

Ciste Nuálaíochta um Theicneolaíochtaí Bunathraitheacha Disruptive Technologies Innovation Fund

**Frequently Asked Questions (FAQ)** 

2024

Ciste Nuálaíochta um Theicneolaíochtaí Bunathraitheacha Disruptive Technologies Innovation Fund





Tionscadal Éireann Project Ireland 2040



#### **PROJECT TEAM AND ELIGIBILITY**

#### Q: Who typically leads the consortium? Start-up, SME, RPO etc

**A:** Any consortium member can lead the project. The lead partner should be chosen carefully to fulfil the requirements of the selection criterion 'Quality and Efficiency of the Consortium'.

#### Q: Is it possible and/or advisable to specify some individual team members in the application?

A: Individual team members can be identified in the application although this is not a requirement.

### Q: Do all enterprise partners still need to be clients of IDA, EU, Udarás, LEO....? What are the requirements here?

**A**: <u>All</u> partners must be clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta or eligible Research Performing Organisations at time of application. Local Enterprise Office (LEO) clients are not eligible to be involved.

#### Q: Can a public body such as a city council participate? Possibly as an enterprise partner.

**A:** Only clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta or eligible Research Performing Organisations are eligible to apply.

### Q: Can an enterprise-only consortium collaborate with RPOs during the DTIF project on funded research or consultancy basis and claim the cost?

**A:** It is assumed that the question relates to a company only consortium that is looking to subcontract to a university for a part of the project. While you have the potential within the project to subcontract various activities, such as clinical trials, core research activities should be carried out by the consortium members.

### Q: Can multinationals based in Ireland use their internal global research functions/laboratories to support their project activities?

**A:** The majority of the project research to be funded must take place in Ireland. Any exceptions to this must be made clear at application stage and must be justified.

### Q: Can international organizations officially support the application, without drawing funds? For e.g., a sports organization that would be an end user of the technology.

**A:** No. All partners listed in the application must be clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta or eligible Research Performing Organisations. All partners must also be undertaking industrial research and / or experimental development.

#### Q: Can a state-owned large company participate in a consortium?

A: Companies must be clients of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta.

#### Q: Can non-lead partners be foreign companies or universities?

A: No. As above.

#### Q: Is it possible for collaborators to participate in multiple applications?

**A:** Yes. But please ensure that you will have the financial and operational capacity to participate if you are successful in more than one consortium. If not, you may put both projects at risk for your partners.

#### Q: Can an SME participate in multiple consortia and what is the budget limit?

**A:** Yes. As above. There is no upper budget limit, but the consortium must request minimum funding from DTIF of at least €1.5 million over 3 years.

### Q: Can an EI backed early stage startup be part of a consortium with larger SME lead entities and 3rd level entities? If so what are the criteria?

A: Yes. The company will be required to confirm that it has the financial and operational capacity to participate at

time of application, and be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta. All SMEs should also contact their Development Advisor or point of contact at Enterprise Ireland or Údarás na Gaeltachta to discuss options.

#### TIMING

### **Q:** Regarding the Early-stage companies, can the operational capacity be built after the submission/review? **A:** Companies must confirm that they have the financial and operational capacity to participate at time of application. Enterprises are advised to contact their Development Adviser/ point of contact who can advise them further on this.

### Q: Presumably the budget will be consumed over the period to April 2025, so it would be wiser to apply sooner rather than later?

**A:** Consortia are invited to submit applications at any time from now up to the end of April 2025. Applications will proceed through the evaluation process as they are received. Unsuccessful applications will receive detailed feedback and may address the issues raised and submit a revised application before the closing date.

DTIF funding will be allocated as successful projects are approved. In the event that several projects are approved at the same time and there are insufficient funds available to allocate to all of them, then the funding will be allocated in accordance with their overall ranking against the four selection criteria at the panel evaluation (interview) stage.

#### Q: How long after application would you expect interviews to happen?

**A:** Depending on how many projects are being processed at a given time, interviews will take place approximately 2 - 3 months after application.

### Q: To clarify the funding query raised earlier, if an application is successful and progresses through that ~ 3m window, would funding be released soon after that.

**A:** The timeline to contract is typically between 3-6 months from notification that the Minister for Enterprise, Trade and Employment has approved the project. Note that, if the project does not start within 12 months of approval, the DTIF offer will be withdrawn.

#### Q: Does the 3 month period to start the project commence from the signing of the consortium agreement?

**A:** No. The timeline to contract is expected to be between 3-6 months from notification that the Minister for Enterprise, Trade and Employment has approved the project. Note that, if the project does not start within 12 months of approval, the DTIF offer will be withdrawn.

