

BRIEFING FOR THE 12 JUNE 2014 ETI COMMITTEE MEETING

(I) IF SOMEONE BRINGS A BUSINESS IDEA TO INVEST NI WHAT HAPPENS?

Invest NI provides, both directly and through a number of economic development partners, a range of financial and advisory support for entrepreneurs, start-up businesses and existing businesses.

Businesses and individuals can contact Invest NI through the Business Support Team helpline where an advisor will direct businesses to the wide range of support and advice available from Invest NI and other relevant organisations.

Start Up Support

- Invest NI operates a suite of programmes and initiatives focused on encouraging enterprise and entrepreneurship under the “**GoFort**” brand. These initiatives include provision for under-represented groups, young people, female entrepreneurs and social enterprises.
- The **Regional Start Initiative (RSI)**, delivered on Invest NI’s behalf by Enterprise NI, provides those who wish to start their locally focused business with advice, mentoring, workshops and guidance on developing their own business plan. This business plan will provide a template for the new entrepreneur to plan and access sources of funds for the business.
- Individual Social Entrepreneurs or Groups wishing to establish a social enterprise can access support through the **Social Entrepreneurship Programme** delivered on Invest NI’s behalf by Enterprise NI. Support is available with business planning and market research.
- Under the **Social Enterprise Hubs Programme** there are 9 social enterprise hubs across Northern Ireland split over 11 locations which offer mentoring, advice, signposting, training, best-practise visits and will offer space (admin or retail) where the social enterprises can test trade.
- Invest NI’s **Jobs Fund** can provide entrepreneurs with a fixed £1,500 business start grant. This is available to individuals aged 16-24 who are Not in Employment, Education or Training (NEET’s) and have completed an approved business plan, confirmed business start. Additionally, the Jobs Fund provides a fixed £1,000 business start grant to individuals resident within a Neighbourhood Renewal Area

(NRA) who have completed an approved business plan. The maximum a qualifying individual can receive is £1500, and other specific criteria apply.

- The **Propel Programme** is aimed at entrepreneurs deemed to have the potential to start and rapidly grow an export focused business that is innovative and has the potential to become a significant exporter and employer.
- A range of financial and advisory exists to support individuals looking to establish an **Export** focused business. The support package is wide ranging and is tailored to meet the individual needs of the business.
- **Global** focused start up businesses with the potential to develop leading edge, innovative technology products or services can access a range of financial and advisory support through a dedicated Global Start team. The support package is wide ranging and is tailored to meet the individual needs of the business.

Support for Existing Entrepreneurs

Invest NI provides a comprehensive range of support to existing entrepreneurs already running a business that is already or has the potential to trade outside of Northern Ireland. The support package is wide ranging and is tailored to meet the individual needs of the business.

Support available to both Start Up & Existing Businesses

Invest NI's range of support to all businesses in Northern Ireland includes:

- **LED Measure** - Invest NI has been working closely with Local Councils to develop initiatives to support the needs of businesses in their areas. These initiatives are funded through the Local Economic Development (LED) Measure of the EU Sustainable Competitiveness Programme to support innovation, research and development and entrepreneurship. To date some 97 projects have been approved across Northern Ireland.
- The information portal www.nibusinessinfo.co.uk is the single Government site for business advisory support to start and grow a business in Northern Ireland.
- **Innovation Vouchers** - Up to £4,000 is available to help businesses and individuals tap into specialist knowledge in 39 Universities, Colleges and Research Organisations throughout Northern Ireland and the Republic of Ireland, to develop forward-thinking solutions or ideas to expand, improve or create new products, services and processes that will help them compete more effectively.
- **Access to Finance** - This initiative provides access to six funds in total, providing over £100m of finance. The funds are either debt or equity based, and are designed to support businesses of different sizes, or at different stages of growth or

development. Each fund is managed by an independent, experienced FCA approved fund manager.

- **Invest NI's Finance Voucher** - Up to £4,000 is available to SMEs that require help to develop funding proposals. Businesses can apply for a Finance Voucher to help access finance to support business growth and development.

(II) WHAT INVEST NI SUPPORT IS AVAILABLE FOR BUSINESS SPECIALISMS?

- The range of advisory and financial support provided by Invest NI is available to export focused businesses irrespective of sector
- Additional sector specific support is provided to a range of priority sectors. For example food marketing advisors who work with food companies to develop market opportunities; technical advisors working with engineering and construction companies interested in exploiting the renewable sector; sector specialist based in London to support NI construction companies to bid for UK wide tenders such as Crossrail; and facilitators working to build opportunities between NI companies and the Health sector and deliver the Connected Health agenda
- Invest NI also supports a wide range of businesses to identify market intelligence for their particular market sectors with the aim of identifying market and growth opportunities. This includes in-market advisors providing local contacts and knowledge to companies seeking to exploit global market opportunities.

(III) WHAT INVEST NI SUPPORT IS AVAILABLE TO DIFFERENT LEVELS / SIZE OF BUSINESSES REGARDING INNOVATION AND R&D (LIKELY TO INCLUDE HORIZON 2020)?

