











#### Shared Island Sustainability Capital Grant FAQ's

These FAQs should be read in conjunction with the guidance notes. The information and evidence required, as outlined in the Guidance Notes, are necessary to demonstrate that the business meets the eligibility criteria and to ensure public funds are managed properly.

Please take time to read the guidance notes and FAQs carefully before applying.

#### What is the SISCG?

The Shared Island Sustainability Capital Grant is a €20m fund (€10m NI and €10m IE) which offers businesses from both Northern Ireland and Ireland grant funding of up to a maximum of €7m for decarbonisation of industrial sites via novel and innovative solutions.

### Who is funding the SISCG?

The scheme is part of the Shared Island Enterprise Scheme, administered by Invest NI and Enterprise Ireland in conjunction with InterTradeIreland and funded through the Government of Ireland's Shared Island Fund.

### Will the SISCG run on a continuous basis once the €10m funding per region is fully allocated?

No, the scheme is funded only for one round of applications.

### Does the SISCG count towards my De-Minimis or UK Subsidy control threshold?

No – the scheme will be administered under EU General Block Exemption Regulation (GBER)

#### When does the application call open?

The application call will open on 12<sup>th</sup> February 2025 at 12 noon. The eligibility checker will be available from this date and an application form will be issued by each relevant agency upon completion of the checker.

The application call will remain open until 02<sup>nd</sup> May at 12:00 noon or until such times as it becomes apparent that demand for support exceeds the total budget allocated for the scheme. Each agency will reserve the right to close the scheme early in their jurisdictions should it become apparent that demand exceeds budget.

## What happens if the scheme is oversubscribed, or it appears that the scheme will become oversubscribed?

Invest NI and Enterprise Ireland will reserve the right to close the scheme to expressions of interest if it becomes apparent that demand for funding appears to exceed the actual budget allocation of €10m in each jurisdiction. Invest NI and Enterprise Ireland will also reserve the right to utilise a matrix and score projects in order of merit where budget allocation appears

insufficient to cover actual demand. Details of this matrix are included in section 6 of the Guidance Notes "How to Apply".

#### What sort of business is SISCG aimed at?

SISCG is aimed at client companies of either Invest NI or Enterprise Ireland, or companies who are eligible to become clients. The scheme is aimed at companies who have a **novel and demonstrative project (Ideally TRL level 7-9)** that can provide significant sustainable and commercial benefits on an Island wide basis in one of the eligible funding categories.

SISCG will be open to both SMEs and Large Size Companies

#### What is considered TRL 7 – 9?

As per EU definition – In TRL 7 a system prototype is demonstrated in an operational setting. In TRL 8 technology is ready for implementation into an already existing technology or technology system. Once the technology system has been proven during operations, it can be called TRL 9 and considered a commercial technology.

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### Will SISCG be open to Universities?

No the scheme is aimed at the private sector in an industrial/manufacturing setting. Please see section 2 in the guidance notes "Business Eligibility" for further exclusions.

# My Project falls outside the scope of the eligible activities, can I still make an application?

The eligible criteria (such as) are as listed in the guidance notes.

- Heat Electrification & Thermal Storage,
- Green Gases (Hydrogen),
- Promotion of Energy from Renewable Sources, Onsite energy generation in an industrial setting.
- Sustainable Water
- Carbon Capture
- Circular Economy (in a primary manufacturing setting)

Each organisation reserves the right for discretion or to amend eligible activities.

#### What is the definition of Innovative/Novel?

The development and implementation of a new or improved product, service, model, or process which is novel (significantly different), and has/will be introduced to the market (product/service) or implemented within the business (process, model) creating value. In the case of SISCG, the scheme will look to process and business model innovation via decarbonisation, ESG and onsite renewable energy generation which can be showcased as industry standard on an island-wide basis.

## My project relies on innovative new technologies yet to be tested in an industrial setting for commercial value?

Each project application will be put through a full technical appraisal to ensure that a funding award has the maximum potential for success. Whilst Invest NI and Enterprise Ireland are

aware that high risk projects exist, they will be accepted on the basis that an independent technical appraisal deems them not to be unnecessarily risky and on the basis that the potential for success exists. Projects should ideally seek to demonstrate TRL level 7-9 in their applications.

## My project is for solar, heat pumps or battery energy storage only, will it be eligible to apply?

The SISCG is aimed at novel processes of demonstrative value, whilst solar, heat pumps and battery storage will not be deemed ineligible, they will need to be combined with other technologies and processes to offer enhanced value, i.e combined thermal storage elements, combined with electrolysers for green hydrogen. Solar, heat pumps and batteries and tried and tested technologies in operation across the island of Ireland and will therefore need additional added value technologies to be deemed eligible.

#### How many projects will be awarded grant?

It is envisaged that a minimum of 2 significant projects will be funded in both Northern Ireland and Ireland.

#### What costs are eligible for grant support?

Only capital equipment costs are eligible for support. You will be required to maintain an asset register of your capital equipment.

