

Digital Discovery

Fionnachtain Digiteach

Cáipéis Tagartha – Reference Document

Revision 09-06-2022

1. Introduction

Purpose

Under Ireland's National Recovery and Resilience Plan (NRRP) (2021-2026), projects supporting the digital and climate transition of enterprise are being funded through the EU's Recovery and Resilience Facility. The Digital Discovery grant covers projects that will support the digital transition of the company, driving increased adoption and diffusion of digital technology.

The purpose of the Digital Discovery grant is to incentivise and support companies to **develop a strategy** for their digital transition. This should encompass a review of existing systems, processes and capabilities and an exploration of new opportunities in an increasingly digital world.

Irish Legal Basis

This grant offer is administered in accordance with Section 7(1)(i) of the Industrial Development (Enterprise Ireland) Act 1998 and Section 8(c) of the Industrial Development Act, 1993 (amended by Section 37 of the Industrial Development (Forfás Dissolution) Act 2014).]

EU State Aid Basis

This grant offer is operated under [De Minimis](#) aid, COMMISSION REGULATION (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union.

Document Revision History

June 2022	Initial version
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2. Eligibility

Eligible Companies

Eligible companies include client companies of Enterprise Ireland who employ 10 or more full time staff at the time of application. Enterprise Ireland high potential start-up clients who employ 5 or more full time staff are also eligible to apply.

Client companies of the Local Enterprise Offices, Údarás na Gaeltachta or IDA Ireland should contact their agency advisor directly for relevant supports.

Eligible companies also include companies who are not clients of any of the above agencies but employ 10 or more full time staff and are engaged either in manufacturing OR are trading internationally in an eligible services industry¹.

Domestically traded services companies that operate in the residential sector may be eligible under '**Built to Innovate**', an Enterprise Ireland action under the Housing for All plan. See Appendix 1 for further details.

Limitations

Only one Digital Discovery grant shall be approved per company (or group of companies).

¹ As defined in 'S.I. No. 81 of 2010 - INDUSTRIAL DEVELOPMENT (SERVICE INDUSTRIES) ORDER 2010' - <https://www.irishstatutebook.ie/eli/2010/si/81/made/en/print>

A follow-on project **may** be approved by Enterprise Ireland if 18 months or more have passed from the date of the claim received by Enterprise Ireland for any previous Digital Discovery grant approved for that company or group or if the previous project has been unclaimed and cancelled.

This shall also apply where a company has previously been approved a Digitalisation Voucher, a Digital Discovery project may not be approved until 18 months after a claim has been received by Enterprise Ireland or the previous project has been unclaimed and cancelled.

Ineligible Companies

- Are operating in the coal or steel sector.
- Are active in the primary agricultural, fishery or aquaculture sectors.
- Are covered by specific rules for Financial Services.²
- Are involved in activities that Enterprise Ireland considers as ineligible or as involving an unacceptable reputational risk. Ineligible activities include activities relating to:
 - The gambling sector, including 'gaming' (as defined in the Gaming and Lotteries Act 1956).
 - Adult entertainment.
 - Tobacco and tobacco related products.
 - Cannabis-based products which are not authorised as medicines.

Eligible Activities

Applicants are asked to complete the [Digital Ready Scorecard](#) from Enterprise Ireland in advance of the project. The scorecard report will be required as part of the grant claim.

The digital strategy development project should cover the following:

1. Discovery	<ul style="list-style-type: none">- Analyse existing systems- Analyse process flow efficiency (delivery of value to customers)- Assess use of data to drive the business (KPIs)- Skills assessment / digital mind-set in the company?- Assess improvement / innovation culture- Review of cyber-security strategy and processes
2. Exploration	<ul style="list-style-type: none">- Explore opportunities to improve process flow with Lean-digital systems- Explore potential for digital services or products- Explore use of digital data systems to inform decision making across the business – including the measurement and reduction of waste, energy and emissions
3. Planning	<ul style="list-style-type: none">- Co-develop future roadmap with company leadership and the consultant- Co-develop action plan with the consultant

The task breakdown should be agreed by the applicant and the chosen service provider. The tasks can vary slightly from the above eligible activities in line with the needs of the company, however it is important that the project

² Financial institutions are those included in the Communication from the Commission on the application, from 1 August 2013, of the State aid rules to support measures in favour of banks in the context of the financial crisis ('Banking Communication') (OJ C 216, 30.7.2013, p. 1).

results in increased capability and confidence for the company leadership in their digital transition and a clear understanding of:

- The current state of digital maturity and gaps
- The opportunities for digital innovation in products, services or processes
- A future vision / roadmap and defined action plan

Note that Enterprise Ireland will review all applications and reject those that are not in line with the objectives of the offer.

Ineligible Activities

Activities carried out before the application was approved are not eligible for grant support

The Digital Discovery is not a general consultancy grant and cannot be used for items such as:

- Purchase, installation or configuration of off-the-shelf technologies (hardware or software)
- Upgrade of networking or other digital systems
- Purchase of online services or subscriptions
- Finance, HR, sales, marketing or web consultancy
- Routine consultancy audits including cyber-security, health & safety or energy
- Travel costs

Eligible Costs

Grant support is provided for external consultancy costs to help a company to develop a digital strategy.

