

creative project/18

## creative\_project/18 - 22 Guidelines

effective from Jan 1, 2018 - Dec 31, 2022

This guideline has been translated from German into English. Please note that only the German language version of the guideline is legally binding.

Table of Contents

Preamble .....5

1. Objectives .....5

2. Legal Framework .....5

3. Exclusion of Legal Entitlement .....6

4. Application Eligibility .....6

    4.1. General Funding Eligibility .....6

    4.2. Eligible Applicants .....6

    4.3. Eligible Partnership Applications .....7

    4.4. Ineligibility .....7

5. Funding .....8

    5.1. Eligible Projects .....8

    5.2. Additional Definitions of Eligible Projects .....8

    5.3. Ineligible Projects .....8

6. Eligible Expenses .....9

    6.1. General Requirements .....9

    6.2. Eligible Itemized Expenses .....10

    6.3. Overhead Premiums .....11

    6.4. Ineligible Expenses .....11

7. Assessment Basis/Minimum Assessment Basis .....12

8. Funding Rate and Maximum Funding .....12

    8.1. Maximum Funding Rate .....12

    8.2. Maximum Funding .....13

    8.3. Women's Bonus .....13

9. Project Initiation, Maximum Project Duration, Period of Recognition for Expenses .....13

10. Combination and Cumulation of Subsidies .....13

    10.1. Combination of Subsidies .....13

    10.2. Cumulation Aid Legislation Provisions .....14

11. Calls .....14

12. Application Process and Materials .....15

    12.1. Online Application .....15

    12.2. Additional Documents .....15

    12.3. Partnership Applications .....16

13. Project Description .....17

    13.1. General Formal Requirements for the Project Description .....17

    13.2. Resources .....17

    13.3. Structuring of Work Packages ("Milestones") .....17

    13.4. Project Financing .....17

13.5.	Business Model .....	18
13.6.	Plan Profitability Analysis .....	18
14.	Evaluation and Decision.....	18
14.1.	Evaluation Criteria .....	18
14.2.	Formal Preliminary Review .....	18
14.3.	Selection Procedure and Evaluation Criteria .....	19
14.4.	General Evaluation Criteria.....	19
14.5.	Target-Specific Evaluation Criteria.....	19
14.6.	Evaluation/Jury.....	20
14.7.	Ranking .....	20
14.8.	Funding Recommendations .....	20
14.9.	Funding Recommendation/Decision.....	20
15.	Project Transfers, Revision .....	20
15.1.	Project Transfers.....	20
15.2.	Applications Returned for Revision.....	21
15.3.	Application Deadline Preservation Effect.....	21
16.	Approvals, Conditions, and Advance Payments.....	21
16.1.	Announcement of Funding Approval .....	21
16.2.	Conditions .....	21
16.3.	Advance Payments.....	21
17.	Reporting Obligations, Statements, and Disbursements.....	22
17.1.	Obligation to Report Changes .....	22
17.2.	Progress Reports.....	22
17.3.	Final Accounting Statement.....	22
17.4.	Final Report incl. Final Accounting Statement .....	23
17.5.	Final Payment .....	23
17.6.	Partnership Application payment .....	23
18.	Publication, Monitoring, Recordkeeping, and Inspection Obligations.....	23
18.1.	Publication .....	23
18.2.	Monitoring .....	24
18.3.	Recordkeeping .....	24
19.	Revocation and Repayment .....	24
19.1.	Grounds for Revocation: 10 Years .....	25
19.2.	Grounds for Revocation: 4 Years .....	25
19.3.	Partial Revocation .....	26
19.4.	Revocation in the Event of Partnership Applications .....	26
19.5.	Revocation Decision .....	26
19.6.	Repayment in the Event of Revocation.....	26
20.	Data Protection .....	27
20.1.	Personal Data Processing.....	27

---

20.2.	Published Data.....	27
21.	Anti-Discrimination /Indemnification Compliance .....	28
22.	Period of Effectivity .....	28
23.	Applicable Law / Court of Jurisdiction.....	28
24.	Administrative Funding Body .....	29
Appendix I .....		30
	Businesses.....	30
	Established Businesses.....	30
	Time of Establishment .....	30
	Founders .....	30
Appendix II .....		30
	Business Site .....	30
	Vienna Business Site.....	31
Appendix III .....		31
	Calculation Methods for Hourly Personnel Rates.....	31

## Preamble

These guidelines provided by the City of Vienna comprise the foundation for the "creative\_project" program. Applications may be submitted on a rolling basis within the timeframe indicated. The guidelines moreover serve as the basis for individual short-term calls. Further information regarding deadlines, programs, and calls can be found at the *Vienna Business Agency. A service offered by the City of Vienna* website: [www.wirtschaftsagentur.at](http://www.wirtschaftsagentur.at).

## 1. Objectives

### a. General objectives

Work in the creative industries has visible outcomes that help shape the identity of every city. As a result, the City of Vienna considers the funding of creative potential a matter of economic policy.

### b. Target group

This funding program is geared towards extant and yet-to-be established businesses in the creative industry fields as defined pursuant to pt. 4.2.c.

### c. Desired effects (immediate)

The creative\_project funding program supports the development of products, services, and or processes by businesses in the creative industries. The program therewith represents a significant contribution to the structural improvements needed to promote the creative industries in Vienna.

### d. Desired effects (long-term)

This funding program aims to have a positive effect on the innovation, growth, and employment potential of Vienna's creative industries, therewith adding value to the city's quality of life.

## 2. Legal Framework

### a. Domestic legal framework

The domestic legal framework for these guidelines was established by the Vienna municipal council agreement from 15.12.2017, reference number 03715-2017/0001-GFW.

### b. European aid regulatory framework

From a regulatory aid perspective, this funding program is based on the *de minimis* regulation. The current version of the following regulatory aid framework is thus applied:

- Commission Regulation (EU) No. 1407/2013<sup>1</sup> of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid; published in the Official Journal of the European Union L 352/1 on 24 December 2013 (in short: "*de minimis* reg.>").

