

Job Expansion Fund (JEF) Reference Document May 2019-2020

1. Background

National job creation is a key priority for development and Enterprise Ireland's Job Expansion Fund grant will provide support to eligible clients taking on a development plan to increase employment.

NEW

Effective from 9th May 2019, companies are to apply for JEF support, by completing an on-line application form.

2. Objective of the Job Expansion Fund offer

The objective of the Job Expansion Fund offer is to assist Enterprise Ireland client companies with growth potential to expand their company and achieve increased employment through a development project.

A company can obtain a maximum grant support of €150,000 and the support rate per job will vary up to a **maximum of €15,000**. The maximum grant rates are given in the table below.

Region	Small Firm¹	Medium Firm¹
Cork, Dublin, Kildare (excl. Athy), Meath (excl. Kells), Wicklow (excl. Arklow)	20%	10%
All other regions	30%	20%

The Enterprise Ireland project approvers may offer a grant at a lower rate. Consideration for setting the grant rate will include value for money, need for support and anticipated growth rates.

The Regional aid rate is calculated over two years.

The Enterprise Ireland project approvers may also consider providing the support under De Minimis Aid (see Appendix I) at a 50% grant rate over one (1) year.

3. Funding

The funding for this offer is provided within Enterprise Ireland's existing budget.

¹ http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en

4. Legal Basis

The Job Expansion Fund offer is administered in accordance with the Industrial Development Act 1986, Section 25.

5. State Aid Basis

The State Aid basis is the Commission Regulation No.651/2014 General Block Exemption Regulation 2014 – 2020 and Commission Regulation No. 1407/2013 De Minimis aid Guidelines.

6. Eligibility Criteria

This fund is open to existing and potential Enterprise Ireland clients who:

- Are companies that meet the requirements of the Industrial Development Act 1986.
- Have been generating reasonable levels of revenue (i.e. generating sales) for at least two (2) years before the date of application. In calculating the two (2) year period referred to in the previous sentence, the period, if any, during which a business was trading prior to being acquired by the applicant (if any) will be taken into account.
- Employ **10 or more employees** in Ireland and less than 250 at the time of application.
- Are an SME.
- Will generate a **minimum of three new full-time** jobs where a full-time employee is defined as an employee who works at least 37.5 hours per week, or new full-time contract employees where contracts are of a minimum three (3) years in duration.
- Will demonstrate a **minimum increase in turnover of €350,000** over the next two years.
- The majority of the projected planned increase in turnover must be related to international trade.
- The new jobs must not result in the displacement of existing jobs.
- The base number of jobs at date of application plus the New Jobs created must be retained for a minimum of three years from the date of last payment of the grant package.

7. Eligible Projects

The Job Expansion Fund will support business plans which meet the following criteria:

- **Projects** that clearly demonstrate a **minimum increase of three (3) employees.**
- Are submitted by Irish based firm in manufacturing and/or in internationally traded services.
- Are an integral part of the strategic development plans of the company.
- Clearly show how companies have planned to undertake a development plan.
- Have not incurred recruitment costs or signed employment contracts before the call close date for which the project is submitted.

8. Ineligible Projects

- a) The fund is not available to large companies or High Potential Start Up (HPSU) companies
- b) The fund is not open to partnerships
- c) Activities not covered in the original company application

9. Eligible Jobs that can supported under the Fund

Only new “non-sales and marketing” employees recruited after the project start date (i.e. the day after the application has been submitted to EI) are eligible for employment grant support. New employees must be recruited as full-time employees (min. 37.5 hours per week) on a permanent contract or a minimum of three (3) years fixed term contract.

Ineligible Jobs – the following are ineligible for employment grant support under the Job Expansion Fund;

- Employees recruited/ on the company payroll prior to the project start date.
- Employees based outside of Ireland
- Individuals who, **at the point of claim**, are engaged by the company but not issued with an eligible employment contract or paid via the company payroll e.g. agency staff or consultants.
- Employees transferred from another location to the grant aided company location.
- Employees performing a sales or marketing role for the grantee company.
- Employees grant aided under any other Enterprise Ireland employment grant e.g. Graduate for International Growth, Key Manager Grant.
- Employees supported under the Jobs Plus Programme administered by the Dept. of Social Protection.