Enterprise Ireland will provide grant funding for 80% of the project cost up to a maximum of €6,300 (€5,000 grant). This is based on 7 days external consultancy services where the eligible costs are capped at €900 per day inclusive of travel and subsistence and all out-of-pocket expenses. Note that while the maximum daily rate supported by Enterprise Ireland is €900, the actual daily rate charged by a provider may be higher or lower.

More than one service provider may be used with the grant depending on the skillset required to carry out the engagement.

Eligible Consultants

It is the responsibility of the applicant to identify and engage a suitable consultant for the project. There is no list of approved consultants related to this offer. Enterprise Ireland will not be liable for any loss and/or damage caused by an applicant's decision to retain the services of a consultant in connection with this grant offer.

Applicants are strongly recommended to engage with up to three providers before making a choice of a provider with appropriate expertise and capability. Companies searching for a suitable provider may find the [Lean Project Database](#) to be a useful resource.

Consultants engaged for this grant support may not be employees of, shareholders of, or have a direct financial interest in the company.

As part of the assessment process, Enterprise Ireland may deem the proposed provider unsuitable based on these or any other criteria that may arise and will engage with the applicant to discuss other options or deem the project ineligible.

3. Application, Assessment and Approval process

Applications may be submitted at any time to Enterprise Ireland. However, applications **should, where possible** be discussed with the assigned Development Advisor prior to submission. Enterprise Ireland clients should use [this link](#) to find their Development Advisor in order to discuss their proposed project. With the agreement of the assigned Development Advisor, applications can be made through the Enterprise Ireland website. This step is **not** relevant to non-EI clients.

Application Process

1. The Client company makes an application online through the Enterprise Ireland website.

Assessment Process

The programme will be managed by the **Operational Excellence & Digital Department** in Enterprise Ireland.

The applications are processed by the programme team who will carry out the checks below and contact the assigned Agency Advisor for input.

Assessment Criteria:

- The eligibility of the applicant company
- The availability of sufficient de minimis allowance for the company
- The eligibility of the proposed activities
- The suitability of the service provider proposed
- The suitability of this support for the applicant in the context of a growth plan for the company and/or other supports received (as defined by the Development Advisor)

Approval Process

1. Recommendation will be by the programme team and approval will be by a nominated Department Manager in Enterprise Ireland (principally the manager of the **Operational Excellence & Digital Department**³).
2. If approved, the company will be issued a Letter of Offer by email and will accept the offer using DocuSign.

4. Claim Process

1. After project is completed, the service provider will invoice the company (including VAT where appropriate).
2. The company can make a claim through the normal EI claim process, which will include.
 - a. Completed Digital Ready Scorecard
 - b. Completed progress report accompanied by any other supporting materials
 - c. Completed grant claim director's statement.
 - d. A copy of the service provider(s) invoice
 - e. Proof of payment to the service provider
3. Once the claim has been reviewed by the Enterprise Ireland Grant Administration department and the progress report cleared by the programme team it can proceed to payment.
4. The company will pay any VAT due to the service provider and reclaim if appropriate in the normal way.

Notes:

- There is only one claim allowed for this offer
- The final claim date shall be 12 months from the date the Letter of Offer is issued by Enterprise Ireland (as stated on the Letter of Offer)

³ Operational Excellent and Digital Department, or where not available an equivalent department manager.

Appendix 1: Housing for All – Digital Discovery grant Eligibility Criteria

1. Background and purpose of this Appendix:

On September 2nd, 2021, the 'Housing for All' plan was announced by Government. Under Pathway five of the plan Enterprise Ireland has been tasked with providing productivity, innovation and research supports to the domestic residential construction industry.

Action 23.4 reads *“Expand the role of enterprise agencies to include funding and supports for innovation and productivity related projects in the domestic residential construction sector, with funding for research, innovation and productivity to be provided, commensurate with the scale of construction in the domestic economy and in compliance with State Aid rules.”*

Several existing Enterprise Ireland offers are being utilised to deliver on these actions. This Appendix sets out the specific eligibility and other criteria required to make this grant offer compatible with Housing for All.

2. Product Details

2.1 Funding, Including Eligible Expenditure and Ineligible Expenditure

Applicants for the Housing for All Offer must meet the specific eligibility and other requirements for the Digital Discovery grant in accordance with the Reference Document for that offer, subject to the additional specific criteria outlined in this Appendix. This includes all funding being awarded in accordance with the Legal and State Aid Frameworks that govern the grant.

2.2 Eligible Applicants and Ineligible Applicants

In addition to the established eligibility criteria for the Digital Discovery grant, the offer is also available to companies who qualify for Enterprise Ireland's *Housing for All Offer*.

