

Development Project Application Document

Version July 2023

The questions in this document serve to gain a better understanding of your idea and project or to obtain information relevant to the evaluation criteria that will be used to assess your application. It is therefore important that you answer ***each question separately.*** It is best to carefully read through the [evaluation criteria](https://www.vlaio.be/nl/media/235) (Appendix 1 of the ['Explanatory Document on Research & Development projects and Feasibility Studies'](https://www.vlaio.be/nl/media/1827)) before writing your application.

A properly prepared application document is essential for a smooth and fast evaluation process. Each question should be answered **separately, briefly and concisely.** Long and/or unclear documents can complicate the evaluation process and delay decision-making.

You can assume that your application will be read by someone with basic knowledge of your industry. If necessary, the information you provide can be relayed to third-party experts. If you wish to submit detailed information that should not be relayed to third-party experts, please upload a separate file along with your digital submission.

As illustrated in Figure 1, the questions broadly cover the entire process from innovative idea to the final product/service.

**Idea**

**Development Project**

**Follow-up**

**Market**

1.1 Your company and its innovative idea

1.2 How does your idea fit into the market?

1.3 The path to market

1.4 Business model

1.5 Impact

Part 2 of the application

Information to be submitted:

in **part 1** of the application

in **part 2** of the application

Figure 1: The whole process from idea to implementation and the information to provide in this application.

In part 1 of the application, you are asked to describe your innovative idea and describe how it can benefit your company.

The development project, which is the part of the overall process for which you are applying for funding, is to be described in part 2 of the application template.

#### Preparation and composition of the project application:

* *This template should be seen as a tool to format the project application. This document, as well as other attachments, should then be uploaded to the appropriate section of the online portal.*
* *When filling in the project application it is explicitly recommended to read the* *‘explanatory document for innovation support’ for explanation of the requested information.*
* ***Text in 'italic', in boxes and other explanatory notes*** *-including this page-* ***should be deleted or replaced with your own text.***

#### Layman’s summary (max. 0.5 page)

*This is where you provide a brief summary of your project, which can also be used for publication. Approval will always be requested before effectively publishing anything.*

***Guidelines:***

* *Answer these 2 questions:*
  1. *What is the project about?*
  2. *What is the added value of this project? What can it be used for in the future?*
* *Focus on the overall goal and expected impact rather than on the process itself.*
* *Replace difficult technical words with an easier synonym.*
* *Avoid (too) long sentences and complicated sentence structures. Keep it concise, leave out what is less important for the target group.*

#### Executive summary (max. 1 page)

*In this part you describe concisely the objectives of your project, as well as the expected impact of the results. This section is part of the grant agreement and will be used at the end of the project to monitor the achievement of stated objectives. Therefore, the summary should* ***be readable on its own*** *and it is necessary that the objectives are delineated, concrete and verifiable. Note that the grant agreement is a commitment to resources, not results.*

***This summary should be structured as follows:***

##### General objective

*In 1-2 sentences, describe the essence of the innovative product, process and/or service in question. What are you aiming for with the project? What is the added value being developed in this project? What can your development be used for in the future?*

##### Concrete objectives and criteria

*Set out your sub-objectives as verifiable as possible, as well as* ***success criteria with quantitative targets****, so that VLAIO can assess to what extent results were achieved after the project ends.* ***Describe (SMART) objectives, not activities.*** *Make sure that your objectives contribute to the realization of your business case.*

##### Impact (brief summary of what is described in subsection 1.5)

*Assuming that you manage to achieve the intended results, describe briefly what your company will do with these results (eg. improve a product, launch a new product, improve a process, ...). Describe the impact on your business (or the Flemish branch of your company): new activity, expansion/continuation of a main activity, sub-activity, ... Quantify the total intended economic valorization in Flanders. This includes among others new/existing jobs and investments. Over the course of the valorization period, the project must achieve at least 10X leverage (this leverage is by default calculated on a 5 year period after the end of the project). If your project has a societal impact, then please elaborate here briefly.*

*If several business partners are involved, describe the impact for each partner.*

*IMPORTANT! The executive summary (max. 1 page) should also be available in Dutch. Please insert a translation of this 1 page in the application.*

