

ICON Project
Application Document Impact

Version July 2025

**Important note regarding maximum document size**

The character limit for this document is 30.000 characters.

The number of characters is defined as the character count including spaces provided by Microsoft Word (i.e., the value of “Tekens (inclusief spaties)” in the dialog box “Woorden tellen” with the checkbox “Inclusief tekstvakken, voet- en eindnoten” checked).

Exceeding the character limit may result in an inadmissible application.

**Important note regarding confidentiality**

This document is forwarded as is to external experts.

Additional confidential information can optionally be provided in a separate document clearly marked as confidential on the title page.

**Important note regarding the valorisation assessment**

* Leverage of 10 must be achieved at the project level. More specifically, the total added value in Flanders of the VLAIO funded industrial partners during the valorisation period (standard 5 years after the end of the project) should be at least 10 times the subsidy.
* Only economic impact is eligible for leverage 10.

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

|  |
| --- |
| For each of the business partners, provide a clear indication of the impact on previously received funding if you have received innovation support from 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 in a couple of sentences of the projects that have been carried out during this period. **If you have not received any support from VLAIO in the past 5 years, please delete this section from the application.** |

# Impact

In this section, we investigate how this research project will create value for the business partners and for Flanders.

The recommended length of this section is approximately 10 pages per business partner, including figures.

This section will be submitted to third-party experts. If you wish VLAIO to withhold certain information from these experts, please include it as an attachment.

## 1.1 Strategic importance of the project for the company

Indicate the strategic importance of the research project for the company. Outline the company’s current position in relation to other companies and stakeholders with relevant knowledge.

Describe and substantiate how the research project can make a difference to the company. Describe the position of the research project -if necessary- within your broader industrial R&D/innovation strategy.

## 1.2 Added value of the project results for the company

Explain how the knowledge accrued within the context of this research project can be converted into concrete innovations/results that will give the company a clear competitive edge in the medium or long term. Describe these concrete innovations/results. How and to what extent will they contribute to the continued development (growth, retention, diversification, transition to other business models/activities/platforms, breakthrough innovations) of the company in the medium or long term? If relevant, how will the results create the intended added social value?

## 1.3 Follow-up

Discuss the efforts (further R&D, engineering activities related to implementation, investments) that your company (and possibly its partners) will need to make after the project up to the expected market launch. Also include an estimated timeline for launch.

## 1.4 Valorization in Flanders: economic impact

In this paragraph, you are asked to provide a quantitative substantiation of the total added value in Flanders, i.e. the economic value created, based on jobs and investments created by the project, in Flanders over the course of the valorization period.

To be eligible for funding, the project must have a total quantitative added value equal to at least 10X the grant amount (i.e. achieving 10X leverage) for Flanders over the course of the valorization period. As standard, the valorization period (i.e. the period after the project where the project results are applied and/or commercialized) is 5 years. This valorization period can be maximally extended to 10 years if compelling reasons are given for doing so and given a thorough justification. This justification will be part of the further evaluation of the proposal. A valorization period less than 5 years can also be motivated.

Consider the 5-year period (or 10-year period, if justifiable) after the project and describe what you expect will happen in Flanders (continuation of R&D during the follow-up process and/or business activities during the commercialization of the project results). What positive consequences will this have for Flanders (jobs, investments, embedding, improved collaboration with the Flemish innovation ecosystem, ...)? Be as specific as possible.

These indirect profits or savings should preferably be presented in a table, stretching at least 5 years into the future after the end of the project. Specify the estimated annual evolution as well as the total estimated added economic value (jobs & investments) that this project will have for Flanders over the course of the valorization period. This added value can then be translated into economic leverage. Describe how the project will change the status quo.