Calls based on these guidelines can also revolve around other regulatory aid frameworks (e.g. the General Block Exemption Regulation, in short: GBER<sup>2</sup>). Pursuant to pt. 11., this information is to be specified in each individual open call.

### **3. Exclusion of Legal Entitlement**

The decision to grant funding is made in accordance with available funds and on the basis of these guidelines and/or calls upon which they are based. There is no legal entitlement to the receipt of funds.

### **4. Application Eligibility**

#### **4.1. General Funding Eligibility**

Applicants must

- have met their municipal tax obligations regularly and in full
- provide evidence of possessing the rights necessary to administer the project — e.g. a business license or designation of a managing director in possession of the required business license, etc.

#### **4.2. Eligible Applicants**

Established businesses (see Appendix I) and businesses in the process of establishment are both eligible to apply.

Established businesses must fulfill the following prerequisites:

- They must maintain a business site located in Vienna (pursuant to the definition in Appendix II) by at the latest the launch of the project
- The majority of the project's value-adding activity must be performed at that Vienna location
- Businesses must pertain to one of the following creative industry fields:
  - Architecture
  - Design
  - Fine art

<sup>1</sup> *De minimis* reg.: [http://ec.europa.eu/competition/state\\_aid/legislation/de\\_minimis\\_regulation\\_en.pdf](http://ec.europa.eu/competition/state_aid/legislation/de_minimis_regulation_en.pdf)

<sup>2</sup>GBER: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32014R0651&from=EN>

- iv. Fashion
- v. Multimedia (incl. gaming)
- vi. Publishing
- vii. Music
- viii. Film (incl. animation and visualization)

Under these guidelines, services explicitly aimed at persons involved in the creative industries are likewise considered a creative industries field.

There are no size restrictions for businesses that meet these guidelines.<sup>3</sup>

Business in the midst of establishment must:

- d. be established within six months of receipt of funding approval
- e. fulfill the prerequisites for eligible established businesses from that time forward

#### 4.3. Eligible Partnership Applications

In the instance of partnership applications, the lead partner must belong to a field in the creative industries (see pt. 4.2.c.) and possess the legal status of a business. Any additional partner businesses and/or associations are eligible as cooperation partners.

Eligible cooperation partners

- a. Must have a business site of their own located in Vienna (pursuant to the definition in Appendix II; please note, however, that individual calls may deviate from this condition)
- b. Are not subject to any restrictions with regard to size or industry (please note that individual calls may implement limitations in this regard)

#### 4.4. Ineligibility

The following are generally ineligible:

---

<sup>3</sup> Simplified definitions:

Micro-business:	< 10 employees and annual revenue ≤ € 2 million or balance sheet total ≤ € 2 million
Small business:	< 50 employees and annual revenue ≤ € 10 million or balance sheet total ≤ € 10 million
Mid-sized business:	< 250 employees and annual revenue ≤ € 50 million or balance sheet total ≤ € 43 million
Large business:	≥ 250 employees or annual revenue > € 50 million <u>AND</u> balance sheet total > € 43 million

Exact definitions: [User guide to the SME Definition](#) and [Commission Recommendation of 6 May 2003 concerning the definition of micro, small and medium-sized enterprises](#)

- a. Civil law partnerships (*Gesellschaft bürgerlichen Rechts, GbR*) and unincorporated associations/general partnerships (*Arbeitsgemeinschaften, ARGE*)
- b. Businesses involved in ongoing insolvency proceedings
- c. Entities legally defined as representatives of professional interests
- d. Legal corporations
- e. Legal entities that are primarily financed through public funds that cannot make a plausible argument that the subsidies provided within the framework of these guidelines would not substitute other public funds
- f. Private advocacy groups

## 5. Funding

### 5.1. Eligible Projects

Funding is available to projects in the creative industries in the fields of architecture, design, fine art, fashion, multimedia (incl. gaming), publishing, music, and film (incl. animation and visualization) that seek to develop and distribute (via media channels) creative productions, services, and processes.

These guidelines also encompass projects that seek to develop, produce, and distribute (via media channels) services explicitly aimed at businesses involved in the abovenamed creative industries.

Project proposals must include outstanding concepts and fundamentally differentiate themselves from projects already realized by the submitting businesses and or individuals responsible therefore.

This point can be made more specific and/or restricted during the course of individual calls.

### 5.2. Additional Definitions of Eligible Projects

All projects in the creative industries that are backed by outstanding creative concepts with regard to the creation of products, services, and or processes are eligible for funding. Projects that seek to develop services for the creative industries are to be backed by an outstanding concept to help those involved in the creative industries realize their creative activities.

All projects must be supported by a comprehensive business plan. An ability to reproduce and standardize the proposed product or service is likewise an essential aspect of this program.

### 5.3. Ineligible Projects

In general, the following projects are ineligible:

- a. Projects that lack sufficient planning with regard to project scope and content
- b. Projects that lack plausible chances of success
- c. Projects that lack sufficient resources, especially with regard to human resources, proposed financing or advance financing, the necessary know-how, and/or the prerequisite rights and licenses
- d. Projects primarily funded by a third party
- e. Projects intending to use City of Vienna funds to substitute other public funds
- f. Project elements that have already been supported by other City of Vienna funds in the form of cash subsidies
- g. Projects that are not considered eligible for funding according to current EU regulations
- h. Projects with purely (creative) artistic intentions and without any sustainable entrepreneurial motivation (examples thereof being typical are film, theater, or music productions)
- i. Alterations to extant products, product lines, manufacturing processes, services, and any other processes that may lead to improvement but do not lead to original outstanding enterprise in the creative industries
- j. Projects that have already been fundamentally implemented before the date of application (date of entry at the Vienna Business Agency)
- k. Projects classified as within the realm of regular business operations.

