



Overview of key Financial Incentives and technical support for businesses in the Canton of Vaud

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Chapter 1

Introduction

Introduction

- ❖ *The following slides have for objective to provide a simple but comprehensive overview of Switzerland as a key business location on the global map in considering a variety of business factors.*
- ❖ *In particular, the focus would be on conditions for financial grants and technical support offered by the Canton of Vaud, which has a long tradition of welcoming foreign investments and is rapidly adapting to the new global trends in order to best meet international investors' changing needs.*
- ❖ *The information contained herein is of general nature only. While the presentation covers many relevant areas at a specific moment in time, it can of course not be exhaustive, and it is emphasized that it is not designed to provide the comprehensive and detailed information necessary to take decisions. Tailor-made counsels are thus to be sought in each individual case. In particular, figures mentioned are only examples; they do not constitute warranties nor representations.*



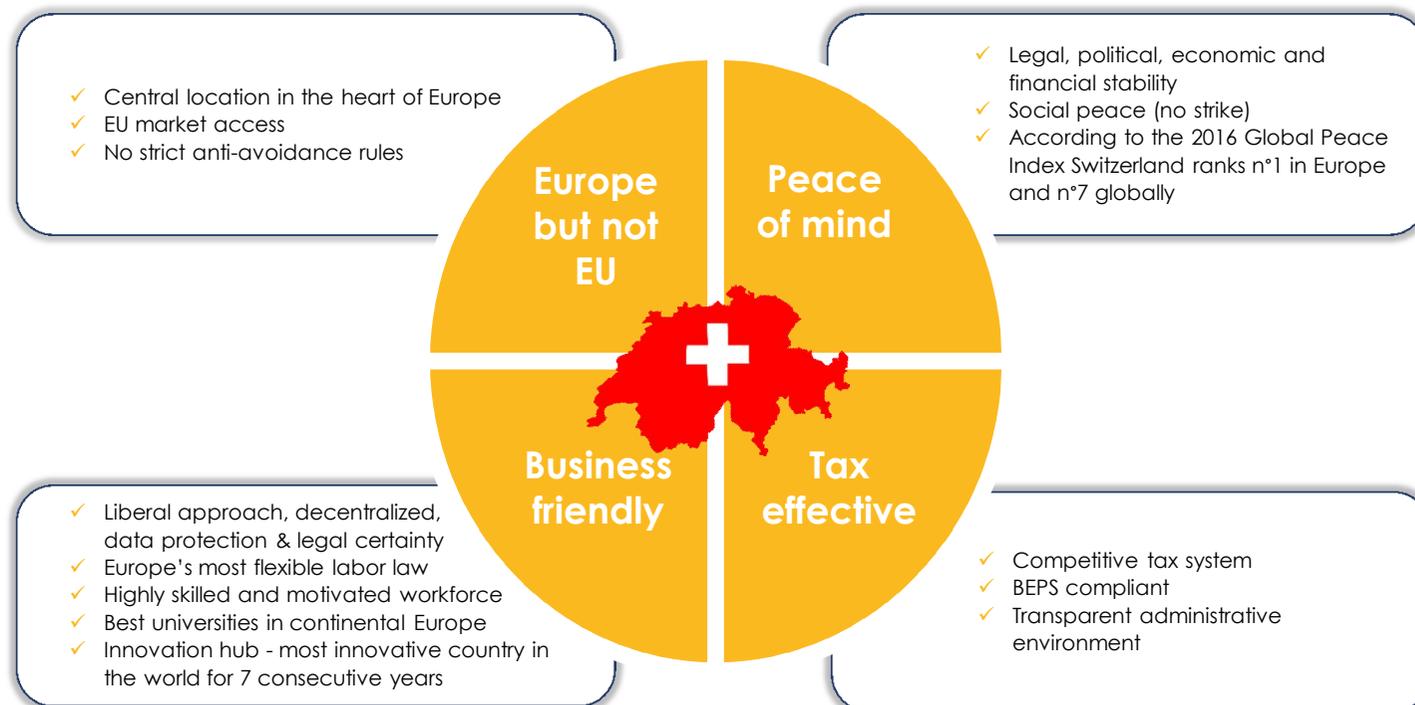
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Chapter 2

Switzerland - a business accelerator in the heart of Europe

The Big Picture

Switzerland has a very long tradition of serving as a business hub and a global or regional platform for businesses expanding internationally