#### What costs are ineligible for support?

Ineligible costs include but are not limited to,

- land purchase,
- Building works,
- Replacing of 'old' Plant, Machinery and Equipment for 'new'
- Working Capital,
- Costs related to investments to comply with Union standards in force
- Value added tax (VAT)
- Work already commenced.
- Development, Consultancy
- Marketing,
- Travel
- Employment Costs

Neither agency will provide support to a project where the applicant cannot demonstrate an incentive effect.

# The scheme has stated that it aims to support significant projects, what is meant by significant?

In Northern Ireland is envisaged that a minimum capital spend per project of €6m/£5m will be required before an application form can be issued. Projects in Ireland under Enterprise Ireland will be assessed on a project by project basis.

### Is there a maximum grant award available?

The maximum grant award in NI will be £6m on a single project basis. Projects assessed in Ireland will be done so by Enterprise Ireland on a project-by-project basis.

Can you confirm how the projects will have to demonstrate commercial and environmental benefit on an Island Wide basis?

Projects must be of demonstrative (ideally TRL level 7 - 9) value to the company, manufacturing sectors or industrial sites and should:

- address challenges in sustainability and/or environmental protection i.e <u>projects must</u> deliver an environmental improvement to a manufacturing site or industrial site via a commercial entity
- Projects must demonstrate value to the All-Island Economy. This can include (though is not limited to):
- **Project Collaboration North & South** Projects where the applicant and project lead is the Invest NI/EI client but leverages consultancy/products/services etc from or otherwise demonstrates meaningful collaboration with entities in the other jurisdiction.
- Potential benefit for North & South grant aided projects will be able to demonstrate information and knowledge transfer e.g. host visits North & South, host webinars, and showcase the project on a webpage
- "Knowledge sharing" on an Island wide basis will be an essential component of the supported projects to aid the replication and faster market penetration of supported technologies or solutions, across both jurisdictions.
- Supported projects will be required to share knowledge on and engage in activities that facilitate scaling up to a commercial scale, accelerate deployment, and promote the commercialisation of the proposed technologies on an Island wide basis.

I am an industry services provider who installs and commissions equipment. Can I apply to the scheme?

No, applications will only be accepted from companies who will pay for and use the equipment in an industrial or manufacturing setting. Equipment installation and services companies will not be eligible to apply.

My project does not meet the envisaged minimum capital expenditure amount in Northern Ireland for eligible projects, can I apply?

It is envisaged that the scheme will be oversubscribed to applicants and therefore applications for projects below the significant expenditure threshold in NI are not likely to be accepted. Enterprise Ireland will assess applications on a project by project basis. In NI in the unlikely case of the scheme being undersubscribed, Invest NI reserves the right to reduce their minimum capital expenditure threshold.

If the scheme is undersubscribed in NI but oversubscribed in IE (Or vice versa) will funding be transferred to support additional projects in the other jurisdiction?

No, the allocated funding pot will be the same for each region, €10m per region.

My project may not be able to be completed by December 2027 can I still apply for support?

No, projects must be completed by December 2027 as funding allocated cannot be paid post this date. Projects timelines will be robustly challenged at appraisal stage and awards made based on project delivery being deemed feasible in this timeframe. Claims for grant on capital expenditure will not be paid post the cut-off date and expenditure incurred without being claimed will not be paid.

# My project is reliant on capital equipment which could take 12 – 18 months to procure which risks the project not completing by December 2027?

Access to capital equipment will be robustly challenged during appraisal, failure to show access to equipment or an ability to complete the project in the required timeframe will result in the application being rejected.

#### My project relies on grid connection or planning permission?

Project timeframes including grid connection and planning permission will be robustly challenged during appraisal. Failure to detail planning approvals or grid connects for timely delivery of a project will result in the application being rejected. Off grid solutions should be considered where it is believed grid connection issues are cost and time prohibitive.

# Projects Requiring Environmental Permits & Additional Local Government/Planning Approvals

It will be the responsibility of the applicant to evidence how they can complete the project by 31<sup>st</sup> December 2027. Where appropriate, applicants will need to provide evidence that they have additional permitting and Local Government Approvals in place. It will not be the responsibility of each approving agency to liaise with issuing authorities to assist with project completion. The scheme promoters reserve the right to withdraw applications where applicants cannot fully showcase and demonstrate how additional approvals needed will be secured in time. Environmental Permitting includes but is not limited to Pollution Prevention Control (PPC), Abstraction/Discharge consent, Waste Management Authorisation etc.

#### Can I apply for a start/proceed at your own risk letter for a potential project?

No. SISCG will not offer prospective applicants start/proceed at your own risk.

## Can a parent company or business group submit multiple applications for its different business subsidiaries?

No, if you are a business that is part of a group structure with the same ultimate ownership, you may only submit one application across the group.

### Can I apply for more than one grant for separate projects within my company in two locations?

No, just one application can be accepted per company which should be at a single manufacturing or industrial site.