## **6. Eligible Expenses**

### **6.1. General Requirements**

It is a general requirement that expenses

- a. Are clearly itemized
- b. Stand in direct relation to the project
- c. Are not inflated and are consistent with local prices
- d. Are borne by the applicants themselves
- e. Have been used by the time of the final accounting statement  
and that
- f. Project expenses incurred BEFORE the date of application (such as, for example, deliveries, services, accounting and/or payments that took place before the application date) are not eligible

- g. Unless the applicant can evidence that he or she is not entitled to reclaim VAT only net costs can be considered eligible
- h. Only invoices with a total net cost of over € 150 of eligible expenses (with the exception of travelling and accommodation expenses pursuant to pt. 6.2.6.) can be accepted (individual invoice line items may fall below this amount)

## 6.2. Eligible Itemized Expenses

Within the framework of these guidelines the following itemized expenses are eligible:

Expense Category (General Description)	Limitations, Itemizations, Comments, Explanations
1. Personnel costs	<p>Personnel costs can be subsidized for:</p> <ul style="list-style-type: none"> <li>• Employees</li> <li>• Independent Contractors (<i>Freier Dienstvertrag</i>)<sup>4</sup></li> <li>• Partners and/or owners of small businesses</li> </ul> <p>Calculation of hourly wages: see Appendix III.</p>
2. Third party service expenses	<p>In particular, the following can be funded:</p> <ul style="list-style-type: none"> <li>• Expenses for third party work contracts given out during the course of the project (e.g. consultation and training fees)</li> <li>• Expenses pertaining to the procurement, validation, and or defense of patents and/or any other immaterial assets, excluding public charges such as taxes or fees</li> <li>• Marketing and/or advertisement expenses (limited to market entry expenses and initial activities such as consultations, agency services, publications, and fair participation)</li> </ul>
3. Expenses pertaining to the acquisition of technical equipment, machinery, and other assets	<p>Funding is granted primarily to capitalizable investments in material assets, such as:</p> <ul style="list-style-type: none"> <li>• machinery and mechanical plants</li> <li>• instruments and equipment</li> </ul>

<sup>4</sup> See [legal definition](#)

<p>4. Expenses pertaining to the acquisition of third party immaterial assets</p>	<p>Funding is granted primarily for the acquisition of immaterial assets, such as:</p> <ul style="list-style-type: none"> <li>• Licenses</li> <li>• Concessions</li> <li>• Copyrights, etc.</li> </ul>
<p>5. Non-personnel and material expenses</p>	<p>Funding is granted primarily for the acquisition of</p> <ul style="list-style-type: none"> <li>• Consumables</li> <li>• Raw materials and the like that can clearly be identified as required for the development and production of the proposed project</li> </ul>
<p>6. Travel expenses (travel expenses are only applied to costs that stand in direct relation to the project and only to the extent of 25% of other eligible project expenses that comprise the assessment basis.</p>	<p>Funding is exclusively granted for</p> <ul style="list-style-type: none"> <li>• The round trip and accommodation at the destination, provided the trip is taken on behalf and account of the applicant.</li> <li>• 2nd or economy class travel by public transportation (bus, railway, airplane)</li> <li>• Car rental expenses for the duration of max. one week per trip</li> <li>• Overnight accommodation expenses (limited to € 150 per person per night)</li> </ul>

### 6.3. Overhead Premiums

Businesses older than 1 year shall receive an overhead premium of 20% on admissible personnel costs. Founders (business age max. 1 year, see Appendix I) shall receive an extra overhead premium of 30% for total admissible itemized project expenses.

### 6.4. Ineligible Expenses

In general, the following expenses are ineligible:

- a. Unclaimed discounts, rebates, or any other type of price reduction
- b. Taxes, fees, financing expenses

- c. Business operation expenses
  - d. Expenses that are not considered eligible for funding in accordance with current EU regulations
  - e. Application and grant consultation fees
- as well as:
- f. Internal personnel travel costs and travel expenses of third-party personnel
  - g. Expenses incurred within the framework of a project financed and executed by a contracted third party
  - h. Per diems
  - i. Hospitality expenses
  - j. Advertising placements
  - k. Expenses for ongoing productions
  - l. Transfer fees and deposits
  - m. Capitalized internal labor costs (or those of partner businesses)
  - n. Machine hour costs
  - o. Payroll expenses that are paid neither immediately nor regularly, e.g. bonuses, contributions in kind, bonuses, and other expenses such as severance payments
  - i. Mere replacement investments
  - q. Property acquisition expenses
  - r. Real estate acquisition expenses

## **7. Assessment Basis/Minimum Assessment Basis**

The assessment basis for this grant is comprised of the sum of all eligible project items (incl. overhead rate). The minimum assessment basis is € 10,000.

Projects with amounts lower than this are not eligible. This applies to the application as well as to the final accounting statement (see pt. 17.4.).

## **8. Funding Rate and Maximum Funding**

### **8.1. Maximum Funding Rate**

The maximum funding rate is 50% of eligible costs. This funding can be raised to a maximum of 60% within the context of individual calls.

## 8.2. Maximum Funding

The maximum amount of funding possible is € 150,000 per project, made available in the form of cash subsidies.

## 8.3. Women's Bonus

Approved projects managed by women are awarded a bonus of € 5,000.

This bonus will be awarded if the project is verifiably managed by a qualified female (e.g. attached curriculum vitae) owner, managing partner, or employee. In the case of small businesses, the women's bonus can also be awarded to female employees who are not managing partners but are qualified as project leaders.

The bonus will be paid out providing that the final accounting statement reveals that these prerequisites have been met.

## 9. Project Initiation, Maximum Project Duration, Period of Recognition for Expenses

Applications should include the (planned) dates for the initiation and culmination of the project

The project should begin as soon as possible following receipt of funding approval.

Pursuant to pt. 16.1., the admissible project term should end no more than 2 years following receipt of funding approval.