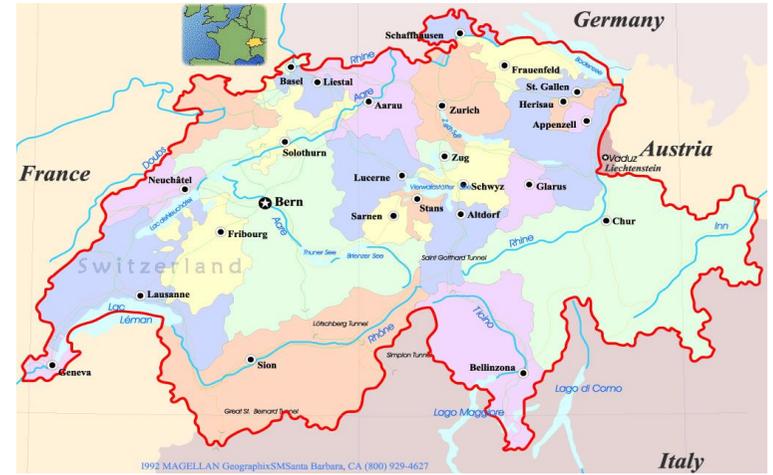
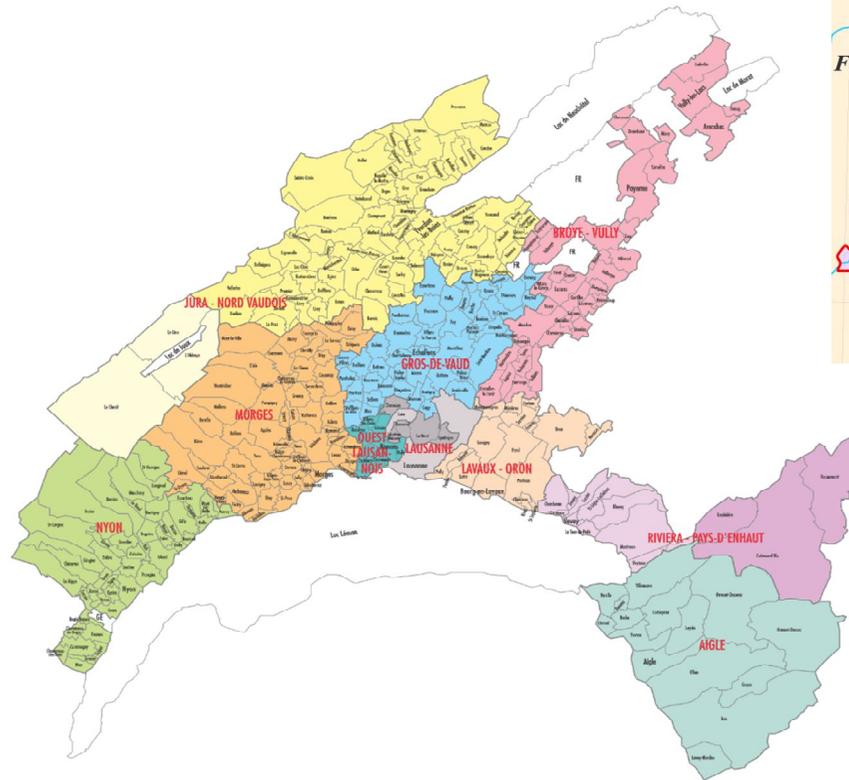


