

RESEARCH Funding Program

Call Future ICT 2020: Cybersecurity, 5G, Blockchain, Artificial Intelligence

Open Call

Mag.^a Vanja Bernhauer and Mag. Matthias Heilbrunner

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1. Name of Open Call

Call Future ICT 2020: Cybersecurity, 5G, Blockchain, Artificial Intelligence

2. Legal Framework

This open call — administered by the *Vienna Business Agency*. A service offered by the City of Vienna. (henceforth referred to as: "Vienna Business Agency") — is based on the City of Vienna funding guidelines "Research/18 21+ guidelines". These guidelines (henceforth referred to as such) are available for download at: www.wirtschaftsagentur.at. The Call Future ICT 2020: Cybersecurity, 5G, Blockchain, Artificial Intelligence will be administered from within the framework of the RESEARCH funding program. The funding program will be treated in accordance with the provisions of the General Block Exemption Regulation¹ (henceforth referred to as GBER), section 4 of the European commission and the Treaty on the Functioning of the European Union to de minimis aid² (in short: "de minimis reg.").

3. Content and Goals

Over the years Vienna has become a significant location for information and communications technology (ICT) businesses. In terms of revenue, Vienna ICT businesses have generated 4 times as much revenue as the tourism industry. Close to 54,000 individuals are employed by nearly 6,000 active Vienna-based businesses that operate within core ICT sectors as defined by the OECD³.

¹ Commission Regulation (EU) no. 651/2014 (GBER 2014: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0651&from=FE>) of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, published in the Official Journal of the European Union L 187/1 on 26.06.2014 (in short: "GBER 2014") together with the Commission Regulation (EU) 2017/1084 (regulation 2017: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R1084&from=DE>) of 14 June 2017 amending Regulation (EU) No 651/2014, published in the Official Journal of the European Union L 156/1 on 20.06.2017 (in short: "AGVO regulation 2017") – together in short: "GBER". The following sections are particularly relevant: article 22 and 25, paragraph 2, sections b and c, 28 as well as 29 of the GBER.

² Commission Regulation (EU) no. 1407/2013 (de minimis reg.: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2013:352:0001:0008:DE:PDF>) of 18 Dezember 2013 on the application of Articles 107 and 108 of the EC Treaty to de minimis aid; published in the Official Journal of the European Union L 352/1 on 24.12.2013 (in short: „de minimis reg.“).

³ Cf. KMU-Forschung Austria, eutema GmbH: IKT-Standort im Vergleich II, Endbericht. Vienna, December 2017, 1, see: <https://www.wien.gv.at/wirtschaft/standort/pdf/ikt-standort.pdf> (last accessed on Nov 15, 2019).

Information and communications technologies are significant drivers of innovation in all areas. They foster the development of new products, services and business models, and contribute to the growth of efficiency, quality and productivity.

With this call, the Vienna Business Agency focuses on relevant future topics in information and communications technologies that are characterized by their innovative drive, and that will generate important impulses for future economic growth and prosperity.

The call focuses on the following sectors of technology: cybersecurity, 5G, blockchain, and artificial intelligence.

Cybersecurity: The advent of digitalization has brought along new opportunities as well as risks. Systems are becoming increasingly more complex and as such also more fragile and vulnerable. Activities such as espionage, hacking and malware threaten the integrity and stability of information and communication systems. They can threaten the existence of businesses, and society's vital infrastructures can become the targets of cyberattacks. In 2019 the Allianz risk barometer, for which 2,415 experts from 86 countries were interviewed, determined that cyber risk is the number 1 global business risk⁴. More research and development is needed in order to overcome these challenges in the private and professional sectors.

5G: The fifth generation cellular network technology (5G) will have an effect on all future areas of telecommunication and the Internet. This new cellular network standard will enable the transmission of large amounts of data in a short amount of time. Realtime communication between multiple devices or machines will only be possible with the advent of this technology. Many future innovative technologies will be connected to the 5G sector.

Blockchain is perhaps the best-known example of a distributed ledger technology (DLT). As a significant enabler of technology, DLT can help other fields, such as additive manufacturing (3D printing), the Internet of Things (IoT) or artificial intelligence (AI) unfold their full potential.

Artificial intelligence is a key future technology that already influences many areas of society as well as business and science, and that will continue to do so to a significant degree in the future. The areas of research into this technology are manifold, and we have seen an increasing number of research and development activities, especially in the fields of automated learning, neural networks, robotics and processes of analysis.

⁴ Allianz Global Corporate & Specialty (AGCS): Allianz Risk Barometer. Munich, January 2019, p. 3f. <https://www.agcs.allianz.com/content/dam/onemarketing/agcs/agcs/reports/Allianz-Risk-Barometer-2019.pdf> (last accessed on Nov 15, 2019).