The Vienna Business Agency may only agree to a project term extension for instances in which the acquisition of fixed assets can only be finalized with substantial delay on objectively plausible grounds (e.g. missing permits, unforeseen delayed delivery times, etc.)

The maximum period of recognition for expenses spans from the time of application to the end of the project term (including extensions)

## 10. Combination and Cumulation of Subsidies

### 10.1. Combination of Subsidies

Funding granted through the Vienna Business Agency can, in principle, be combined with other public subsidies if

- a. It is admissible according to regulatory aid cumulation provisions (see pt. 10.2.)
- b. The applicant retains a reasonable financing risk

- c. All sources of attained project funding (subsidies, guarantees, loans) do not exceed the total calculated project costs
- d. The combination of subsidies does not substitute other public funds
- e. Funding does not go toward project elements that have already received other City of Vienna subsidies

## 10.2. Cumulation Aid Legislation Provisions

*De minimis* aids awarded through this program can

- a. Be combined with other *de minimis* aid as long as — in accordance with article 3 of the *de minimis* regulation — the full amount that can be awarded to a "single business" of a member state (note: i.e. by Austrian funding bodies) from *de minimis* aid does not exceed € 200,000 (for road freight businesses the amount is reduced to € 100,000) within a timeframe of three tax years
- b. Be combined with other third party GBER subsidies for the same eligible expenses as long as it does not exceed the respective aid rate or rates as stipulated by the GBER article.

## 11. Calls

These program guidelines also serve as the foundation for open calls. Individual calls may further define or specify the terms contained herein. In special cases — e.g. in instances where focus crosses over into different funding programs — exceptions can be made (e.g. a higher funding rate, extension of the EU aid regulatory bases) in the interest of meeting specific call objectives.

Calls must contain, at minimum, the following information:

- a. The call name
- b. The call objective and content
- c. A concrete EU competitive legal basis (*de minimis* and/or GBER) and additional regulations associated therewith (e.g. the expense recognition period, cumulations, eligibility, etc.),
- d. A profile description of eligible applicants
- e. A profile description of eligible projects
- f. The opening and closing dates of the application period (i.e. deadlines)
- g. Indication of the maximum project duration
- h. A description of eligible expenses
- i. A description of the maximum funding amount and rate

- j. The minimum assessment basis
- k. Project content-related eligibility criteria
- l. The minimum assessment level (in %)
- m. Additional procedural regulations
- n. The projected budget,
- o. The option to grant advance payment

If the open call is based on the GBER, then — pursuant to article 2 number 23 of the GBER — the date of application must occur BEFORE the start of work, otherwise the entire project will be rendered ineligible.

Calls may be supplemented by additional guidelines (e.g. regarding the assessment system) for reasons of clarity and to provide a more detailed explanation.

## **12. Application Process and Materials**

### **12.1. Online Application**

Applications will be accepted at <https://cockpit.wirtschaftsagentur.at> on a rolling basis or until the end of each call's respective deadline. Online forms must be completed to the best of one's knowledge and understanding.

### **12.2. Additional Documents**

The following additional documents must be included with each application:

a. *De minimis* statement:

The *de minimis* statement is a document that the applicant uses to notify and confirm receipt of *de minimis* aid during the current and previous two tax years.

b. Signed and stamped copies of:

- Annual financial statement from the last documented fiscal year, or
- Profit and loss statement from the last documented fiscal year

From an auditor, tax accountant, or other authorized accountant, and confirmed by local tax authorities

c. Certificate of Application Authenticity (CAA):

The CAA confirms the submission of a grant application. Conferral of the CAA indicates that the grant application has officially been submitted to the Vienna Business Agency. There is an option

to print out the CAA in the "complete application" tab. This document must be signed with a legally binding, authorized signature and sent by post or fax to the Vienna Business Agency. The CAA can also be sent to the Vienna Business Agency via email using an electronic signature.

- d. CVs of project team members

### **12.3. Partnership Applications**

- a. Joint applications

According to these guidelines, several eligible applicants can join together to submit a grant application for a joint project. In this case, a funding relationship will be established with each of the legal entities.

The applicant collective (cooperation partners) must appoint and authorize one of their legal entities as lead partner to represent all project applicants vis a vis the Vienna Business Agency.

- b. Lead partner

The lead partner is authorized by the cooperation partners and assumes the task of coordinating the application process and – in the case of funding approval – project management, as well as communication between the funding body and his or her partners for the entire duration of the project. This includes the audit of all partners' reports and statements based on data and information supplied by the cooperation partners.

The lead partner is responsible for forwarding subsidies to his or her cooperation partners in an appropriate and timely manner. The lead partner is furthermore responsible for reporting alterations in scheduling and coordinating these with the funding body. He or she must ensure that the final statement and all reporting is complete and complies with the requirements of these guidelines and (if applicable) supporting documents (e.g. accounting guidelines, etc.).

- c. Lead application

The lead application must include the lead partner's business information and indicate the distribution of workloads, project costs, project risks, project results, project rights, and subsidies as divided between individual project partners. A precise distribution plan should furthermore be established in the form of a cooperation contract and presented to the Vienna Business Agency.

- d. Partner application

The participation of each cooperating partner must be established by the submission of a partner application that clearly outlines the work and financial contributions made by that individual partner.

## **13. Project Description**

### **13.1. General Formal Requirements for the Project Description**

Please include the following points when describing your project. Failure to do so may lead to elimination of your application from the evaluation process.

Describe:

- a. Your project as a self-contained project or valuable sub-project
- b. The total scope and duration of the project'
- c. The total cost and funds allocated for the project

The project description must furthermore include:

- d. An appropriate project plan for the scope and content of the project
- e. Detailed explanation of expectations regarding the successful realization of the project
- f. A persuasive description of the project that provides a sufficient basis for evaluation
- g. Name of project leader.