#### Q: Is there a preferred timeframe for project completion?

**A:** The DTIF project duration is for a maximum of three years from the commencement date indicated in the project's executed Consortium Agreement. To date there have been a small number of projects of shorter duration. Projects of less than two years duration would not be appropriate to DTIF.

#### Q: You went through the stages of applying for the DTIF, typically how long does this process take?

**A:** All applications are checked for eligibility. Eligible applications are sent for remote evaluation against each of the four selection criteria and, if successful, are invited into a panel evaluation (interview). The process will take approximately 3 months.

#### Q: As it is a rolling call, will awards be made between now and next April. If so, are there specific deadlines.

**A:** Consortia are invited to submit applications at any time up to the end of April 2025. Applications will proceed through the evaluation process as they are received. Unsuccessful applications will receive detailed feedback against each of the four selection criteria. Those consortia will have the opportunity to address the issues raised in the feedback and submit a revised application before the closing date.

#### Q: What do you expect application processing timescales to be from application to interview to

#### acceptance/rejection?

A: Approximately 3 months.

### Q: If partners start at different times (within 3 months of each other), do they all finish at the same time (the earliest)?

**A:** The Consortium Agreement will define the start date for all project partners. The project duration is a maximum of 3 years from the agreed start date for all project partners.

### Q: Will reviews be triggered periodically? eg by volume of applications received or quarterly?

A: No. As above.

#### **CASE STUDIES & FURTHER INFORMATION**

Q: Are there any examples of past successful proposals available on DTIF website?

**A:** Details of <u>successful DTIF projects</u> in previous Calls are available on the Department of Enterprise, Trade and Employment website.

#### Q: Would it be possible to share the website you spoke of when you are sharing slide/recording later please

A: Yes, details of Call 7 including the webinar recording are available at the <u>Disruptive Technologies Innovation</u> <u>Fund - DETE (enterprise.gov.ie)</u>.

#### RESEARCH

### **Q**: Are there any research priorities outside of the normal Ireland Research Priorities and National Strategic Outcomes?

A: The DTIF Call 7 covers Ireland's six national research priority areas only.

#### Q: What kind of deliverables are expected throughout the lifetime of the project?

A: Deliverables must be SMART (Specific, Measurable, Achievable, Relevant and Time-bound). The ownership of the deliverable and collaborators should be clearly specified in all cases. Deliverables should be drafted with sufficient descriptive text to allow evaluators assess the relevance of the deliverables in the context of the project. They should be clearly linked to the overall project objectives and where possible be aligned to payment milestones which are typically 12 monthly intervals.

Deliverables should be periodic and equally dispersed through the entire project timeframe, capable of demonstrating progress to the final objective.

#### Q: What are the TRLs and/or MRLs?

**A:** Project proposals submitted to the DTIF are expected to be in the Technology Readiness Level (TRL) range of 3 to 9. Further details can be found in the Guide for Applicants. Manufacturing Readiness Levels (MRLs) do not have to be referenced in DTIF applications.

#### **IP AND CONSORTIUM AGREEMENT**

#### Q: Can you please talk us through the process for where a consortium application is successful.

**A:** The timeline to contract is expected to be between 3-12 months from notification that the Minister for Enterprise, Trade and Employment has approved the project. Each partner in a project is required to sign an Enterprise Ireland grant agreement (Letter of Offer for enterprises and General Annex for RPOs). All partners must agree and sign off on a Consortium Agreement, a template for which is available at <a href="https://enterprise.gov.ie/dtif">https://enterprise.gov.ie/dtif</a>. Note that, if the project does not start within 12 months of approval, the DTIF offer will be withdrawn.

#### Q: Can the template Consortium Agreement be amended or are certain terms mandatory?

**A:** The Consortium Agreement is mandatory. Provision will be made for limited amendment subject to satisfactory demonstration by enterprise partners of a clear rationale for doing so e.g. specific requirements of a multinational corporation head office.

#### Q: Who will own any Intellectual Property generated through this process?

A: Applicants will agree IP ownership themselves. The Consortium Agreement template facilitates this negotiation.

#### IMPACT

### Q: What outcomes leading to what success factors is Ireland Inc looking for? Jobs, corporate tax revenue, exports?

**A:** The objectives of the Disruptive Technologies Innovation Fund are clearly outlined on page 1 in the <u>DTIF Call 7</u> <u>Guide for Applicants.</u> The Fund is explicitly linked to National Strategic Outcome 5: A strong economy, supported by enterprise, innovation and skills.

