

Funding programme administered by the Vienna Business Agency

International Market Entry

Objectives

In view of the geographical restrictions of the domestic market, a strong focus on exports is an important factor in the success of many Viennese enterprises and for high levels of value creation in Vienna. However, entering a new, foreign market entails significant financial, regulatory, organisational and, in many cases, cultural challenges, especially for small and medium-sized enterprises (SMEs).

This programme is designed to support small and medium-sized Viennese enterprises in their efforts to internationalise and enter into a new market. It also aims to encourage these enterprises to consider international opportunities in the course of product development.

This funding programme shares the general aims (economic effects, focus on innovation and social benefits) of the “Framework Guidelines 24+ on Monetary Economic Promotion of the Vienna Business Agency” (“Framework Guidelines” or “FG”).

This programme also addresses the following focus topic listed in the preamble of the Framework Guidelines:

- Employment
The internationalisation project should lead the Viennese enterprise to take on additional staff and achieve sustainable growth over the medium to long term.

Target group

This funding programme is aimed at existing small and medium-sized enterprises in Vienna that plan to establish business operations in a new, foreign market.

Eligible projects

Funding is available to projects from small and medium-sized enterprises in Vienna that plan to establish business operations in a new, foreign market. The project must be an appropriate way to achieve sustainable, lasting increases in the enterprise’s sales opportunities and sales volumes, and secure a long-term, ongoing presence in the targeted market. Funding is not available simply to finance visits to trade fairs (in the absence of a plausible internationalisation strategy).

Key information about the funding programme

The following table provides an overview of key information about the funding programme. This funding programme is subject to the Framework Guidelines. The table below lists sections from the Framework Guidelines that describe specific conditions or restrictions, along with other aspects relevant to this funding programme.

<p>Legal framework (see FG Section 1)</p>	<p>The Framework Guidelines and this funding programme were noted at the sitting of the Vienna City Council of 18/10/2023 under eRecht reference 1171017-2023.</p> <p>The legal basis under EU law on state aid comprises: De Minimis Regulation</p>																		
<p>Funding eligibility conditions (see FG Section 2)</p>	<p>Eligible applicants: Existing small and medium-sized enterprises with a registered office and establishment in Vienna. Simplified definition:</p> <table border="1" data-bbox="564 797 1444 1088"> <thead> <tr> <th></th> <th>Number of employees</th> <th></th> <th>Annual turnover</th> <th></th> <th>Balance sheet total</th> </tr> </thead> <tbody> <tr> <td>Small enterprise</td> <td>< 50</td> <td>and</td> <td>max. €10m</td> <td>or</td> <td>max. €10m</td> </tr> <tr> <td>Medium-sized enterprise</td> <td>< 250</td> <td>and</td> <td>max. €50m</td> <td>or</td> <td>max. €43m</td> </tr> </tbody> </table>		Number of employees		Annual turnover		Balance sheet total	Small enterprise	< 50	and	max. €10m	or	max. €10m	Medium-sized enterprise	< 250	and	max. €50m	or	max. €43m
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<p>Funding type (see FG Section 3)</p>	<p>Funding awarded in the context of the Framework Guidelines is provided in the form of non-repayable grants.</p>																		
<p>Project start, duration and extension; recognition period for expenses (see FG Subsection 4.2)</p>	<p>The maximum project duration is 2 years. The project must not have begun before the application is submitted.</p> <p>When submitting the application, applicants must state the planned end date for the project. If funding is approved, the project must begin as promptly as possible. The recognition period for expenses can begin, at the earliest, on the date of submission of the application and end, at the latest, upon expiration of the maximum project duration (subject to possible extensions). The maximum recognition period for expenses runs from the planned project start date as stated in the application, or the altered start date if reported to and approved by the Vienna Business Agency, to the end of the project period (subject to possible extensions).</p> <p>The Vienna Business Agency can only approve extensions to the maximum project duration in the following cases:</p> <ul style="list-style-type: none"> • If the procurement of items to be included in the enterprise's fixed assets may be significantly delayed for objectively legitimate reasons (e.g. missing permits, unforeseen delays to delivery periods). • If the person responsible for project management at a small enterprise (in accordance with the definition of an SME) restricts or discontinues their activities in order to meet their caregiving responsibilities. 																		