### **13.2. Resources**

Applicants must be capable of supplying the resources (e.g. qualified personnel, financial resources, technical equipment, competent cooperation partners) necessary to drive the proposed project forward within the given timeframe, and of achieving the planned commercial results.

### **13.3. Structuring of Work Packages ("Milestones")**

The application must be structured into results-oriented work packages. Each work package must end with a quantifiable result ("milestone") that is to be documented and detailed in the course of the final project statement.

### **13.4. Project Financing**

Secured financing of itemized project costs must be presented in full and, if possible, with supporting documents (i.e. loan agreements, account statements). Expected subsidies that are included in the financing plan may not exceed the amount eligible for advance payment.

### **13.5. Business Model**

The application must include a business model that serves as a foundation for the project. In particular, this model should convey details on how the proposed project will generate future profits after expenses. The business model for the proposed project should read like a project calculation with in-depth explanation of each point.

In the case of businesses in the process of being founded, the project business model should generally include the entire business and thus more or less resemble a business plan.

### **13.6. Plan Profitability Analysis**

The application must furthermore include a projected profit and loss statement and a budgeted balance sheet (e.g. a projected cash basis accounting created by sole traders) that includes the effects of the proposed project. The corresponding numbers must thus always include the project. A projected profit and loss statement and budgeted balance sheet, or a budgeted balance sheet without consideration for the project, may likewise be submitted in order to highlight the positive effects thereof.

## **14. Evaluation and Decision**

### **14.1. Evaluation Criteria**

All application materials must be submitted electronically. The Vienna Business Agency reserves the right to request the applicant or applicants to submit additional information regarding the application or parts thereof in writing or as part of a hearing. The Vienna Business Agency reserves the right to consider extant project evaluations or portions of a project that have already been reviewed and evaluated by other public funding bodies.

### **14.2. Formal Preliminary Review**

The Vienna Business Agency administers a preliminary review of all applications focusing on compliance with the abovementioned formal criteria and the presence of sufficient basis for evaluation. As a result:

- a. Unmet prerequisite criteria such as e.g. company size, industry affiliation, etc. can lead to elimination from the evaluation process
- b. An insufficient formal project description, including missing information, business plans, etc. can likewise lead to elimination from the evaluation process
- c. Incomplete formal requirements or missing supporting documents, including obligatory CVs, *de minimis* declarations, documents establishing the project leader, etc. will result in a one-time resubmission request

### **14.3. Selection Procedure and Evaluation Criteria**

#### a. Selection procedure

The principle of competition applies to the selection procedure. This states that all applications submitted within a specific deadline — as published on the Vienna Business Agency website — are evaluated, compared to each other, and ranked (see pt. 14.7.)

#### b. Criteria

In evaluating applications, we apply both general as well as specific evaluation criteria. The weight of criteria will be established in accordance with the assessment scheme, which will be published on the Vienna Business Agency website

#### c. Minimum evaluation points

The minimum points required to enter the evaluation stage amounts to 30% of the total evaluation points

### **14.4. General Evaluation Criteria**

General evaluation criteria have to include:

- a. Immediate or indirect job-creation at the Vienna business location
- b. The degree of additionality of the proposed project in relation to previous activities or the incentivizing effect
- c. Project quality
- d. Project implementation risks
- e. The project's economic relevance (business model)
- f. The financial and human resources available to implement the project
- g. The social relevance and diversity of the project (e.g. positive ecological effects, equal opportunities for women, etc.)
- h. The project's regional economic relevance (especially with regard to cooperation and trans-regional networking, and potential innovation and demonstration effects).

### **14.5. Target-Specific Evaluation Criteria**

The evaluation scheme, including specific criteria and the weight thereof in the evaluation process can be found alongside the general evaluation criteria on the Vienna Business Agency website.

#### **14.6. Evaluation/Jury**

Application evaluation is carried out by the Vienna Business Agency, which may rely on the additional opinions of outside experts or a jury. The names of expert jury members will be made known in an appropriate form and can be requested from the Vienna Business Agency. All individuals contracted by the Vienna Business Agency for the evaluation and review of applications are under a strict oath of confidentiality.

#### **14.7. Ranking**

Providing they meet the abovementioned obligatory minimum guidelines, all complete applications submitted to the Vienna Business Agency by the deadline posted on the Vienna Business Agency website will be ranked based on the results of the evaluation process.

#### **14.8. Funding Recommendations**

Upon completion of the ranking process the Vienna Business Agency committee will receive a list of all applicants and suggestions regarding which projects to fund with regard to budgetary constraints. The budget for consideration is the budget allocated to each respective program per application or budget period.

#### **14.9. Funding Recommendation/Decision**

The Vienna Business Agency committee considers the funding recommendations made by the persons or committees responsible for evaluation and recommends positively evaluated projects to the City of Vienna for funding. The final decision regarding whether or not to approve an application is made by the municipal authorities of the City of Vienna on the basis of the recommendation conveyed by the Vienna Business Agency committee.

### **15. Project Transfers, Revision**

#### **15.1. Project Transfers**

Granted that applicants provide consent, submitted projects can be transferred from programs to which they were initially submitted to different, more suitable, programs. This option may be suggested to an applicant on the basis of either the results of the formal preliminary review or upon the suggestion of the Vienna Business Agency and/or jury during the evaluation process. If the applicant consents to a transfer, it will be conducted with consideration of the original application deadline (see pt. 15.3.).

## **15.2. Applications Returned for Revision**

During the evaluation process the Vienna Business Agency and/or jury may ask applicants to make one-time revisions to their submitted project applications. In such cases, the revised proposal should retain the character and content of the original, and the original application submission date will remain applicable until the next possible application deadline (see pt. 15.3.).

## **15.3. Application Deadline Preservation Effect**

The application deadline preservation effect signifies that the project costs incurred by a transferred or revised project application may be recognized from the original date of submission.