#### Q: How many of the 104 projects, from calls 1-6, are currently having a commercial impact?

**A:** First impacts are being reported from the DTIF project portfolio. They include R&D outputs such as patent filings, first in human trials etc as well as new investment in companies and acquisition.

#### MATCHMAKING/CONSORTIUM BUILDING

Q: Is there any assistance available for partnering, or do applicants have to identify and approach partners themselves?

Q: Is there a platform for prospective RPO's who are interested in promoting their expertise to potentially join a consortium as a research partner?

#### Q: Is there a mechanism for finding suitable partners - e.g. expression of interest site

**A:** The DTIF team does not provide such a platform or matchmaking facility. We would recommend that you use existing research communities and their communication channels, e.g.:

- Enterprise Ireland and IDA Ireland's Disruptive Technologies Partnering Portal: <u>https://www.dtpp.ie/</u>
- Knowledge Transfer Ireland: <u>https://enterprise-ireland.com/en/Research-Innovation/Companies/Collaborate-with-companiesresearch-institutes/Knowledge-Transfer-Ireland/</u>
- Technology Centres: <u>https://enterprise-ireland.com/en/research-innovation/companies/collaborate-with-companiesresearch-institutes/technology-centres.html</u>
- SFI Research Centres: https://www.sfi.ie/sfi-research-centres/

Enterprises should also contact their Development Advisor or point of contact at Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta to discuss options.

Researchers should contact the Research or Technology Transfer Office at their Research Performing Organisation.

#### **FINANCIALS**

#### Q: At what stage of the project is the funding made available?

**A:** The DTIF is based on incurred costs with claims for expenditure every 12 months. Small enterprises can apply for pre-finance, which is subject to financial assessment that they have enough net assets available to cover their liability under the grant. RPOs receive 30% of their eligible funding at the commencement of the project and every 12 months thereafter.

#### Q: Have the rules for overhead calculations changed for HEIs? How is it now calculated?

A: There are no changes for overhead calculations for Higher Education Institutions.

#### Q: What are the financial requirements for a company to be considered for DTIF Funding?

**A:** The DTIF requires 50% private funding or finance as co-funding for SMEs and 60% for large companies. Company claims will be based on incurred costs. In-kind contributions are not acceptable.

All partners are required to sign a declaration confirming that they have the financial and operational capacity to conduct the project.

In compliance with EU State Aid requirements, Enterprise Ireland is required to confirm that all companies applying for DTIF funding demonstrate that they are not an Undertaking in Difficulty.

#### Q: What is the number of projects intended to receive funding through this call?

**A:** The number of projects to be funded under this Call will be determined by the quality of the applications received and the cost of same within the overall remaining DTIF funding allocation.

### Q: Is there a maximum budget for a project and what happens if the available fund runs out before the 30th April 2025?

**A:** There is no maximum budget for individual projects, but please ensure that you will have the financial and operational capacity to participate if you are successful. DTIF funding will be allocated as projects are approved. In the event that several projects are approved at the same time and there are insufficient funds available to allocate to all of them, then the funding will be allocated in accordance with their overall ranking against the four selection criteria at the panel evaluation (interview) stage.

#### **PRE-FINANCE**

#### Q: Can you explain more on prefinance please?

### Q: Regarding prefinancing, is this for 30%? What do the timelines for this look like in terms of applying and then getting the actual support?

**A:** SMEs employing less than 50 employees can apply for a pre-finance payment of up to one-third of eligible DTIF funding prior to the approved costs being incurred.

The SME must supply a rationale for why the company requires pre-finance and evidence that it has enough net assets available to it to cover its liability under the grant.

#### Undertaking in Difficulty (UiD) declaration

#### Q: Does UID data need to be provided for all call participants or only for the lead applicant?

**A:** In compliance with EU State Aid requirements, Enterprise Ireland is required to confirm that all companies applying for DTIF funding demonstrate that they are not an Undertaking in Difficulty (UiD). It is the responsibility of every applicant company to provide a declaration, with supporting financial information, that it is not a UiD. This information must be submitted by e-mail to the DTIF Financial mailbox at <u>DTIFFinance@enterprise-ireland.com</u> when the application is submitted.

#### Q: Is UID criteria specific to DTIF or will all EI supported schemes like EIC have to pass this test going forward?

**A:** This is not specific to DTIF. It applies to all State Aid. Note that the European Innovation Council (EIC) is part of Horizon Europe (i.e., not State Aid).

### Q: How are UID and funding obligations defined? What happens if the company is funded, had no previous losses, but is in the process of raising capital?