10. Eligible Salary Costs

- Grant may be approved as a percentage of “Eligible Salary” calculated over a maximum of two years under Regional aid rates or one (1) year under De Minimis aid Guidelines. Eligible salary is defined as the basic salary cost (**less employer’s PRSI**) of the new employee, at the date of recruitment, as stated in the signed employment contract net of pension, expenses, bonuses and commission.

11. Calculating and validating the Base Employment

To satisfy EU and Enterprise Ireland requirements, the company’s application must set out the employment in the company in Base year and in the 12 months prior to application. A summary table must be completed, in the project details sheet, showing all Full Time Equivalent (FTEs) employees in the company at the date of application and at the same period twelve (12) months earlier.

- Where employment has increased over the twelve (12) month period then base employment will be set at the higher of the two figures
- Where employment falls over the twelve (12) month period then base employment will be calculated as the average of the two figures.
- In exceptional situations, and where a company experiences cyclical changes in employment, a company may submit a monthly breakdown of

staff numbers over a twelve (12) month period. The employment base will then be calculated as the average FTE figure over the 12 months.

A payroll listing produced from the company's Payroll Records/System for the most recent payment run prior to application showing the names of all employees must also be submitted at application stage.

Base Employment Table

Employee Details:	Date of Application	Date of Application minus 1 year
1. No. of Full Time Employees (working min of 37.5 hrs per week)		
2. No. of Full Time Employees on Maternity Leave/Long Term Leave (if not replaced by a newly recruited employee)		
3. No. of Part Time/Temporary Employees (working less than 37.5 hrs per week)		
Total No of Employees = 1+2+3		
4. TOTAL number of hours worked per week by ALL part time staff; i.e. part time employees in 3 above may work different hours, so it's the cumulative total hours worked by all employees		
5. Part-Time/Temporary Employees converted to Full Time Equivalents (add the combined hours of all part-time staff at the date of application and divide the total by 37.5 hours)		
Total Base Employment calculated as FTEs = 1+2+5		
If Total employment in (Base – 1 year) is greater than Base employment at the (date of application) please provide reason for the difference:		

12. Delegation of Power

Standard Enterprise Ireland Delegated powers apply.

13. Applications

Applications for the Job Expansion Fund are made using the Enterprise Ireland **Online Application System**. Applicants should complete the application form online and submit to Grant Applications (GA) by following the online instructions.

The following documents must also be submitted either to Grant Applications at **GA-jobexpansion@enterprise-ireland.com**, (or directly to the DA as part of the application):

- **Latest Audited Accounts & Management Accounts**, unless the applicant has availed of Audit Exemption / if not already submitted to your Development Adviser)
- **Organisation Chart and Group Structure**

14. Project Assessment

The projects are assessed based on:

- Company's application form and financial information.
- Commercial Assessments which will be based on the company's development plans.

The Enterprise Ireland project approvers will be presented with an assessment of the project incorporating comments on a range of assessment criteria such as:

- The expected impact of the proposed project on providing new **employment,**
- The expected impact of the proposed project on the company's **international trade** potential,
- The expected impact of the proposed project on the company's **commercial viability,**
- Evidence of **additionality** of the project when compared to what the company is already engaged in,
- Justification of the **company's need for financial assistance** to support the project.

15. Post Approval Stage

After project proposals have been considered, Enterprise Ireland will inform the applicant outcome of the decision. In the case of successful applicants, a formal letter of offer will be issued. This letter of offer when accepted forms a legal agreement between Enterprise Ireland and the Company.

16. Time period for approval and drawing down grants

Companies when they accept the letter of offer must return the acceptance within sixty (60) days from the date of the letter of offer.

Companies must incur and pay for all expenditure and submit claims for payment no later than the Final Claim Date noted in their Letter of Offer. Any balance unclaimed after the Final Claim Date will be cancelled.

Appendix 1

De Minimis

State Aid given to an enterprise which cannot exceed €200,000 (from 1st January 2007) over any three fiscal years to any company irrespective of size or location. De Minimis Aid can come from any State body, agency or department. If a Company is part of a group then the €200,000 limit applies to the group.