## **16. Approvals, Conditions, and Advance Payments**

### **16.1. Announcement of Funding Approval**

Applicants will receive a written communication from the Vienna Business Agency informing them of the municipal authority's decision and any potential conditions relating to the receipt of funding approval. In the case of approval, please note that funds stated in the communication are always maximum amounts. In the case of applications that have not been approved for funding the grounds for rejection will be stated.

### **16.2. Conditions**

In instances of conditional funding approval, the applicant must demonstrate that those conditions have been met before funds can be distributed.

Furthermore, pursuant to pt. 16.1, in order for funds to be disbursed it must be demonstrated that businesses in the process of establishment were established no more than 6 months after receipt of funding approval.

### **16.3. Advance Payments**

An agreement for advance payment can be made providing that the funding decision makes no mention of specific rules regarding the provision of subsidies.

- a. The total amount of advance payment requested is at most 50% of the maximum subsidy amount named in the funding approval
- b. The earliest date upon which the request can be granted is upon receipt of a written acceptance letter (funding approval) from the Vienna Business Agency, compliance with all conditions named

therein, and upon receipt of documentation of project inception (e.g. "reported project start," "initial orders," etc.).

- c. Advance payments will not be granted in the case of ongoing bankruptcy cases

## **17. Reporting Obligations, Statements, and Disbursements**

### **17.1. Obligation to Report Changes**

Following receipt of funding approval, funding recipients are obliged to submit written reports to the Vienna Business Agency regarding quantitative or qualitative changes associated with the funded project and/or business without delay or request.

Significant project changes require the explicit approval of the Vienna Business Agency, and must be reported in writing immediately thereafter. Such alterations may include, for example expenses and/or changes to the project realization schedule that pertain to the funding eligibility requirements.

Pursuant to pt. 17.5, this obligation to report expires 4 years after the final payment.

### **17.2. Progress Reports**

In the case of funding approval, recipients must voluntarily submit comprehensive progress reports on a semi-annual basis from the start to the conclusion of the project. If forms are supplied for this purpose, then you must use, complete, and submit them — if possible — electronically.

### **17.3. Final Accounting Statement**

Documentation of personnel costs must include adequate accounting documents in compliance with relevant legal requirements. Detailed records must be kept of the working hours and duties of each project employee. These must be allocated to individual work packages and presented during the course of the final accounting statement.

External costs must be documented by receipts in compliance with relevant legal requirements and submitted. Receipts and records of payment for all costs must likewise be included in the final accounting statement.

Should the documents supplied by the applicant for his or her final accounting statement be too incomplete to offer a sufficient basis for evaluation, and should the applicant fail to supply the requested documentation within a reasonable period of time the funds granted pursuant to pt. 19.2.e. shall be revoked.

#### **17.4. Final Report incl. Final Accounting Statement**

You are required to upload a comprehensive final report, including the final accounting statement of actual project costs incurred, to the online funding cockpit <https://cockpit.wirtschaftsagentur.at> no more than 3 months after the end of the project. Pursuant to pt. 19.1.d., your subsidy will be entirely revoked if the submitted project costs fall below the minimum valid assessment basis stipulated at the time of application.

#### **17.5. Final Payment**

Upon review of the final report the subsidy will be re-calculated on the basis of the actual project costs reviewed and deemed eligible for funding.

Should the re-calculated subsidy falls below the maximum subsidy stated in the original funding approval, any advance payments will be deducted from the re-calculated subsidy — or from the maximum subsidy amount.

Positive balances will be paid out to the applicant; upon request, negative balances must be repaid within 14 days. In the case of late payments, interest will be charged pursuant to a ruling by the municipal authorities from February 26, 2016, MDK-107271-2/16 or a comparable legal basis.

#### **17.6. Partnership Application payment**

The total subsidy will be paid out to the authorized applicant (lead partner) for all partners in discharge of their duties. The lead partner is then required to distribute shares of the subsidy between the partners in accordance with a written notification to the Vienna Business Agency and without delay.

In the event that lead partner does not fulfill this obligation, all claims are to be made against the lead partner exclusively.

In exceptional cases, and upon evidence of objective and justifiable reasons, subsidy amounts may be directly disbursed to each partner individually. The final subsidy amount allocated to each of the partners will be recalculated on the basis of the final accounting statement, and under consideration of EU aid legislation, the regulations contained in these guidelines, and/or in the calls based thereupon. The total subsidy amount is limited to the maximum grant amount.

### **18. Publication, Monitoring, Recordkeeping, and Inspection Obligations**

#### **18.1. Publication**

In the case of funding approval, applicants must include the words *Supported By Vienna Business Agency*. and the logo of the Vienna Business Agency positioned in a reasonable and legible location on all PR and marketing material associated with the subsidized project.

## 18.2. Monitoring

Upon completion of funded projects and general development of subsidized business, applicants are obliged to answer any queries posed by the Vienna Business Agency without delay, in their entirety, and — if requested — in writing, and to produce the necessary supporting records and documents. This obligation expires 10 years after the final subsidy payment pursuant to pt. 17.5.

## 18.3. Recordkeeping

Applicants are obligated to properly and carefully retain all relevant documents related to the submitted application as well as documents pertaining to the Vienna Business Agency that are relevant to the receipt of the subsidy and its administration. This obligation expires 10 years after the final subsidy payment pursuant to pt. 17.5.

This recordkeeping obligation is particularly pertinent to documents that assist in the clarification of the following points:

- Applicant's business sector
- Identifying the business as small, mid-sized or large
- The gross and net sums necessary to calculate the subsidy amount
- If applicable, the export orientation of the business
- Funding amount and project duration
- Other *de minimis* aid that was referenced in the application, and that was applied for or received during the current tax year or the two tax years prior to the date of application date

During the obligatory recordkeeping period applicants must grant access to review these documents at any time to: the Vienna Business Agency, the municipal authorities of the City of Vienna, the Stadtrechnungshof (Vienna municipal court of auditors), the Bundesrechnungshof (federal court of auditors), the institutions of the European Union, or any representatives thereof. In particular applicants must, if required, provide access, hand over, or present original documents or copies (electronic form is also acceptable) to the abovementioned offices or their representatives for auditing purposes and, if necessary, also grant access to their work spaces, offices, storage sites, and laboratories, etc.