A: The company will need to have signed legal agreements to allow validation of the fundraising.

#### Q: For UID, is recapitalising R&D and fixed assets into the calculation fine to do?

**A:** Yes, if signed off by the auditor. For unaudited accounts, an auditor's letter would be required to confirm that the company is adhering to the relevant accounting standard and is materially accurate.

Q: Is there any flexibility with the UID criteria? The criteria as a % does not appear to make sense as a business with €100m in issued capital and €60m in losses would fail the test but a business with €100k in issued capital with losses of less than €50k would not. Should the test for the grant not look at the size of the grant relative to the remaining capital?. The risk to EI with a DTIF award of €1.5m is much greater with the company above that has €100k in capital than with the company with capital of €100m?

A: There is no flexibility. The agencies must adhere to the European definition.

### Q: Can an SME be a UID at time of Application knowing they have a substantial funding round closing deadline date?

A: As above. The company will need to have executable legal agreements to allow validation of the fundraising.

### Q: For SME/ startup, is it sufficient to have investor letters with intent to invest in project and confirmation only if DTIF is approved?

**A:** Specific examples of UiD calculations and details of the financial statements required from all companies are included in the DTIF Call 7 Guide for Applicants. Please contact your development advisor at Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta with any queries.

### Q: What about non-for-profit company which doesn't have share capital? How to determine undertaking pass/fail in difficulty in this case?

**A:** A not-for-profit company would not be a client of the enterprise development agencies and would not be eligible to apply.

### Q: Could you explain more on the project funding strategy - Can this future funding be included in the UID Assessment or is this separate from the UID Assessment itself?

A: As above. The company will need to have executable legal agreements to allow validation of the fundraising.

#### **Other Useful Information from Previous FAQs**

### Q: Are resubmissions of applications that were unsuccessful in previous DTIF calls eligible to reapply to this call? If so, what are the main considerations for those applicant consortia?

**A:** Yes. Note that the current call is completely independent of previous calls and their evaluations. If you had made an unsuccessful application in a previous Call, please consider the evaluator summary report carefully as it should contain useful information to assist your new application. Previous applicants should especially note the changes to this Call and should ensure that they are using the specific Guide for Applicants for DTIF Call 7.

Note also that early applications to Call 7 will receive a decision on funding and associated feedback within 2-3 months of application. If unsuccessful, consortia can seek to address the issues raised in the feedback and reapply before the closing date on 30 April 2025.

#### Q: Are there any restrictions on applications from previous DTIF award winners?

**A:** No. Previous DTIF award winners can apply to the DTIF Call 7. Previous applicants should especially note the changes to this Call and should ensure that they are using the specific Guide for Applicants for DTIF Call 7.

However, please ensure that you will have the financial and operational capacity to participate if you are successful in more than one consortium. If not, you may put both projects at risk for your partners.

#### Q: What is considered a 'disruptive' technology?

**A:** The DTIF uses the definition 'Disruptive technology is that which has the potential to drastically alter markets and their functioning and significantly alter the way that businesses operate. While it involves a new product or process, it can also involve the emergence of a new business model. Disruption is not about technology alone but the combination of technology and business model innovation'. Details of successful DTIF projects in previous Calls are available in the Guide for Applicants for DTIF Call 7 on the Department's website.

#### Q: Would you please explain how the proposals will be evaluated?

**A:** Eligible applications will be reviewed by a minimum of three independent international technical and commercialisation experts using the Selection Criteria and marking described in the Guide for Applicants. Following remote evaluation, where projects are scored above threshold in each of the four selection criteria, DTIF consortia will be invited to submit a pre-recorded 10-minute pitch presentation and an attend an online interview session with the expert panel.

### Q: We understand clearly the importance of Sustainability. However, in some projects there will be no significant Sustainability consideration, will this go against the project?

**A:** Marks are available under the selection criteria for "Economic Impact and Sustainability" for proposals that demonstrate, as much as possible, a positive contribution to the low carbon / sustainability targets in the Climate Action Plan and that they do not hinder the achievement of Ireland's climate objectives nor have other significant negative environmental impacts. Only projects that reach the 60-mark threshold or above in all four selection criteria at both the remote evaluation and the interview will be recommended for funding.

We would particularly encourage projects that complement the priority enterprise policy objectives on digital transformation and integrating decarbonisation and net zero commitments, as set out in the White Paper on Enterprise. Projects that help to drive the innovation and transformation opportunities that are needed in sectors such as construction are also encouraged.