If the project provides job retention, provide a similar table, specifically for job retention.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | XXXX(year) | XXXX  | XXXX | …… | …… | total |
| Job retention due to the project *(split per profile: R&D, sales, marketing, …)* in #FTE |  |  |  |  |  |  |
| Total wages[[1]](#footnote-2) | = c1 | = c2 | = c3 | = c4  | = c5 |  |
| Extra employment due to the project *(split per profile: R&D, sales, marketing, …)* in #FTE |  |  |  |  |  |  |
| Total wages[[2]](#footnote-3) | = a1 | = a2 | = a3 | = a4 | = a5 |  |
| Investments | = b1 | = b2 | = b3 | =b4 | =b5 |  |
| **Economic impact for Flanders** | a1+b1+c1/2 | a2+b2+c2/2 | a3+b3+c3/2 | a3+b4+c4/2 | a5+b5+c5/2 |  |

#### Calculating the economic impact based on growth in labor productivity

Introduced as an experiment, this alternative approach to quantifying added value for Flanders focuses on the niche of companies that are unable to grow in employment due to labor market tightness.

This tightness should be substantiated in the project application and is a necessary condition for commitment to growth in labor productivity.

Only companies that employ at least 10 FTE at a Flemish location at the time of application can bet on growth in labor productivity. Freelancers are not taken into account in the FTE determination for labor productivity, both in determining the lower limit of 10 FTE and in calculating labor productivity.

An additional condition is that the implementation of labor productivity growth must not be accompanied by a reduction in staff through layoffs. Natural variations in staffing levels (e.g. retirements, replacement of a senior profile taking up another position with more than one junior profile, etc.) are accepted. Such natural attrition is generally estimated to have an annual variation of around 2.5% of the FTE (which is a guide value, especially for small companies, the natural staff variation during a given year may exceed this value). The staff evolution is part of the evaluation of the project. When calculating the evolution of labor productivity during the valorization period, the actual number of employees, expressed in FTE, is used.

It should be substantiated why and to what extent the targeted growth in labor productivity is due to the project innovation and not to other factors such as the use of purchased new machinery reducing the number of workers in the company or cheaper purchases. Labor productivity growth must be anchored in Flanders.

The measure of productivity is labor productivity (AP in Dutch) within the applicant company. It is calculated as gross value added per FTE. Gross value added (BrTW in Dutch) is defined based on the most recently filed financial statements or more recent but attested interim figures in case they differ significantly. The calculation method is summarized in the table below, with the formulas referring to the codes in the financial statements.

|  |
| --- |
| AP = BrTW / FTELimited to Flemish locations |
| BrTW=operating income - trade goods and raw materials - services and miscellaneous - operating subsidy  |
| Full schedule | **Condensed schedule** |
| BrTW = 70 + 71 + 72 + 74 - 60 - 61 - 740 | BrTW = 9900 - 76A - operating subsidy |
| FTE = average number of employees in FTE (code 1003) |

The growth in labor productivity included to calculate value added refers only to the company’s establishments in Flanders. International or Belgian branches outside the Flemish Region do not qualify for determining labor productivity. For large companies composed of several business units, the parameters for the business unit in question are used. However, this business unit must consist of at least 10 FTE employees (no freelancers). It is the responsibility of the company to make a reasoned and realistic assessment here.

Only projects that can realistically lead to a growth in labor productivity of at least 50% within 5 years after the end of the project can be eligible for support. The labor productivity at the time of project application is the reference value that serves as a benchmark.

Furthermore, the granted support should be proportional to the monetary impact of labor productivity growth. The determining parameter for this is the cumulative additional BrTW during the valorization period, which is calculated as:

$$Cumulative extra BrTW=BrTW\left(end year 1\right)+BrTW\left(end year 2\right)+…+BrTW\left(end year 5\right)-5×BrTW(application of project)$$

The cumulative additional BrTW during this period based on the BrTW at the time of project application must be at least 10 times greater than the awarded support (= leverage of 10) if it exceeds the €250,000 threshold.