#### Samenvatting (maximaal 1 blz.)

##### Algemeen doel

### 

##### Concrete doelen en criteria

##### Impact (korte samenvatting van wat in sectie 1.5 wordt beschreven)

|  |
| --- |
| *Complete the tables below if you have received innovation support through VLAIO in the last 5 years. The goal is to gain insight into the impact that the subsidized projects have had on your company. Please also give a general appreciation of the projects that have been carried out.*  ***If you have not received any support through VLAIO in the past 5 years, please delete this section from the application.*** |

#### Track record (max. 1 page)

|  |  |
| --- | --- |
| **Project number** | **Impact generated by the project since completion** |
| XXXXX |  |
| XXXXX |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **XXXX** | **XXXX** | **XXXX** | **……** | **…..** |
| **Project number** |  |  |  |  |  |
| **Granted aid** |  |  |  |  |  |
| **Staffing\*** |  |  |  |  |  |
| **R&D budget\*\*** |  |  |  |  |  |
| **Investments\*\*** |  |  |  |  |  |

*\** *You start in the year of completion of your first project, and show the evolution until the year in which the present project was submitted.*

*\*\** *Focus on R&D and investments made as a result of subsidized projects. Spillover effects within your company can also be included, but explain how these are linked to the subsidized projects.*

1. Business case: from an innovative idea to a business boost
   1. Your company and the innovative idea

*In this section, briefly describe the activities of your company, as well as the steps you have already taken in the realization of your idea.* ***The questions below can be used as a guide to what information is expected here.***

## *What are you currently offering? In which markets[[1]](#footnote-2)?*

* *Briefly describe your innovative idea (new or improved product, process or service). What prompted this idea?*
* *If you have already taken a number of steps towards the realization of your idea (e.g. market research, partners, investments, ...), describe them briefly.*
* ***Only for large companies (GO):*** *frame the project in the company-level roadmap, which should address the following topics:*

*- Embedding in the Flemish ecosystem: structural collaborations with knowledge institutions and SMEs.*

*- Strategic roadmap of the Flemish establishment and how they align with policy priorities such as: Energy/climate, Circular economy, Environment, biodiversity and water management, Sustainable food and nutrition strategies, Mobility and smart cities, Education and competences and Health and care.*

*- Steps the company (in particular the Flemish branch) wants to take in terms of sustainability.*

* 1. How does your idea fit into the market?

*Demonstrate that there is a market for your new development. Position yourself against what is already available.* ***The questions below can be used as a guide to what information is expected here.***

* *Briefly describe the customers/market (regions, countries) you intend to target with your new product/process/service.[[2]](#footnote-3) What is the total market size? Who are your main (potential) competitors and what is their market share?*
* *What position does your company currently occupy in this market? What market share do you want to achieve? Within which time frame?*
* *What are the best performing solutions offered as alternatives in the market? Briefly explain how your idea is innovative in relation to the status quo in the market you are targeting.*
* *Briefly state what will convince customers to choose you. In other words, what is your Unique Selling Point (USP)?* 
  1. Path towards the market

*Turning an innovative idea into reality is a long, difficult process and not all steps can be supported by VLAIO (e.g. less risky steps to prepare for market launch are not eligible for funding). In part 2 of this application, you can specify the concrete activities that make up your development project. First, we will address the steps that follow after the project for which you are applying for VLAIO funding, the so-called* ***follow-up trajectory****.*

* ***Outline*** *all the steps you will have to take after the end of the project until market launch. Put the entire process on a timeline.*
* *How much time and how many resources (financial, staff, etc.) do you think you will need for the* ***follow-up trajectory****?*
* *Do you see any obstacles (threats) in the market (e.g. government regulations, competitor IP, etc.)? How do you plan to overcome these obstacles? Are there favorable circumstances (opportunities)?*
* *Do you foresee protection of the planned project results through patent and/or other intellectual property rights? If not, what alternative strategy (secrecy, defensive publication, ...) do you wish to pursue in order to maximise the freedom of exploitation of these project results? If the planned project results involve patentable elements, you should take into account the new situation of the unitary patent.*

*For more information on this, see* [*https://www.vlaio.be/nl/begeleiding-advies/groei-innovatie/intellectuele-eigendom/welke-beschermingsopties-zijn-er-0-7*](https://www.vlaio.be/nl/begeleiding-advies/groei-innovatie/intellectuele-eigendom/welke-beschermingsopties-zijn-er-0-7) *). Are there required licences from 3rd parties?*