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Chapter 3

Zoom on Canton of Vaud

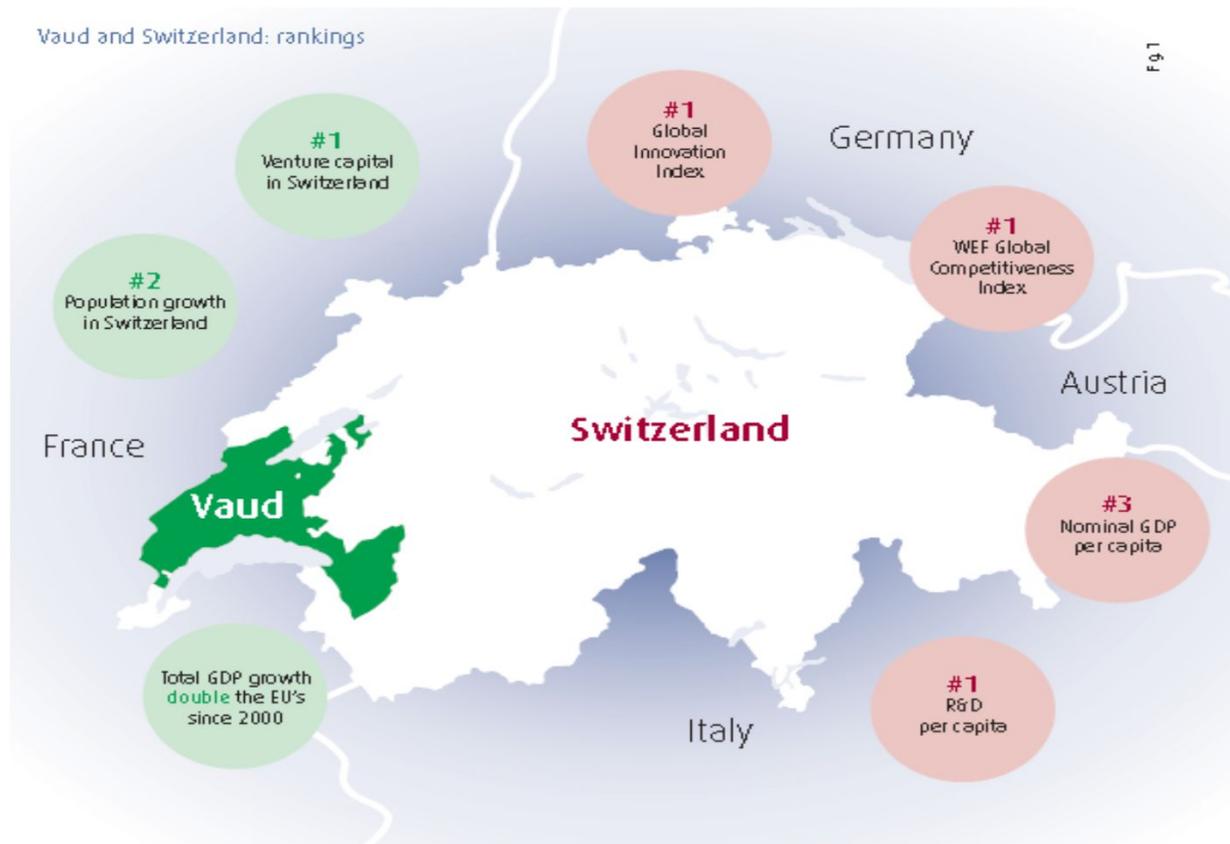
Map of Canton of Vaud



What Canton of Vaud has to offer?

- ❖ The Canton of Vaud has the 3rd largest population of any Swiss cantons;
- ❖ A diversified, technology-driven economy, notably in micro-nanotechnologies, food/nutrition, information/communication technology, cleantech, health and life sciences and international sports organizations;
- ❖ A business-driven agenda with optimal conditions in a stable and transparent political, legal and administrative environment;
- ❖ A dedicated multinational and multicultural workforce flowing from Europe's densest concentration of world-class academic institutions as well as a large talent pool from the multitude of regional & global HQs around the Lemman lake;
- ❖ Many innovation-heavy MNCs, large and small, are attracted to Vaud because of its sophisticated R&D infrastructure and the extensive collaboration among universities and companies - L'École Polytechnique Fédérale de Lausanne ("EPFL") has been instrumental in the incubation of many start-ups and in the expansion of MNCs in sciences, technology, and engineering.

Rankings



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Chapter 4

Canton of Vaud as an Innovation Hub

The innovators of today are the architects of our tomorrow

- ❖ Today's businesses face the challenge of operating in a fast paced and complex environment, marked by a unprecedented flow of disruptive innovations the impact of which going way beyond the corporate world is consistently creating our common tomorrow;
- ❖ The way economic stakeholders navigate the transformation today - in positioning themselves as simple witnesses or as proactive players - will more then ever determine their future stake in a highly competitive global market;
- ❖ At global scale, Switzerland has been ranked for 7 consecutive years the most innovative country in the world¹ and as such is well aware of the critical importance of continually investing and further developing knowledge and skills base (today Switzerland invests about 3% of its GDP in research and development, one of the highest figures for any country in the world);
- ❖ In the Canton of Vaud innovation is enabled through flexible but stable regulatory environment, state of the art technology infrastructures and a large variety of financial and non-financial incentives (via European, Federal and Cantonal programmes) available to businesses at all stages of their development;
- ❖ The Canton of Vaud has long been functioning as innovation hub and has an extensive experience in fostering partnerships between businesses and globally renowned research centres such as EPFL, IMD, UNIL, allowing businesses to successfully bring ideas to market.
- ❖ Funding opportunities are available at various levels:
 - European Union programs such as Horizon 2020, Eureka and Eurostars;
 - Swiss Confederation grants such as the Swiss Innovation Park and Commission for Technology and Innovation ("CTI");
 - Private/public platforms such as Innovaud; and
 - Cantonal grants from the Canton of Vaud.