## 19. Revocation and Repayment

The following grounds for revocation also apply to partnership applications.

### **19.1. Grounds for Revocation: 10 Years**

Pursuant to pt. 17.5., subsidies can be revoked if one of the following grounds occurs or becomes known up to 10 years after the final payment:

- a. The subsidy is/was used inappropriately
- b. The requirements or conditions for funding approval are or were not met in accordance with these guidelines
- c. The applicant rebukes or refuses audits from the Vienna Business Agency, the municipal authorities of the city of Vienna, the Stadtrechnungshof (Vienna municipal court of auditors), the Bundesrechnungshof (federal court of auditors), the institutions of the European Union, or representatives thereof.
- d. If information that was instrumental in receiving the subsidy is shown to be incomplete or inaccurate or was missing or made irrelevant, and especially if it contradicts information stated in the application such as:
  - i. The progress of the project has been delayed without significant reason
  - ii. The project has been altered so drastically that it no longer complies with the basic principles that resulted in funding approval
  - iii. The project was not or is not being realized
  - iv. The project was or is being realized outside of Vienna
  - v. In the case of funding granted to businesses in the process of being founded, the business was not founded within 6 months of receipt of funding approval.
- e. Evidence of proper recordkeeping pursuant to pt. 18.3. has not been met or the archived documents are not presented in a timely and complete manner, or – in the case of electronic storage and presentation – an electronic inspection is not available to the Vienna Business Agency, the municipal authorities of the city of Vienna, the Stadtrechnungshof (Vienna municipal court of auditors), the Bundesrechnungshof (federal court of auditors), the institutions of the European Union, or representatives thereof.
- f. The applicant withdraws from the consent agreement pursuant to pt. 20.1. (data protection).

### **19.2. Grounds for Revocation: 4 Years**

Pursuant to pt. 17.5., subsidies can be revoked if one of the following occurs or becomes known up to 4 years after the final payment:

- a. The subsidized business moves fundamental value-adding components of work that had been performed at its Vienna location outside of Vienna
- b. The operation of the subsidized business or the business itself is either sold or transferred by other paid or unpaid means (e.g. gift, inheritance), unless the purchaser or the legal successor has

without delay prepared a written document stating that he or she seeks to uphold all rights and obligations associated with the funding relationship and the Vienna Business Agency agrees to these conditions

- c. The ownership structure of the subsidized business has fundamentally changed and the purpose of the subsidy is as a result no longer ensured
- d. The subsidized business operations are closed, permanently shut down, or the subsidized business is liquidated
- e. The obligation of notification is violated or the reporting requirements are not met, especially if a comprehensive final report pursuant to pt. 17.4. is not presented on time, is not admissible (e.g. because of missing or inadequate accounting documents), and or cannot be reviewed reliably or conclusively, and a request for revision has not been met within a reasonable time.

### **19.3. Partial Revocation**

If the project can be split into concrete useful components to which the respective funds can be allocated, and if the grounds for repeal apply only to individual components, then the revocation may be limited only to funds that apply to those components.

### **19.4. Revocation in the Event of Partnership Applications**

In the event of revocation on grounds pursuant to pt. 19.1. and pt. 19.2., the revocation of accepted subsidies may apply to just one partner if the grounds for revocation does not apply to all partners.

### **19.5. Revocation Decision**

Provided grounds therefore, a decision to revoke funds can be made no more than 6 months following the deadlines stated in pts. 19.1. and 19.2.

### **19.6. Repayment in the Event of Revocation**

In the event of revocation, any advance subsidy payments or the whole of the disbursed subsidy must be repaid two weeks upon notification. In the event of delay, default interest payments will be due pursuant to a decision by the municipal authorities from February 26, 2016, MDK-107271-2/16 or a similar legal basis.

In the event of grounds for revocation pursuant to pt. 19.2.b., c., and d., and in the event of evidence of actual accrued costs in the framework of the final accounting statement pursuant to pt. 17.4., the request for repayment will be based solely on capitalizable replacement investments acquired with subsidy funds and that the legal depreciation period of which have not ended by the time that the grounds for revocation occurred. The repayment must occur aliquot to the remaining amortization period.

Further civil claims remain unaffected.

## **20. Data Protection**

### **20.1. Personal Data Processing**

Applicants are required to submit all personal data stipulated in the submission, in particular data pertaining to the application, processing, and reviewing procedures. All personal data must be entered in the corresponding forms necessary for compliance with data protection regulations so that the application can be processed by the Vienna Business Agency and/or by contracted third parties (e.g. jury members, external experts) as well as the City of Vienna, for the purpose of auditing, granting, and processing subsidy applications, as well as by:

- The Stadtrechnungshof (Vienna municipal court of auditors) and City of Vienna funding bodies
- The funding bodies of the Republic of Austria as well as the federal states and the Bundesrechnungshof (federal court of auditors)
- The institutions of the European Union (European Commission, European Court of Auditors) by which the data will be processed for the purpose of auditing, granting, and processing subsidies; in particular by signing a declaration of consent provided by the Vienna Business Agency.

Applicants reserve the right to revoke their consent at any time by notifying the Vienna Business Agency in writing; in the event that an applicant wishes to revoke his or her declaration of consent, the Vienna Business Agency will cease upon receipt thereof all data usage that is not permitted without consent.

If the applicant chooses to revoke the declaration of consent then the subsidy will be revoked pursuant to pt. 19.1.f. and the applicant will be required to reimburse all disbursed funds.

### **20.2. Published Data**

In the event of funding approval, the Vienna Business Agency and the City of Vienna shall be entitled to publish without restrictions the identity of the applicant, the name and a brief description of the project, the amount of funding, and the grounds upon which the project was selected.