Because of the significance of the previously mentioned fields, we seek R&D projects that are at home in one or more of the four core sectors of this call (cybersecurity, 5G, blockchain, artificial intelligence). There is no particular limitation within these four areas of focus. Our goal is to support R&D projects that also respect a socially relevant and responsible use of the respective technologies.

4. Participants

Please review pt. 4 of the prevailing Research/18 – 21+ guidelines to determine if you are eligible to apply. In accordance with pt. 4.1. and pt. 4.2. of the prevailing Research/18 – 21+ guidelines, only Vienna-based business and founders are eligible to apply as lead partners.

5. Open Call Criteria

5.1. Basic Criteria

In accordance with the framework of the Call Future ICT 2020: Cybersecurity, 5G, Blockchain, Artificial Intelligence, the following R&D projects administered by Vienna-based businesses are eligible for funding:⁵

- Projects that also address current research questions and thus reach beyond pure product development and the current state of technology;
- Projects that demonstrate a basic strategy for economic implementation from which the city of Vienna has the potential for future economic gain;
- Projects that directly or indirectly result in product, service or process innovations.

In any case, the projects must have a primarily technological research and development content, with discernible risks of failure during implementation.

In accordance with EU definitions, eligible projects must fall within the fields of either "industrial research" (IR) or "experimental development" (ED).⁶

⁵ The eligible minimum project duration is 1 year, the maximum is 5 years.

⁶ See article 2, clause 84-86 of the GBER or appendix VII of the Research/18 – 21+ guideline.

Applicant businesses must come up with significant parts of the project-related R&D in-house and must also shoulder the majority of the risk associated with the realization of the project, in particular the risk associated with the economic implementation of the obtained R&D results.

5.2. Eligible Costs

All project-related costs such as project-related personnel, such as R&D-related personnel costs, that the business (or business partners in case of a joint application) may incur as internal or external personnel expenses⁷ (and/or project-related material costs or investment expenses are eligible. A detailed list of these can be found under pt. 6 of the Research/18 –21+ guidelines.

All expenses must naturally stand in direct relation with the project.

Expenses incurred by small and mid-sized businesses related to the protection of proprietary research and development results are also subject to funding⁸.

5.3. Funding Rate

Funding rates are dependent on research-grade classification as defined by EU provisions: Project elements (working packages) that are classified as experimental development (ED), are subject to a funding rate of 25% for large businesses, 35% for mid-sized businesses and 45% for small businesses. All project elements (working packages) classified as industrial research (IR) are subject to a funding rate of 50% for large businesses, 60% for mid-sized businesses, and 70% for small businesses.

Endeavors should cause applying businesses to adopt maximum sustainability practices. Projects should furthermore be conducted using largely in-house research and development work, with the understanding that the applying business shall shoulder all associated technical and economic risks. Research facilities are thus only eligible as project partners. As knowledge transfer partners, research facilities are only eligible for a standard funding rate of 80%.

⁷ *Personnel costs* are defined as the costs necessary to maintain employees for the applying business that are in direct relationship to R&D work. In the case of small businesses, the value of work performances by business owners and shareholders that are actively working on a project can be taken into consideration.

Expenses for external services: see pt. 6 of the Research/18 –21+ guidelines.

⁸ Costs in connection with the attainment, validation, or defense of patents and other immaterial assets are subject to a funding rate of 50%. See pt. 8 of the Research/18 – 21+ guidelines.

Additional bonuses are not available to research facilities (see also pt. 8 of the Research/18 – 21+ guidelines).

5.4. Cooperation Projects

In the case of cooperation projects, businesses may receive a bonus of up to 15%⁹, provided they fulfill the following criteria:

Unlike contractual relationships, *cooperation projects* are not defined by the principal of paid service and service in return, but rather by *mutual interest*, whereby each partner within the framework of a cooperation contract predefines the rights and obligations assumed by each party. All partners of a jointly conducted research endeavor thus share the *costs of* and *rights* to all research results.

In instances of cooperation between at least two (independent) businesses, none of the individual businesses may bare more than 70% of the eligible costs.

The endeavor must furthermore either include cooperation with at least one SME or be international in nature or. In instances of cooperation between a business and a research facility, the research facility must shoulder at least 10% of eligible costs and, given that the investigation has been carried out in their facility, must be granted the right to publish results.

5.5. Joint Application / Partner Application

If the proposed project is to be undertaken in cooperation with one or more partners, it is generally permissible to choose partners from all sectors and all geographic regions. It is, however, only possible to include the project costs of said cooperation partners in the joint funding application if the eligible partner is Vienna-based (for an exact definition see pt. 4.2 of the Research/12 – 21+ guidelines).

