	3
1st instalment in % of funding amount at contract conclusion	50 %	50 %	30 %
2nd instalment up to % of contractual funding amount	none	40 %	30 %
3rd instalment up to % of contractual funding amount	none	none	30 %
Final instalment up to % of contractual funding amount	50 %	10 %	10 %

5.4 What reports and accounts are required?

- An interim report and interim accounts must be submitted via the eCall reporting function within 1 month after the reporting deadlines specified in the funding contract.
- The submission of interim accounts is not necessary for projects with a duration of less than 19 months.
- A final report, a (publishable) summary and the final accounts must be presented within 3 months of project conclusion, again via the eCall reporting function. The summary need not be published in case of incompatibility with commercial exploitation, confidentiality obligations for security reasons or because of data protection regulations.
- If the project is aborted during the project term the funding recipient must submit a final report and final accounts. The FFG is entitled to reclaim money if the funding already paid exceeds the eligible costs.

The reports and accounts must meet the following requirements:

- They include a description of the activities and the cost statements of the funding recipient.
- Reports must be prepared using the eCall templates.

Support of public relations: The funding recipient agrees to work together with the FFG and the responsible ministries to support PR work, if required. This includes in particular the provision of non-confidential project information and images for electronic dissemination portals and other media purposes

5.5 How should changes to the project be communicated

Any changes to contractual points such as project content, costs, deadlines or funding period must be substantiated and submitted for approval:

- via eCall message
- in the interim or final report

All relevant documents should be uploaded as an attachment to the eCall message or sent by post. Any modifications to the contract parameters require the approval of the FFG.

Immediate notification is required for:

- substantial changes to the project,
- changes concerning the funding recipient such as new ownership structure or insolvency proceedings.

The following changes should be communicated in the interim or final report:

- cost reallocations between cost categories, e. g. material costs to personnel costs.

5.6 Can the funding period be extended?

If the project goals have not been achieved and the approved level of costs has not been exceeded, the funding period may be extended for up to one year on a cost-neutral basis.

The following requirements must be met:

- The funding recipient is not responsible for the delay;
- The project is still eligible for funding;
- An eCall application for extension has been submitted within the approved funding period.

5.7 What happens after the conclusion of the project?

Following the conclusion of the project, the FFG Project Controlling & Audit Division will examine whether the funding has been used appropriately. The audit will establish the final eligible costs.

You will receive the result of the audit in writing:

- In the event of a positive result, the appropriate use of the funding will be confirmed.

- In the event of a negative result, procedures may be initiated to secure repayment of funding.

Funding details: The final instalment will be transferred once the specified costs have been reached. If the project is underspent the level of funding will be reduced accordingly. The funding amount may also be reduced for scientific reasons, as well as on formal or legal grounds.

For more information about eligible costs, see the [Cost Guideline](#).

6 ANNEX

6.1 Research category “Industrial Research”

Industrial research includes planned research or critical investigation to acquire new knowledge and abilities with the aim to develop new products, procedures or services or significantly improve existing ones.

This may also include:

- developing parts of complex systems
- **if** required for the validation of technological fundamentals:
 - building prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems
 - building pilot lines

Industrial research does not extend beyond the proof of concept.

The following questions may help you allocate your project to the appropriate category. If the answers to most of these questions are yes the project is to be allocated to industrial research:

- Does the project exclude the direct commercial exploitation of the results?
- Does the project involve planned research or critical investigation with the aim to acquire new knowledge and abilities?
- Do the research activities mainly take place in the laboratory or at laboratory scale?
- Does the project involve a high research risk?
- Is the project characterised by a low technology readiness level and/or a low level of integration?
- Does the project have a long time horizon in terms of market readiness with respect to the relevant sector?
- Are the prototypes used exclusively for the validation of technical fundamentals and does the project exclude the building of prototypes beyond the laboratory environment?
- Does the project exclude the development of a prototype whose form, shape, scale, function, operation and manufacture are largely similar to the final product?

6.2 Technology readiness levels

Where a call refers to the TRL scheme (technology readiness levels), the following definitions apply:

Technology readiness levels

Table 7: Technology readiness levels

Research category	Technology readiness level
Oriented basic research	TRL 1 Basic principles observed
Industrial research	TRL 2 (Technology) concept formulated TRL 3 Experimental proof of (technology) concept at component level TRL 4 Technology validated in lab (on lab scale) at system level
Experimental development	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 demonstrated in operational environment TRL 8 System complete and qualified
Market introduction	TRL 9 System proven in operational environment (competitive manufacturing in the case of key enabling technologies)

Technology readiness levels are described in the publication "[Communication from the Commission: A European strategy for Key Enabling Technologies – A bridge to growth and jobs](#)", page 18.

6.3 Call milestones

Figure 1: Milestones of the call