* *Does your company or staff have experience in launching new products or services? Are you familiar with the market(s) in which you will be launching your innovative idea?[[3]](#footnote-4)*
* *What cybersecurity measures are taken, both more broadly at company level and specifically for the innovation for which support is requested? Are there sensitivities in data processing or data communication?*

*Matters already taken into account during the project, in support of the innovation, should be mentioned in the work plan.*

* 1. Business model

*Briefly describe your intended business model: What will you offer your customers (e.g. units of product, bespoke products, user licenses, consultancy services, infrastructure, etc...) and at which price? Justify your pricing. What is your marketing strategy (e.g. arranging distribution yourself, working with a distributor, etc.)?*

*In which countries/regions and in which time frame will you start offering the service/product, etc.?[[4]](#footnote-5)*

* 1. Impact

*Provide a quantitative substantiation of the total added value in Flanders (i.e. the economic value created in Flanders over the course of the valorization period, based on employment and/or investments due to the project).*

*To be eligible for funding, the project must have a total quantitative added value equal to at least 10X the granted subsidy (i.e. achieving 10X leverage) for Flanders over the course of the valorization period. As standard, the valorization period is 5 years. This valorization period can be extended to 10 years if convincing argumentation is provided. Demonstrating a 10X leverage on a shorter valorization period (i.e. 3 years) is also a possibility.*

*If applicable, please also provide the societal added value due to your project. This can be done either quantitatively or qualitatively. The societal added value is not taken into account in the calculation of the leverage, but a bonus point may be awarded in the scoring of your project proposal. Proposals with a negative societal impact are not eligible for funding.*

### 1.5.1 Economic Impact

* *Briefly demonstrate the strategic importance of your idea. In subsection 1.2, you indicated how you will convince customers of the merits of your new product, process or service. Now explain how this new product, process or service will give your company a clear competitive advantage (e.g. by improving your activities, opening up a new market, diversification, allowing you to enter a new value chain, improving quality, cutting costs, etc.).*
* *Briefly describe what impact you expect to have on the Flemish economy (e.g. new investments, new jobs in your company or in other companies, maintaining production in Flanders, improving the position of a Flemish branch in an international company, anchoring your company in Flanders by close cooperation with Flemish knowledge institutes or local businesses, ...), …* ***Give clear arguments.***
* *Incorporate the figures from previous sections together in the table below,* ***up to 5 years after the end of the project*** *for which you are applying for support. Explain clearly on which assumptions your figures are based. Describe the difference between the situation with and without the project. This table should reflect the expected growth of your project. If the project provides job retention, provide a similar table, specifically for job retention.*
* *By default the economic impact is calculated during the 5 years after the projects end. If the expected valorization of your project will take more or less than 5 years, substantiate this here explicitly and adjust the table. Follow-up R&D periods and the path towards valorization are taken into account for the valorization period. The motivation for deviating from the default 5 years will be subjected to evaluation.*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Costs/revenues | XXXX  (year) | XXXX | XXXX | …… | …… | Total |
| Revenue from products/services X[[5]](#footnote-6) |  |  |  |  |  |  |
| Revenue from products/services Y |  |  |  |  |  |  |
| ….. |  |  |  |  |  |  |
| **Total revenue** |  |  |  |  |  |  |
| Additional employment through the project (Break down by profile e.g. R&D personnel, sales, workers, etc.) - #VTE |  |  |  |  |  |  |
| Retained employment through the project - #VTE |  |  |  |  |  |  |
| Payroll costs[[6]](#footnote-7) - additional employment |  |  |  |  |  |  |
| Payroll costs – retained employment |  |  |  |  |  |  |
| One-time costs, investments |  |  |  |  |  |  |
| ~~….~~ |  |  |  |  |  |  |
| **Total return for Flanders** |  |  |  |  |  |  |

### 1.5.2 Societal impact

*If your innovation is expected to have societal impact, please describe this impact here.*

*Projects can have societal impact on several domains. The explanatory document on innovation support contains a non-exhaustive list of domains on which a societal impact can be achieved. Indicate which domain corresponds to your project and provide a clear motivation.*