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Chapter 4

Inventory of Innovation Boosters

European Union Programs

- ❖ European Union programs – Eureka

<https://www.euresearch.ch/en/european-programmes/further-programmes/eureka/>

- ❖ European Union programs – Eurostars

<https://www.euresearch.ch/en/european-programmes/further-programmes/eurostars>

European Union Programs – Horizon 2020 (1)

- ❖ Horizon 2020 is the EU framework program for research and innovation with an aim to create new growth and jobs in Europe through investment in innovation.
- ❖ It finances projects in which SMEs get direct cash financing.
- ❖ Horizon 2020 is for businesses:
 - that want to explore/test new technologies and/or new applications of existing technologies, through conducting R&D projects (alone or in consortiums with other organizations)
 - with diverse R&D & innovation project targets - explore/test/develop new R&I areas (for new applications/products/services or new tech)
 - with international activities and goal to enlarge European & international cooperation/networks for development
 - with readiness and willingness to cooperate
 - that need sufficient operative capacity

European Union Programs – Horizon 2020 (2)

- ❖ As Switzerland is fully associated to H2020 since January 2017:
 - all Swiss companies – SMEs and Industry – can fully participate in H2020 projects and coordinate them, same rights as EU companies
 - in standard collaborative calls: Swiss partners considered as one of the 3 minimal legal entities for an eligible consortium
 - for new projects (GAs signed in 2017 and later) financing comes directly from EC
- ❖ Further details regarding the financial assistance offered by Horizon 2020, please contact:

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Swiss Confederation grants- Swiss Innovation Park

- ❖ The innovation park began operations in early 2016, with two hub sites centered on the two federal institutes of technology in Zurich and Lausanne and three network locations in Aargau, Northwest Switzerland and Biel.
- ❖ The intention behind the Swiss innovation park is to reinforce Switzerland's leading position as a location for innovation and maintain the country's economic competitiveness.
- ❖ There are six Swiss innovation parks in Canton of Vaud including EPFL, Biopole, Technopole Sainte-Croix, Tecorbe, Les Ateliers de Renens, and Parc Swiss Technopole.
- ❖ The Confederation intends to support financially the different sites by offering federal guarantees for specific infrastructure (R&D labs, equipment and facilities). This incentive applies from 2017.
- ❖ A framework credit of CHF 350 million will be used as collateral for earmarked loans. With this capital at hand, the new foundation (that has already been created) will be able to obtain capital funding at advantageous conditions and provide the various sites with the loans needed to finance research infrastructure (equipment and facilities).
- ❖ The guarantee is limited in duration and earmarked for specific purposes.
- ❖ The EPFL Innovation Park and Biopole in Canton of Vaud are both eligible for this offer as these two sites are part of the Swiss Innovation Park.
- ❖ Further details and contact information of Swiss Innovation Park can be found under: <https://www.switzerland-innovation.com/>

Innosuisse – Swiss Innovation Agency (1)

- ❖ Innosuisse has taken over the work of the Commission for Technology and Innovation (“CTI”) which dates back to 1943, when the Federal Council set up the Commission to Promote Scientific Research.
- ❖ Innosuisse is a Swiss Innovation Promotion Agency with a role to promote science/based innovation in the interests of industry and society in Switzerland.
- ❖ Innosuisse especially promotes the partnership between academia and the market with innovation projects, networking, training and coaching, laying the groundwork for successful Swiss start-ups, products and services.
- ❖ Innosuisse provides support in accordance with the subsidiarity principle: it only supports projects if the innovation could not be implemented and market potential would not be tapped into without funding.
- ❖ Innosuisse funds innovation projects by researchers who have not yet found a partner to implement the result. In particular it provides support for highly innovative yet risky projects.