#### Can a number of different companies collaborate on one project application to SISCG?

Where collaborations between several companies are being considered for a project, one lead application should be submitted to the relevant body based on the location of the project, I.E for an NI based project a collaborative project should be submitted to Invest NI, and for an Ireland based project, the application should be submitted to Enterprise Ireland. The lead

applicant should be the applicant who intends to install the capital equipment/solution and other companies should be seen as sub-contractors providing equipment or services to the lead applicant. Only the capital equipment costs incurred by the lead applicant would be eligible for expenditure.

#### I will need to secure additional funding to be able to deliver my project, can I still apply?

Applicants will need to state and showcase clearly how they can provide the balance of funding for their project. This will be robustly challenged at appraisal stage and any award of funding may be subject to stringent conditions in a letter of offer to provide balance of funding. Failure to showcase and evidence balance of funding will result in applications being rejected.

#### How do I know if my business is eligible to apply for SISCG?

Details on business eligibility and exclusions can be found in the guidance notes, and you will be required to complete the online eligibility checker as part of the pre-application process.

The Eligibility Checker will be available from 12<sup>th</sup> February 2025 at 12 noon.

#### Do I need to be over 18 to apply for SISCG?

There needs to be a Director/Proprietor/Partner aged 18 or over within the business authorised to sign the Letter of Offer contractual agreement. If under 18, they cannot be held liable to the contract with Invest NI.

#### Does the business have to be in Northern Ireland or Ireland to apply?

Yes, businesses wishing to apply for SISCG need to be physically located in Northern Ireland or Ireland and have at least one Director residing in Northern Ireland or Ireland. The project seeking support must also be taking place in Northern Ireland or Ireland

For projects based in NI, the applicant will apply to Invest Northern Ireland. For projects based in Ireland, the applicant will apply to Enterprise Ireland.

### Can an advisor make an application on behalf of the business?

You can give permission to company contacts to complete the online application. All applications must be authorised in the case of a Limited Company by a Director or the Secretary, and in the case of a Sole Trader or Partnership by a Proprietor or Partner.

We would advise that nobody knows your business better than you do and the application form has been designed to enable an owner or manager to be able to complete it without outside assistance.

#### What do I need to submit as part of the application?

The application will have several different parts. The following should be submitted:

- Application form Part 1 Business Plan
- Application form Part 2 Project Plan
- Application form Part 3 Environmental & Sustainability Financial Data Sheet/Project Costs Sheet

- Projected Monthly Cash Flows to December 2027 P&L, Balance Sheet and Cashflows – \*Complete with Assumptions
- Signed full accounts for the previous 3 years to include P&L and Balance Sheet
- Latest in year management accounts which should be no more than 3 months old
- 3-year historical financial statements in soft copy
- Organisation Chart
- Group Structure

### How do I submit a claim for NI based projects approved by Invest NI?

Cost based claim packs can be downloaded via <u>Submitting your claim | Invest Northern Ireland</u> (investni.com)

Companies can complete a cost-based claim pack and submit it to <a href="mailto:claims@investni.com">claims@investni.com</a>

A claims inspector and claims reference number will be allocated to your claim. Only the claimpack itself will need to be submitted initially.

Companies in receipt of a letter of offer for projects under SISCG will have to maintain an asset register off all capital equipment which must be depreciated in line with company policy. The claims inspector will look to view the asset register and depreciation policy as part of the vouching process.

Invoices, BAC's remittance, Bank Statements to show capital equipment has been purchased and paid for will be required.

All equipment must be bought for and paid for during the life of the project and before 31<sup>st</sup> December 2027. Any invoices, or payments dated post December 2027 will be deemed ineligible and will not qualify for grant payment.

A claims inspector will conduct a site visit to view the asset in place and tie the asset number of the asset back to the asset register.

#### Will second hand equipment be eligible for grant?

Yes, though for second hand equipment, an independent valuation detailing age, condition, and current value of the equipment will need to be provided.

# Can my project/company purchase equipment from a related party within a group structure or related party company?

No. Related party equipment even where a financial transaction occurs between bank accounts, will not be eligible for grant assistance. Intercompany transfers will not be eligible for assistance. For guidance on related parties and company size please See here

# Can I pay for capital equipment in instalments for my project and will this be deemed eligible for grant?

Yes – however the instalment period/payment plan must not exceed the life of the letter of offer completion or end date. The completion date is the date on which the project must be completed with equipment installed and the project fully functional. The end date is the date by which all claims must be submitted.

For the SISCG, the completion and end date will be set as the same date and all payments plans agreed with 3<sup>rd</sup> parties must be completed by these dates also. There will be no exceptions or extensions to these rules.

For projects relying on payment plans for instalment payment of equipment, the purchase agreement, instalment plan, invoices per individual payment and bank statements to show individual payments, will be needed for the claims process.

## Will Capital Equipment purchases be eligible for grant at gross purchase price or net of VAT?

The net of VAT amount will be eligible for grant, not the gross purchase price.