*Optional: estimate the potential (worldwide) net profit (costs saved and/or profits realized) and, if applicable, what this means for the Flemish ecosystem. This can be savings or gains in one or more of the above-mentioned domains that affect a broad base of stakeholders in Flanders (companies, societal sector, government or citizens).*

*If your project does not contain any societal impact, this section can be left blank. Projects with a negative societal impact are not eligible for funding.*

1. Your development project and approach

*In part 1 of the application, you mapped out the process of developing your innovative idea to add value to your company, explaining all relevant business aspects (position in the market, price model, USP, etc.).*

*In this part, you are asked to describe the practical details of developing your idea: which steps will you take to create your new product, process or service?* ***This is the ‘development project’ , the specific part of the process for which you are requesting funding*** *(part 2 of figure 1).*

*The purpose of a development project is to allow you to develop an entirely new or significantly innovative (improved) product, process, service or concept. Such an innovation can be technological in nature, but non-technological innovation is also accepted. Your development project should clearly deviate from your day-to-day business activities and help to acquire novel knowledge and insights for your industry.*

*The European Union has imposed strict requirements for financial support to companies, depending on the type of support involved. Specifically, a company looking to secure funding for a development project must show that it will acquire sufficient novel knowledge and that there are sufficient challenges and risks for the project to be considered more than a traditional engineering project. The questions below concern your approach, expertise, innovativeness and expected challenges, as set out in the evaluation criteria in Appendix 1 of the ‘*[*explanatory document for innovation support*](https://www.vlaio.be/nl/media/1827)*’.*

*It is also important to keep in mind that, in the context of a development project, VLAIO can only fund activities that fall within the scope of Research & Development, according to EU regulations. The latter stages of a development process, during which a company may look to build a pilot system, for instance, may also be eligible. For an overview of all* [*activities eligible for funding*](https://www.vlaio.be/media/668)*, please consult the ‘*[*Explanatory Document on Research & Development projects and Feasibility Studies'*](https://www.vlaio.be/nl/media/1827)*.*

* 1. New knowledge & challenges

*In section 2.2 'Approach', we will ask you to indicate for each* ***work package*** *what knowledge you will acquire specifically, as well as the specific challenges associated with the activities described in each work package.*

*In this section, we ask you to summarize the main knowledge acquisition and challenges. More information on what exactly we mean by 'new knowledge' and 'challenges' for development projects can be found in the ‘*[*Explanatory Document on Research & Development projects and Feasibility Studies'*](https://www.vlaio.be/nl/media/1827)*.*

*To identify the knowledge and challenges/risks, you can use the following questions as a guide:*

*Which knowledge and existing elements (eg. previous version of the intended innovation) do you already have? What do you still need to learn? We ask you to focus on the new knowledge and skills you will acquire, and not only on the innovation of your product, process or service.*

*Which are the biggest challenges/difficulties you need to overcome to achieve the project goals? Challenges are typically issues for which there are no ready-made solutions.*

*What are the greatest risks you believe you may encounter during the project? Which factors could jeopardize the achievement of the project objectives?*

*Here we ask you to focus on technology-science risks. Market risks may be part of your project's challenges, but they cannot be the main part of those challenges.*

*If part of the development process (and related knowledge acquisition and challenges) is to be outsourced to subcontractors, indicate clearly how you will embed the knowledge gained during the project in your company.*

#### Motivation for the knowledge step

*Please list the top 3 to 5 aspects of knowledge acquisition within this project in bullet form below:*

*\**

*\**

*\**

#### Motivation challenges

*Please list the top 3 to 5 challenges within this project in bullet form below:*

*\**

*\**

*\**

* 1. Approach

*This section describes the approach you will use to realize your innovative idea.*

*Build the section into 2 consecutive parts:*

* *First, outline the* ***general structure*** *of your project, identifying the various main work packages involved and describing how they relate to each other. Add a Gantt chart to clarify the project timeline.*
* ***For each work package,*** *identify the main tasks, who is responsible for these tasks, and how much time and resources they will require.* ***Use the table below (table 1) to introduce each work package. Follow the outline detailed below to describe the tasks, challenges and results for each work package.***

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Work package X** | **Start month** | |  | **Duration** (in months) |  | **Total work required** (in  man-months) |  |
| **Title** |  | | | | | | |
| **Partner and/or subcontractor** | |  | | | | | |

Table 1: Example of a work package diagram.