Innosuisse – Swiss Innovation Agency(2)

- ❖ Innosuisse is active in three funding/ support areas: (a) start and grown your business; (b) start your innovation project; and (c) go global. A brief description of the funding/ support areas is provided below:
 - Start and grow your business: Innosuisse provides coaching and training to encourage young entrepreneurs and scientists in an entrepreneurial way. It offers training programs and coaching to provide young entrepreneurs with the professional support they need to successfully implement their business ideas.
 - Start your innovation project: Innosuisse provides support to SMEs by advising/ innovation mentoring for innovation projects, funding SMEs to trial working with research partners and test the feasibility of their idea, support science-based innovation projects carried out by companies in cooperation with research partners, funding high-risk projects with a high degree of innovation by researchers who do not yet have an implementation partner, and two funding opportunities at the intersection of basic research and science-based innovation for young and experienced researchers.
 - Go global: Innosuisse sends innovative start-ups hoping to enter international markets to test the waters in the international hubs of entrepreneurship, gives researchers and businesses access to international research networks and EEN - an international network for SMEs and Start-ups.

- ❖ Further details and contact information of Innosuisse can be found under:
<https://www.innosuisse.ch/inno/en/home.html>

Private/public platforms - Innovaud

- ❖ Innovaud is a private/public platform that focuses on innovation in the Canton of Vaud.
- ❖ It focuses on all businesses that bring into being innovation projects – from start-ups and SMEs to giant multinationals – and on the various support options that are available to each of them.
- ❖ Any start-up, SME or multinational operating in the canton of Vaud or wishing to set up in Vaud can call on Innovaud for assistance in carrying out its innovative projects. It does not matter whether or not the project is already implemented. The only criteria are that it must be innovative and technology-driven.
- ❖ Innovaud focuses on the following areas of innovation such as big data, digital transformation etc.
- ❖ Further details and contact information of Innovaud can be found under: <http://www.innovaud.ch/en/>

Cantonal grants - Canton of Vaud – SPECO (1)

- ❖ The Canton of Vaud provides direct financial incentives to companies operating in industry, production-related services and leading edge technologies that are made available by the Office of Economic Affairs (“SPECO”).
<https://www.vd.ch/autorites/departements/deis/economie-et-commerce/>
- ❖ These incentives are intended to provide project based support (project accelerators) for companies based in the canton for their innovation, growing and international projects to carry out R&D and/or production activities in the Canton of Vaud.
- ❖ The following assistance is available to companies based in Canton of Vaud:
 - investment support such as loan guarantees and partial coverage of bank interest;
 - innovation support such as acquiring intellectual property rights (up to CHF 5,000) and developing new products, improving or developing plant, obtaining certification or homologation (up to CHF 30,000);
 - commercialization and internationalization support such as market analysis, new business opportunities (up to CHF 30,000) and attending exhibitions or business conventions (up to CHF 5,000); and
 - training support such as training of technical or scientific staff (up to CHF 15,000 per employee) and sustainable development training (CHF 1,000 to 3,000 per employee).

Cantonal grants - Canton of Vaud – SPECO (2)

- ❖ SPECO can set a maximum support budget for each enterprise for the training of its technical and scientific staff (50% of the salary for 6 months i.e., max CHF 15,000 for each new employee hired). The support does not cover administrative, financial and commercial staff but only covers R&D and/or production staff.
- ❖ Further details (of financial assistance offered by Canton of Vaud) and contact information can be found under:
<http://www.vaud.ch/en/our-services/companies/starting-up-developing/financial-incentives/>
SPECO, Rue Caroline 11, 1014 Lausanne - Tél +41 (0)21 316 60 21 - info.speco@vd.ch.

DEV

- ❖ Private organization operating as official partner of the Canton of Vaud's Department of Economy, Innovation and Sport
- ❖ "One-stop shop" to assist foreign companies in their establishment in our region
- ❖ Hundreds of local partners
- ❖ Thousands of open doors
- ❖ Free-of-charge services:
 - Project Analysis
 - Business Plan
 - Company Creation
 - Taxation
 - Public Authorities
 - Partner Introduction
 - Real estate
 - Network
 - Work and residence permit
 - Private schools



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Thank You

The above slides aim to provide with a high level overview of tax aspects and incentives that may be of interest to the Group and its stakeholders. The information contained herein is of general nature only. While the presentation covers many relevant areas, it can of course not be exhaustive. It is emphasized that it is not designed to provide the comprehensive information necessary to take decisions. Tailor-made counsels are thus to be sought in each individual case. In particular, figures mentioned are only examples and they do not constitute warranties nor representations.