- The full range of innovation and R&D support provided to businesses is presented in figure 1

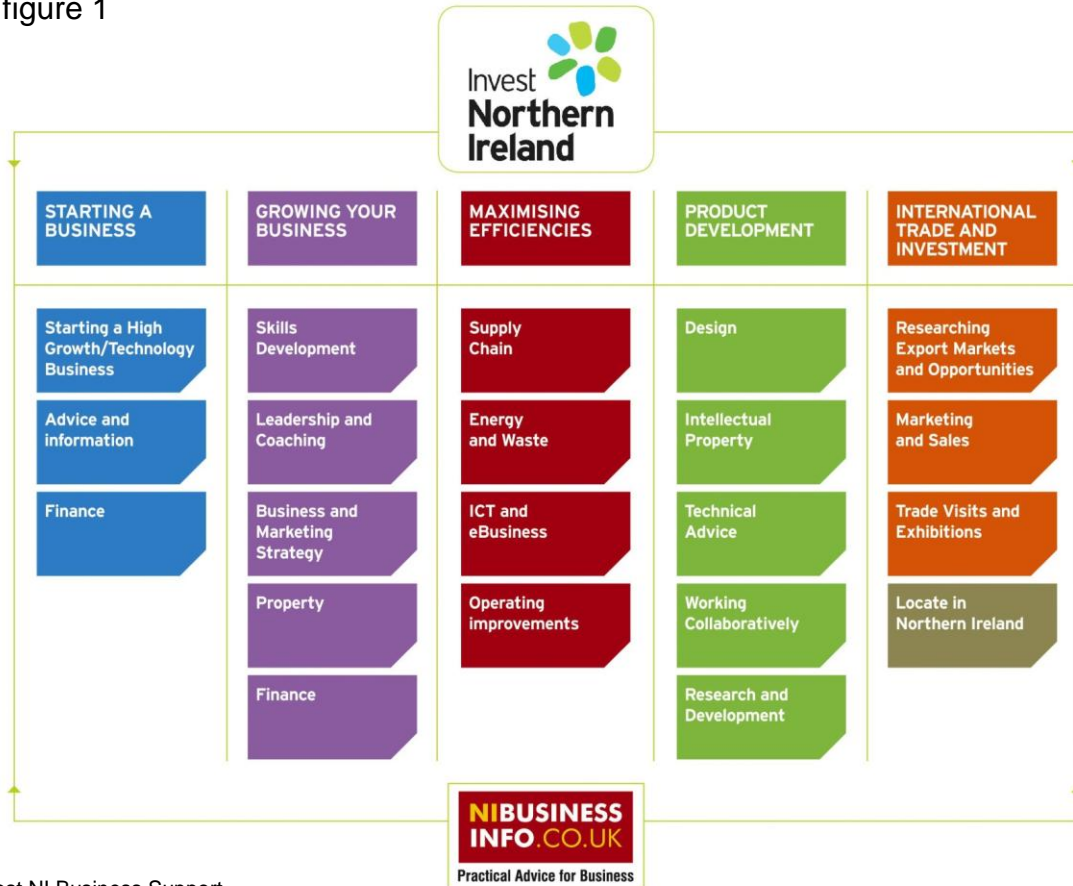


Fig.1 Invest NI Business Support

- Invest NI's objective is to drive growth through innovation and examples of our support is provided in the Innovation Escalator attached as below in figure 2.