**Tasks:**

* + *Break down each work package into tasks, briefly describing each task and explaining your approach. State what (existing vs. new) methods/tools/techniques/software you will use.*
  + *Explain and substantiate the total work required.* *If a particular work package requires more than 10 man-months of work, specify the amount of work required for each task.*
  + *Clearly indicate which tasks are performed by which partner/subcontractor.*

**Expected Results**

* + *Indicate the expected results/milestones of the work package in question (preferable quantitative succes criteria).*

**Knowledge Step**

* + *Refer to the specific knowledge and skills you will acquire while carrying out this work package (rather than the innovation of your product, process or service).*

**Challenges and risks:**

* + *Refer to the specific challenges listed in subsection 2.2 and that apply to this work package. Describe which risks you may encounter in the context of this work package, as well as outlining a back-up plan (if necessary) or formulating go/no-go criteria.*
  + *Challenges and risks that are not taken into account are those of a commercial nature, management risks and uncertainties about manpower, timing and budget.*

Your project plan will serve as the foundation for your project budget, which will be used to determine the VLAIO grant. Use the **separate** [**Excel template**](https://www.vlaio.be/nl/media/1763) to prepare your project budget. This file will not be shared with third-party experts.

* 1. Expertise and Resources
* *Briefly describe the relevant expertise of each party involved in the tasks listed above (eg. your company, your project partner and/or a subcontractor).*
* *Indicate which resources (staff, infrastructure, funding) you have at your disposal in order to carry out the project successfully and how you plan to accommodate shortages in expertise and resources.*

1. Added value of support

*Why is it important that this development project receives Flemish government support? If the project were not to be funded by the Flemish government, would you* ***still initiate the project yourself*** *(cf. part 2 of the figure on p2), and if so, what would be different? When answering this question, focus on the project itself, not on your business case as a whole.*

1. Project with possible military links

[*For more information about submitting projects with possible military links, please consult this webpage.*](https://www.vlaio.be/nl/subsidies-financiering/onderzoeksproject/voorwaarden/projecten-met-militair-tweeerlei-gebruik-dual)

*If this subsection does not apply to your project, you can leave it out.*

*If your project has potential military links, please indicate which section of the Military List or Dual Use list your proposed development belongs to.*

*If the aim of the project is to develop products or systems included in the Dual Use list, you must clearly indicate and explain the expected revenue of the civil and military applications, respectively, in the* ***business case*** *for your project.*

*If your project falls within the scope of sections ML5, ML6, ML7f-i or ML8-ML22 of the military list or the Dual Use list, and if your business case clearly specifies that the process/product/service in question mainly has military applications, your application will be submitted to the Ethical and Strategic Advisory Committee for evaluation. In that case, you will be asked to complete a* ***self-evaluation*** *during the evaluation process.*

1. Additional Information

*Your application will be assessed according to the criteria listed in Appendix 1 of the ‘*[*Explanatory Document on Research & Development projects and Feasibility Studies'*](https://www.vlaio.be/nl/media/1827)*. VLAIO will mainly base its decision on the application document. Please make sure to fill it out clearly and completely. VLAIO may request extra information and/or documentation, especially for particularly large or complex projects.*

*As part of the application process, you will meet with a VLAIO project advisor and, possibly, an external expert. During this meeting, you will discuss the information submitted in your application in greater detail. Furthermore, you may also be asked to answer more specific questions, e.g. about your business case, your revenue/expenses, project execution or your approach.*



1. If you are a startup and are yet to roll out your activities, describe your intended business activities and market, as well as your background as founder of the company. [↑](#footnote-ref-2)
2. If you are already operating in the same market, e.g. in case of a process innovation, refer to your answer to the first question in subsection 1.1. [↑](#footnote-ref-3)
3. This question does not apply if you are applying for funding for a process innovation destined for your current market. [↑](#footnote-ref-4)
4. If your proposed innovation is a process innovation intended for your current market, please indicate this here. [↑](#footnote-ref-5)
5. Make sure to include a revenue breakdown (unit prices, regions, ...). If relevant, you can split up various revenue streams in the table. [↑](#footnote-ref-6)
6. Make sure to include a payroll breakdown (how many people are employed, which types of employees you intend to employ, and the wage costs per employee type). If relevant, you can split up various revenue streams in the table. [↑](#footnote-ref-7)