#### Q: Is there a limit on the number of companies participating, and does there need to be an RPO?

**A:** There is no limit on the number of companies, but consortium size should be considered in terms of ease of management, meaningful collaboration and effective participation in the project. Each consortium must have at least three independent partners seeking funding from the DTIF, of which two must be enterprises and at least one of these must be an SME. Note, there is no requirement to include an RPO.

# Q: Can you expand on what must be based in Ireland means for a project partner? E.g. Would a company with a presence or subsidiary in Ireland qualify? Can some of the work take place outside Ireland?

**Q:** Is it possible to participate if a company resides in Ireland, but headquarters in a foreign country? **A:** The multinational corporation must have a presence in Ireland and be a client of Enterprise Ireland, IDA Ireland or Údarás na Gaeltachta at the deadline for applications, i.e., 30 April 2025. It is expected that the project work will be carried out in Ireland. Any exceptions to this must be made clear at application stage and must be justified.

#### Q: Are there any restrictions on who can lead the DTIF consortium? i.e. RPO vs MNC vs SME?

**A:** No. The lead partner should be chosen carefully to fulfil the requirements of the selection criterion 'Quality and Efficiency of the Consortium' e.g.

- Strength and credibility of the partners in the consortium to deliver on project goals.
- Collaborations have a strong lead partner and a strong project management structure.
- Appropriateness of allocation of tasks, ensuring that all participants have a valid role and adequate resources in the project to fulfil that role.

Please note that lead partners can include the costs of a project manager (see Section 8.1.g of the Guide for Applicants).

Note also that SMEs are the lead partner in 75% of projects funded to date.

## Q: What qualifies a company as being a client of EI? For example, we have received an innovation voucher from EI. Are we therefore a client?

**A:** Receipt of an innovation voucher does not qualify a company as an Enterprise Ireland client. We recommend that you talk directly with our HPSU team to see if you meet the criteria of becoming an Enterprise Ireland client: <u>https://www.enterprise-ireland.com/en/Start-a-Business-in-Ireland/Do-I-qualify-as-a-HPSU/Overview.html</u>.

#### Q: Is it feasible to become a new agency client before the closing date?

A: If you have not been in contact with an agency already, you should make contact with the appropriate agency immediately as it takes time to register as a client. Note that each agency has specific requirements for registration as a client. These are independent of DTIF, i.e., participation in DTIF is not a rationale for becoming an agency client.

#### Q: In what form is the co-funding e.g. finance, people time or other?

#### Q: What is meant by matched funding? Is a % cash contribution expected?

Q: Are in kind contributions from partners allowed - i.e. access to data, end users and market expertise?

**A:** The DTIF requires 50% private funding or finance as co-funding and in-kind contributions are not acceptable. Company claims must be based on incurred costs.

#### Q: Can other grants be used to cover the match funding?

A: Other State or EU grants cannot be used as matched funding. In signing the Enterprise Ireland grant agreement, companies warrant that funding has not been and will not be sought for the DTIF project within or outside of the State from any government agency and/or EU by way of grant for the purpose of funding the project. Note that equity funding, e.g., from Enterprise Ireland or the European Innovation Council, is allowed.

#### Q: What level of the funding can be used for capital expenditure?

**A:** Part of the funding (typically less than 20%) can be used for R&D equipment purchases which are essential to the project, i.e., equipment which is specific to the project and only to the extent to which it is used on the project. Note that the DTIF is not a capital equipment fund nor is it aimed at supporting the construction of infrastructure. Costs should be reasonable within the context of the project.

# Q: If expensive equipment needs to be purchased to complete the project, can the DTIF supports for the SME be pre-paid for the procurement? Will the DTIF supports only pay for depreciation of said equipment leaving the remainder to be paid by the SME?

**A:** Claims are paid based on costs incurred, although there is a provision for small companies with less than 50 employees to apply for pre-finance. The DTIF covers depreciation costs only for the time the equipment is used on the project. Note that only part of the funding (typically less than 20%) can be used for R&D equipment purchases which are essential to the project.

#### Q: Would clinical trials to test a technological device be included for the call?

**A:** Funding towards clinical trials (up to phase 2A or First-in-Human) for companies is eligible provided that the results are a necessary input to develop the product/service/process as part of the industrial research project and are demonstrating market impact. In limited circumstances, and with the pre-approval of the DTIF team, some RPO trial costs may be supported.

### For further information:

Please visit: https://enterprise.gov.ie/dtif

Applicant enquiries: dtif@enterprise-ireland.com

Rialtas

of Ireland

Social media: Follow the Department of Enterprise Trade and Employment @DeptEnterprise and Enterprise Ireland @EntIrl on X for updates

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