6. Maximum Funding

Maximum funding per project is € 500,000.¹⁰

⁹ Eligible up to a maximum of 80%. See also pt. 8 of the Research/18 – 21+ guidelines.

¹⁰ The minimum assessment basis is 50,000 euros. Projects with smaller budgets are not eligible.

7. Available Budget

The total budget available for this open call is € 2,000,000.

8. Contracting Party

This open call is administered by the Vienna Business Agency, 1070, Mariahilfer Strasse 20. The funds available were provided by the Vienna Business Agency.

9. Application Period

Applications for this call can be submitted from Wednesday, December 3rd, 2019, 12am until Wednesday, April 15th, 2019, 11.59pm at <https://cockpit.wirtschaftsagentur.at>. **Due to Covid-19 the call was extended to July 15th, 2020.**

Applications can be completed in German or English and must be submitted online to the Vienna Business Agency within the period mentioned above. Application materials will be supplied upon successful registration at <https://cockpit.wirtschaftsagentur.at> from the time that this call is announced until the end of the application deadline. The original copy of the "Certificate of Application Authenticity" (located on the last page of the online form), which must be signed by an authorized member of your business, is due by the application deadline and should either be sent by registered mail (date of postage stamp) or hand delivered to the Vienna Business Agency, 1070 Vienna, Mariahilfer Strasse 20. The certificate can also be sent via email to the Vienna Business Agency when a qualified electronic signature is used.

10. Evaluation

Applications must comply with the abovementioned objectives and requirements for submission. Applications will be evaluated according to evaluation criteria stated in pt. 14 of the Research/18 – 21+ guidelines, and according to a standardized evaluation system that can be found at www.wirtschaftsagentur.at.¹¹ The evaluation will be made by an expert jury. Should there be doubts on behalf of an applicant regarding the impartiality of potential evaluators they have the option to exclude a maximum of two individuals or institutions by submitting the names and addresses of the same. The contents of the applications and the detailed evaluations will be accessible solely by the contracting party (i.e. Vienna Business Agency) and the jury

¹¹ In order to obtain basic eligibility, a project must score at least 30% of total evaluation points.

members. The contracting party reserves the right to publish the names of applicants who receive a positive grant decision. The project title, a short project description, the grant amount, and the jury's statement may likewise be published.

11. Further Procedure

Following the completion of the evaluations of applications that have met the open call requirements, applications will be ranked according to quality and recommended by the Vienna Business Agency committee for funding in accordance with the stipulations of the budgetary framework. In accordance with EU regulations, maximum aid intensities are hereby taken into consideration.

The municipal administration of the City of Vienna will award grants based on these recommendations. The specified subsidies are all maximum amounts.

12. Funds

a) Cash subsidies for R&D

Cash subsidies will be awarded for the realization of the best R&D projects. The allocation of funds will follow the rank assigned to the evaluated applications. Subsidies will be provided in the following amount until the budget for those subsidies has been depleted.

The subsidy amount will be calculated according to project type and the eligibility of project costs as determined during the evaluation process and pursuant to the Research/18 – 21+ guidelines.

b) Bonus for women

In the case of a positive funding decision, projects that can be proven to be led by qualified females who are employed by the Vienna-based applicant businesses (lead applicants) will receive a € 10,000 bonus.

Projekte, deren wissenschaftliche Leitung nachweislich bei einer dafür qualifizierten Frau (i.S.v. beigelegtem Lebenslauf) liegt, die beim Antrag stellenden Wiener Unternehmen (Leadpartner) beschäftigt ist, erhalten im Fall einer Förderung einen Bonus von EUR 10.000.¹²

¹² According to pt. 8.5. of the Research/18 – 21+ guidelines.

c) Payment

The 50% advance payment and final payment shall be disbursed upon successful completion of the final accounting statement and presentation of the final report. Installments are possible under certain conditions.¹³

13. Further Information

Information about this open call as well as supporting documents (in particular the Research/18 – 22 guidelines and the evaluation system) can be found at www.wirtschaftsagentur.at. For additional information, please contact Mag.^a Vanja Bernhauer or Mag. Matthias Heilbrunner by email bernhauer@wirtschaftsagentur.at or heilbrunner@wirtschaftsagentur.at or telephone T +43-1-4000-86761 or DW 86588 (starting from January 7th 2020 Tel +43-1-25200-422 or DW 424).

¹³ According to pt. 16.3., 17.4. and 17.5. of the Research/18 - 21+ guidelines