Enterprise Ireland's *Housing for All Offer* is open to Irish companies who employ 10 or more full time people equivalents working in homebuilding and can demonstrate an ability to deliver on the objectives of this fund. This includes, but is not limited to:

- Contractors,
- Builder developers,
- Sub-contractors,
- Modern Methods of Construction manufacturing companies.

Ineligible Companies

Enterprise Ireland's *Housing for All Offer* is not open to companies that meet any one (or more than one) of the below criteria:

- Property developers who do not self-perform any construction work.
- Companies employing less than 10 full time people.
- Companies that currently derive less than 20% of annual revenue from the homebuilding sector and do not have a validated plan to achieve this objective, this plan being satisfactory to Enterprise Ireland. Large companies that may have less than 20% revenue derived from homebuilding but are considered to be capable of delivering substantial numbers of units will also be considered.
- Do not meet the eligibility criteria as outlined in this Appendix
- Are operating in the coal or steel sector.
- Are active in the primary agricultural, fishery or aquaculture sectors.

- Are covered by specific rules for Financial Services.⁴
- Include or relate to activities that Enterprise Ireland considers as ineligible or as involving an unacceptable reputational risk. Ineligible activities include activities relating to:
 - The gambling sector, including ‘gaming’ (as defined in the Gaming and Lotteries Act 1956).
 - Adult entertainment.
 - Tobacco products.
 - Cannabis-based products which are not authorised as medicines.

Note: In 2022, under this fund, eligible companies can apply for multiple projects up to a maximum of €500k per undertaking. Funding above this level will be approved in exceptional cases and will be subject to review.

In addition, it is expected that a company will not be availing of more than one offer under Housing for All at one time.

3. Application, Evaluation and Approval Process

3.1 Eligible Application

The application documentation required is the same as required for the Digital Discovery grant with one additional document requested to facilitate an eligibility and package sizing assessment. This document is a simple excel table which detail the company’s total revenue, the percentage derived from homebuilding, number of employees and the number of housing units delivered over a seven-year period and a brief housing impact statement. This is two previous years, current year and four future years.

⁴ Financial institutions are those included in the Communication from the Commission on the application, from 1 August 2013, of the State aid rules to support measures in favour of banks in the context of the financial crisis (‘Banking Communication’) (OJ C 216, 30.7.2013, p. 1).

3.2 Application Process

Inquiries	<ul style="list-style-type: none"> – In bound inquiries to the Enterprise Ireland webpage on these supports will direct people to contact an email address for further information. The Enterprise Ireland Housing team will engage with the potential applicant to initiate the assessment of eligibility.
Assessment of Eligibility:	<ul style="list-style-type: none"> – Step 1: Applicants will complete a Housing Impacts Statement, setting out the following: <ul style="list-style-type: none"> – table of current and projected residential and other activities, – statement of housing impacts arising from the proposed project. – Step 2: The Housing Impacts Statement will be assessed to determine project eligibility and maximum grant per job.
Client Registration:	<ul style="list-style-type: none"> – Non-EI clients will be registered as temporary clients on the CES.
Application Process:	<ul style="list-style-type: none"> – Following assessment of a Housing Impacts Statement, a formal application will be submitted using existing application documents. The current process for the management of these applications will be used. – The current commercial and technical due diligence process will be conducted. This will include the project team analysing the nature of the project for the purpose of determining package size.
Approval Process:	<ul style="list-style-type: none"> – The only change to existing approval processes will be the inclusion of a Housing Impacts Statement in the online or Committee proposal document.
Post Approval	<ul style="list-style-type: none"> – Projects will be tagged on the CES as Housing for All related by the Housing team

Enquiries from ineligible companies or companies with ineligible projects will be adjudicated on by the Department Manager responsible for Housing and recorded by the Housing team. Appeals to these decisions will be directed to the Secretary of the Enterprise Ireland Board.

3.3 Evaluation and Approval Process

Applications received will be processed within the current Enterprise Ireland approvals structures for the Digital Discovery grant with the same grant aid limits being applied.

Assessment Process

The Value for Money measures of cost per job and Cost Benefit ratio will continue to be relevant. There is no requirement for projects to show exports or export growth and as such an alternate assessment is required to ensure that the objectives of the initiative are being achieved, namely: A project must have a demonstrable impact on homebuilding by accelerating the delivery of new homes and/or reducing the cost of home building.

In addition to the assessment process established for the Digital Discovery grant, the application will also be subject to the assessment process that has been established for Introductory Projects under the *Housing for All Offer*. This is detailed below:

Introductory Projects

- Introductory Projects (of €10k grant aid or less) must satisfy the eligibility criteria of number of employees, having 20% of revenue derived from Homebuilding and that the intention of the project will support productivity or efficiency improvements.

3.4 Closing Date for Applicants

This offer will be open to the domestic residential industry from March 2022 until the end of 2024 or until advised by Government.

3.5 Post Approval Claims Process

The existing claims process will be used to draw down funding. The Development Advisors in the Housing team will provide claims clearance for the new temporary clients.