## **21. Anti-Discrimination /Indemnification Compliance**

Subsidies that fall under these funding guidelines are granted exclusively to natural and legal persons who observe the anti-discrimination laws pursuant to § 2 of the Vienna Anti-Discrimination Act<sup>5</sup> and anti-disadvantage laws in accordance with § 4 paragraph 3 of the Vienna Anti-Discrimination Act.

The applicant shall be responsible for complying with the legal requirements and legal foundations in connection with the application process, the granting and processing of the subsidy, as well the auditing process, etc.

The applicant shall assume responsibility for all damages that may result from non-compliance with anti-discrimination laws (§ 2 and § 4 paragraph 3 of the Vienna Anti-Discrimination Act) or any other regulations with which he or she must comply in connection to the processing of the grant or the implementation of the funded project, and agrees to indemnify the Vienna Business Agency and the City of Vienna against third party claims.

## **22. Period of Effectivity**

These guidelines are effective for applications submitted from January 1, 2018 to December 31, 2022, and are subject to potential revisions in accordance with official decisions or premature termination.

## **23. Applicable Law / Court of Jurisdiction**

All legal relationships that result from enterprises undertaken in relation to these guidelines fall exclusively under Austrian law and other applicable EU regulations and guidelines.

The place of jurisdiction for all disputes arising from, or in connection with, these funding guidelines is the competent court in Vienna.

---

<sup>5</sup>Anti-discrimination law (Vienna Anti-Discrimination Act), LGBL. 35/2004 idgF

## **24. Administrative Funding Body**

Vienna Business Agency. A service offered by the City of Vienna.

Funding Department

Mariahilfer Strasse 20

1070 Vienna, Austria

T: +43 (0)1 4000 86165

[E: foerderungen@wirtschaftsagentur.at](mailto:foerderungen@wirtschaftsagentur.at)

[www.wirtschaftsagentur.at](http://www.wirtschaftsagentur.at)

<https://cockpit.wirtschaftsagentur.at>

## Appendix I

### Businesses

For the purpose of these guidelines, businesses are considered economic entities that carry out long-term, self-contained, organized, and profit-making activities at their own risk, be their purpose to distribute or to substantially reinvest gains (e.g. in the case of research or social enterprises).

### Established Businesses

For the purposes of these guidelines, businesses are recognized as established if they possess one of the following characteristics:

- They are registered in the commercial register
- They possess a valid VAT tax ID number
- They can provide evidence of registration as an established industry in the central trade register
- They can provide evidence of registration in the company register of the appropriate administrative district authority
- In the case of sole proprietorships — and in the absence of any other evidence — the proprietor is insured by at least one of the following insurance associations: GSVG, FSVG or BSVG.

### Time of Establishment

"Businesses in the process of being established" are considered established if they possess one of the characteristics of an "established business." Funding will be revoked if the establishment fails to occur within a maximum of 6 months following funding approval (see section 19.1.d.).

### Founders

The term "founder" applies to the pre-establishing phase as well as the first year of the "established business."

## Appendix II

### Business Site

The term "business site" indicates a permanent place of business or establishes if the business has discretionary power over certain (owned or leased) facilities, premises, or machinery through the use of which the business may carry out all or part of its operations.

## Vienna Business Site

One of the following points indicates the existence of a Vienna business site:

- Ongoing payment of Vienna municipal tax (proof: city treasury)
- Extant company registration entry with the address of the Vienna business site
- Extant registration of the VAT ID number in the VAT database of the Austrian tax authorities listing the address of the Vienna business site
- Extant registration of a trade in the trade register listing the address of the Vienna business site
- For self-employed individuals: extant registered business address or, if applicable, branch in Vienna

If self-employed individuals or single-person-businesses cannot provide documentation of any of the abovementioned, but still argue that Vienna is the location of their business site, then they must provide evidence of their place of residence (residence registration form). Such applications must furthermore be accompanied by a description of the business site and the fixed business equipment. In particular, this description should contain information regarding:

- Number and size (in square meters) of business facilities
- Function and use of the facilities (e.g. work room, conference room)
- Extant furnishing and machinery necessary to carry out business operations
- The need or presence of an operating license (if applicable)
- Space usage (exclusively or shared with others)
- Authority to dispose of the facilities (rent, sublet, ownership)
- Address of residence, so far as it is not the same as that of the business

The Vienna Business Agency reserves the right to recognize facilities as described above – potentially granted additional documentation – as "Vienna business sites."

## Appendix III

### Calculation Methods for Hourly Personnel Rates

Hourly rates are to be calculated on a **monthly** basis using the following formula.

#### Employed Project Employees

---

Respective monthly gross salary

\* 14 months = projected annual gross salary

\* 1,32 + 32 % wage costs

\* 1,2 (or 1,3) + 20 % overhead rate (30 % for founders)  
 ÷ (weekly hours \* 41) ÷ projected annual working hours  
 = recognized hourly rate for each month

Please note: In the case of founders the overhead rate is raised to 30%.

### Self-Employed Individuals

Respective monthly gross salary

\* 14 months = projected annual gross salary  
 \* 1,21 + 21 % wage costs  
 \* 1,2 (or 1,3) + 20 % overhead rate (30 % for founders)  
 ÷ (weekly hours \* 41) ÷ projected annual working hours  
 = recognized hourly rate for each month

Please note: In the case of founders the overhead rate is raised to 30%.

### Actively Involved Company Owners or Partners

The hourly rate for small business owners who are actively involved in the project is set at € 45.00, and that for founders at € 48.75.

Explanation of the calculation:

fixed basic hourly rate	wage costs	overhead rate	hourly rate	age of business
€ 28.41	32 %	20 %	€ 45.00	> 1 year
€ 28.41	32 %	30 %	€ 48.75	founder

Notice: In the case of founders the overhead rate is raised to 30%.