For projects with a maximum of €250,000, the “cumulative additional BrTW”/support ratio may be lower. For a multi-partner project, the limit of €250,000 per business partner committed to labor productivity growth applies.

 The latter aspect is part of the project evaluation and business context. Again, any support associated with research institutions as research partners (not subcontractors) are excluded from the calculation.

If several companies in a multi-partner project choose labor productivity, joint labor productivity is calculated as a weighted average of individual labor productivity with the number of FTEs as the weighting factor, following the formula:

$$AP\_{Project}= \frac{FTE\_{company1}×AP\_{company1}+FTE\_{company2}×AP\_{company2}+…}{FTE\_{company1}+FTE\_{company2}+…}$$

Growth in labor productivity can be obtained by increasing operating income and/or reducing purchasing costs. A clear approach to substantiate this is a table, starting from the relevant terms in the formula for BrTW that will be affected by the project. Here, it is important to clearly describe the assumptions on which the table is based and substantively justify why these assumptions are realistic. For an existing company within a more or less known business, maximum use should be made of publicly available data or historical figures (e.g. relationship between production costs, production volumes and pricing) and, if deviated from this, it should be clearly justified why.

## 1.5 Societal Impact

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

Projects can have societal impact on several domains. In the [Guidelines](https://www.vlaio.be/nl/media/1827), you will find a non-exhaustive list of domains in which projects can have potential societal impact. Indicate which domains will be impacted by your project and explain why.

Estimate the potential net monetary profit worldwide (costs saved and/or profits realized), and if applicable, explain how this relates to the Flemish ecosystem. In addition to direct profits or savings as described in the economic impact subsection, your project may lead to savings or gains related to the environment, mobility, sickness absence, etc. that affect a broad base of stakeholders in Flanders (businesses, social sector, government or citizens).

If your project does not have a specific societal impact, you can leave this section blank. Projects with a negative societal impact are not eligible for funding.

## 1.6 Intellectual Property

Can the results of the project be protected? What is your strategy in terms of intellectual property? If you expect to continue collaborating with business partners, research institutes or large subcontractors: what are the basic tenets of the agreements made with regard to ownership of the project’s results and user rights for the project’s results and necessary background knowledge?

## 1.7 Valorization case SWOT

Discuss the strengths and weaknesses of the applicant company or companies, as well as important external factors (market, competition, environmental factors, ... both opportunities and threats) related to the valorization of the research project, and if applicable, related projects, as well as indicating how you will respond to these strengths and weaknesses.

## Optional: additional details

If you wish to submit detailed information that should not be relayed to third-party experts, e.g. a business plan, please upload a separate file (Appendix) along with your digital submission.

# Importance of support

Why is it important that this research project receives Flemish government support? Explain why this research project is commercially challenging, impossible or less viable without financial support from VLAIO.

# Project with possible military links (if applicable)

[More information about submitting projects with possible military links on the VLAIO-website](https://www.vlaio.be/nl/subsidies-financiering/onderzoeksproject/voorwaarden/projecten-met-militair-tweeerlei-gebruik-dual) (available only in Dutch).

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 (see 1.2 Expected Opportunities for Valorization).

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.

# Additional Information

For the assessment of your application, VLAIO will rely primarily on the submitted application document. VLAIO will always seek the opinion of third-party experts on your application. Please make sure to complete this document clearly and accurately. VLAIO may also request extra information and/or documentation to aid the evaluation process (e.g. figures to support the valorization estimates), especially for particularly large or complex projects.

As part of the application process, you will meet with a VLAIO project advisor. During this meeting, you will discuss the information provided, such as the figures to substantiate your valorization estimates.



1. Make sure that somewhere within this template, a clarification on how the wages are calculated (number of people and average wage per category) is being provided. [↑](#footnote-ref-2)
2. Make sure that somewhere within this template, a clarification on how the wages are calculated (number of people and average wage per category) is being provided. [↑](#footnote-ref-3)