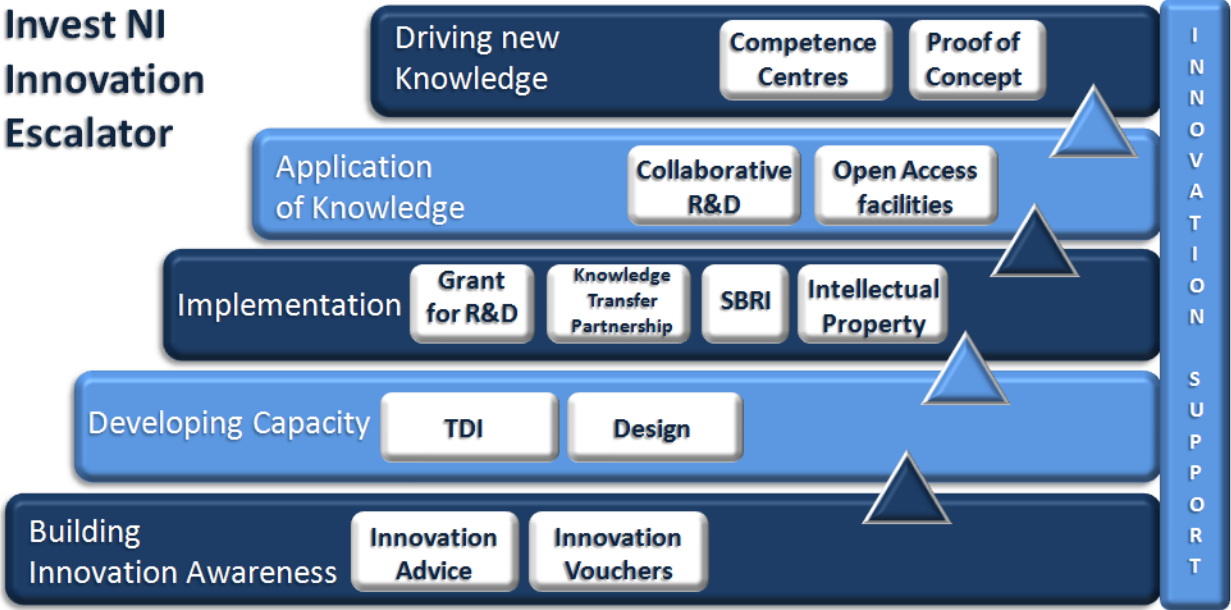


Fig.2 Invest NI's Innovation Escalator

- For viable projects levels of support are influenced by 3 factors; state aid limits, the extent to which the project demonstrates additionality; and Invest NI budget availability.
- Support offered by a sample of Invest NI solutions is presented in the table below. This is purely indicative and the full range of available support is presented to businesses on www.investni.com

Support	Description	Levels of Support
Grant for R&D	To support businesses developing new products, processes & services. The grant is designed to provide support for R&D at all stages of company development.	<ul style="list-style-type: none"> 25% for experimental research. 50% for industrial research. Can be increased for small companies and collaborative projects.
Knowledge Transfer partnership (KTP)	KTPs assist companies to build capability & expertise through the employment of recent graduates. Projects in partnership with the awarding university/college.	Rates vary but currently average £39,600 for a large company and £36,000 for an SME.
Innovation	Programme provides a voucher of	Up to £4,000 for voucher

Vouchers	up to £4,000 to enable SMEs to work with universities and colleges to develop innovative solutions to business issues.	for SMEs.
Design Programme	Helps companies access design expertise to develop products, services, branding etc.	Ranges from free advice to up to 50% contribution to employ a dedicated design resource.
Productivity Improvement	Assists companies to deliver productivity improvement through 'Lean Thinking & Principles'.	Ranges from free advice to financial support with consultancy services.
Collaborative Networks	Supports companies to establish a collaborative network for the specific purpose of developing a new product/service.	Grant of up to £25,000 @ 50% to scope the business concept.

EU ENGAGEMENT

- Invest NI is proactively involved in identifying and exploiting opportunities emerging from EU funding. Under the European sustainable Competitiveness Programme 2007-13 (EUSCP) Invest NI was allocated £277.5m. To date £192m of project assistance has been drawn down which has assisted more than 1,500 projects in Northern Ireland businesses. Full drawdown of funds is anticipated by the deadline of December 2015.

Invest NI's involvement in Specific EU programmes includes:

- **Horizon 2020**

Horizon 2020 is the biggest EU Research and Innovation programme ever with nearly €80 billion of funding available over 7 years (2014 to 2020) – in addition to the private investment that this money will attract. It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market.

Invest NI is a member of the Horizon 2020 Northern Ireland Contact Point (NICP) Network, a resource available to all potential applicants from Northern Ireland who are interested in engaging in Horizon 2020.

Invest NI offers two forms of financial support to increase participation in Horizon 2020 – Innovation vouchers (up to £4,000k to work with knowledge provider - detailed in above table) and Project Definition assistance.

Project definition (support up to £15,000) allows an organisation (that is eligible to receive financial support from Invest NI) to pursue an application (as a partner or coordinator) to Horizon 2020.

- **Enterprise Europe Network (EEN)**

Invest NI is the regional host for EEN which gives local companies access to the largest Technology Transfer Database in the world and to 600+ partner organisations. The network is co-funded by the EU and facilitates the identification of potential partners for Northern Ireland companies bidding for European funds.

- **EU Commission - European Design Innovation Platform (EDIP)**

In March '14 in Brussels the European Commission officially launched the European Design Innovation Platform (EDIP). Invest NI is part of a winning consortium who will deliver this €3.8m project on behalf of the Commission. This project led by the Design Council aims to increase the use of design to drive innovation activity across Europe. The project will operate for 3 years and Invest NI will be working as part of the 14 partner consortium on regional activities to roll out this initiative. Early EDIP tasks include building a web platform and developing a programme of events aimed at increasing the use of design across Europe.

- **EU Commission - Demonstrator Project – Service Innovation**

The DG Enterprise & Industry issued a competitive open call in mid-2012 for expressions of interest for regions which can demonstrate the “transformative power of service innovation”. As a result of an Invest NI bid put forward, Northern Ireland was selected as one of six successful “model demonstrator” regions in Europe out of 19 European region applications. The success of the bid, which proposed designing and implementing a strategy that build upon service innovation (SI) as a catalyst for structural change, has meant that for the last 2 years Invest NI have been able to lever in expert SI resource, fully funded by the Commission. A final report with recommendation to accelerate service innovation in Northern Ireland is due this summer.

**Prepared by: Business Performance, EU & Risk Management, Invest NI
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