

R&D and Government Incentives GSRT Announcement

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Preliminary announcement released on new NSRF (ESPA) programs

Under a recent General Secretariat for Research and Technology (GSRT) announcement, the first funding programs for research, innovation and technological development that are expected to be issued under the new National Strategic Reference Framework (NSRF), and should be of interest to the business community, include the following:

- Support for industrial utilization of research findings;
- Support for young, highly-qualified scientists in the preliminary stages of transforming innovative ideas into business plans, and support for their implementation;
- Development of integrated business structures in the agri-food sector through the introduction of innovative procedures; and

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- A new Development Program for Industrial Research & Technology (PAVET).

Final announcements on the new programs are expected to be published after the finalization of the new national institutional and regulatory framework for the projects, which will be co-financed under the terms of the new programming period 2014-2020.

A summary of the main features of the new PAVET is presented below.

Development Program for Industrial Research & Technology (PAVET)

Funding organization

GSRT

Scope of the program

The program will support research projects carried out by domestic enterprises that operate in select sectors. The basic aim is to promote innovation to enhance the competitiveness of enterprises by producing high value-added products and services, and to create a competitive advantage for Greece in certain areas.

Sectors covered

Projects intended to accomplish the objectives listed by sector below would be supported by the program.

1. Agro-food

- i. Enhancement and improvement of the unique characteristics of products that are primarily produced/processed in Greece, emphasizing quality and product safety
- ii. Increase in productivity of crop and livestock production and processing
- iii. Sustainable management of primary production and processing

2. Health and life sciences

- i. Development of new, internationally competitive pharmaceutical products and medical technologies
- ii. Development of internationally competitive advanced systems, applications and services in

the health sector

- iii. Expansion of the value chain by developing upstream and downstream interconnections

3. Environment and sustainable development

- i. Development of tire waste management programs
- ii. Development of urban solid waste management programs
- iii. Development of industrial waste management programs
- iv. Development of liquid waste management programs
- v. Development of agro-livestock waste management programs
- vi. Development of soil and water treatment programs

4. Energy

- i. Development of products and services for saving energy in buildings
- ii. Development of products and services for saving energy in the industrial and agricultural sectors
- iii. Development of products and services relating to solar energy systems
- iv. Development of products and services for the storage of energy derived from alternative energy sources

Beneficiaries and conditions

Potential beneficiaries of the program include enterprises with the legal forms of a corporation (SA), limited liability company (EPE), partnership (OE, EE) or private capital company (IKE) in the private and/or the public sector, as well as agricultural cooperatives or associations/partnerships thereof of any size, which, as of the submission date of their grant proposal, already have drawn up at least one set of financial statements for a 12-month period with productive activity in the sectors within the scope of the program. The proposal for a grant may be submitted by a single enterprise or jointly by a partnership of two or more independent enterprises.

Each enterprise may submit up to two proposals, either alone or through a partnership, in every review period. If, in the course of any review cycle, only one of the two submitted proposals is approved, the enterprise has the right to submit an additional proposal in the next review cycle.

The project may be subcontracted to entities engaged in executing the Research and Technological Development (RTD) policy.

Budget limits and funding rates

The total grant budget for each project is determined depending on the number of enterprises involved in the proposal:

- One or two enterprises: EUR 400,000
- Three or more enterprises: EUR 800,000

Supported activities, expenses and support rates

The maximum support rate for enterprises is calculated pursuant to the following table:

Research category	Very small and small-sized enterprises	Medium-sized enterprises	Large-sized enterprises
<i>Industrial research</i>			
Projects involving one enterprise or cooperation between two independent enterprises	70%	60%	50%
Projects involving effective collaboration between at least three independent enterprises, if the following conditions are met on an ongoing basis: <ul style="list-style-type: none"> No single enterprise bears more than 70% of the eligible project costs; and There is collaboration with at least one small or medium-sized enterprise (SME) 	80%	75%	65%
<i>Experimental development</i>			
Projects involving one enterprise or cooperation between two independent enterprises	45%	35%	25%
Projects involving effective collaboration between at least three independent enterprises, if the following conditions are met on an ongoing basis: <ul style="list-style-type: none"> No single enterprise bears more than 70% of the eligible project costs; and There is collaboration with at least one small or medium-sized enterprise (SME) 	60%	50%	40%

The expense categories eligible to be supported by the program are the following:

- **Personnel costs**
 - Personnel costs relating to an employment relationship (existing staff and/or new hires)
 - Personnel costs relating to an independent services relationship
- **Equipment expenses**
- **Expenses regarding third parties**
 - Research expenses under contracts/subcontracts with legal entities

- Expenses related to the purchase of technology/know-how
- **Additional general expenses and other operational costs**
- **Travel and other costs**
- **Consumables and additional costs**
- **Validation and patent protection expenses in Greece or/and abroad (only for SMEs)**

Dates

The duration of each project ranges from 12 to 24 months.

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