	Evidence of this must be provided. Extensions of up to one year may be granted. Caregiving responsibilities include, in particular, caring for children or other close relatives.
<p>Eligible costs (see FG Subsection 5.2)</p> <p>Only costs incurred after the application is submitted and the project begins are eligible for funding.</p>	<p>In particular, this includes the following costs, which must be directly attributable to the project:</p> <p><u>Personnel</u> Eligible personnel costs include costs for</p> <ul style="list-style-type: none"> ● Employees ● Independent contractors ● Shareholders or owners of small enterprises who are registered/active at the Viennese establishment <p>Exception: If the enterprise intends to establish a foreign subsidiary in the course of the project, they may apply for funding for personnel costs for max. one person to set up the subsidiary.</p> <p>Hourly rates: See Annex 2 of the Framework Guidelines</p> <p><u>Travel</u> The only eligible travel costs are costs for</p> <ul style="list-style-type: none"> ● Travel using public transport (buses, trains, flights – except to countries that border Austria) in second class or economy class ● Hiring a rental car for the duration of max. one week per trip ● Overnight stays (limited to EUR 200 per person per day) <p><u>External services</u></p> <ul style="list-style-type: none"> ● Costs associated with the market entry in the target region <p><u>Intangible investments</u></p> <ul style="list-style-type: none"> ● Licences, permits
<p>Ineligible costs (see FG Subsection 5.3)</p>	<ul style="list-style-type: none"> ● Own work capitalised ● Ongoing business expenses ● Taxes, public fees and financing costs ● Procurement of land and buildings ● Invoices with net eligible costs below EUR 200 (excluding travel costs) ● Ongoing market costs (advertising campaigns), online advertising costs (e.g. GoogleAds, social media) and printing costs
<p>Overhead rate (see FG Subsection 5.4)</p>	<p>Funded personnel costs are awarded with an overhead rate of 20%. The overhead rate covers all overhead costs (e.g. rent for general spaces, operating costs, maintenance, office materials, administration, accounting/controlling, payroll accounting, IT). These costs may not be listed as direct costs.</p>
<p>Assessment basis/ minimum assessment</p>	<p>The sum of all recognised project costs serves as the assessment basis for the funding. Minimum assessment threshold: EUR 20,000</p>

threshold (see FG Section 6)	
Maximum funding rate (see FG Subsection 7.1)	50%
Maximum funding amount (see FG Subsection 7.2)	EUR 50,000
Bonus (see FG Subsection 7.3)	<u>Women's bonus</u> The women's bonus is EUR 5,000. This bonus is awarded to projects demonstrably led by a suitably qualified woman (as evidenced by their CV) employed by the enterprise (or, for partnership-based applications, by the lead partner) or, alternatively, by a suitably qualified female managing shareholder. It is paid with the final payment, subject to fulfilment of the requirements.
Funding application – General requirements (see FG Subsection 9.1.1)	Funding applications can only be submitted via the Vienna Business Agency website. Applicants must complete the online forms accurately and in full. The following documents must be attached to each application: <ul style="list-style-type: none"> ● Application confirmation ● De minimis declaration ● Most recent annual financial statement and/or cash-method accounting statement ● CVs
Type of assessment and selection process (see FG Subsection 9.2.3)	The process operates on a competitive basis. The application questions and assessment criteria for this funding programme are available on the Vienna Business Agency website.
Final report, incl. final account (see FG Subsection 9.5.3)	A detailed final report – including a final account listing actual project costs – must be submitted online immediately after the funded project ends, at the latest within 3 months of the end of the project.
Advance payments (see FG Subsection 9.6.1)	The payment schedule includes an advance payment of max. 50% of the approved funding amount.
Final payment (see FG Subsection 9.6.3)	After the final report and final account have been submitted and examined, the funding will be recalculated on the basis of the costs actually incurred in the funded project and recognised as eligible. If the calculated funding a recipient is due falls below the maximum funding amount stated in the funding decision, the advance payment will be deducted from the calculated funding amount – not from the maximum funding amount.

	A positive balance will be transferred to the funding recipient; a negative balance must be repaid within 14 days of request. In the event of repayment delays, interest of 9% p.a. will be applied to the sum due.
Period of validity (see FG Section 14)	The application period runs from 01/01/2023 until 31/12/2026. Application deadlines are announced on the Vienna Business Agency website.