



Scheme of incentives for business investments in Catalonia

2016

INTRODUCTION

To ensure that all investment projects in Catalonia are successful, Catalonia Trade & Investment offers technical assistance at all stages of the operation, from the initial investment plan until the business gets under way. It also offers a Business Location Service and an Incentives Advisory Unit .

The objective of the Incentives Advisory Unit is to inform and advise on incentives and financing available in Catalonia, at all administrative levels, from European to National, regional and local funds.

The main incentive programs available provide grants and funding for the following concepts:

- Fixed assets investments
- R&D and Innovation
- Hiring
- Training
- Financing

In the following pages you will find specific information about the different incentives and project financing programs, as well as information on the Catalonia Trade & Investment incentives program.

1. CATALONIA TRADE & INVESTMENT INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
Catalonia Trade & Investment Incentives			
Incentives Program for High Impact Business Investments	Catalonia Trade & Investment–Ministry of Business and Labor of the Government of Catalonia.	Companies with high impact investment projects creating new jobs. The minimum number of jobs created will be set depending on the type of project: <ul style="list-style-type: none"> - Service Centres: 50 new jobs, - International Decision Centres: 15 new jobs, - Logistic Centres: 15 new jobs, - Industrial activities: 15 new jobs, - R&D&i Centres: 8 new jobs. Up to 20-25% of eligible expenses (1 year of the annual company cost of the newly created jobs).	<p>Up to 20%-25% of labor costs.</p> <p>Total maximum amount: up to 1M€ hiring disadvantaged workers*, and 200,000 € for non-disadvantaged workers</p>
		Companies investing at least 3M€ in productive fixed assets.	<p>Up to 10% of the eligible expenses.</p> <p>Total maximum amount: up to 200,000 €.</p>
		Companies with R&D Projects (minimum budget 1M€)	<p>Up to 25% of eligible expenses, with a maximum amount of 1'5M€.</p>
		Companies with large investment projects (minimum eligible budget of 5M€ and creation of at least 50 new jobs) located in any of the municipalities included in the regional aid map (see Annex).	<p>Up to 10% of eligible expenses, with a maximum amount of 1'5M€.</p>

*A disadvantaged worker refers to the individual who meets **any** of the following criteria:

- (a) A person who has not been in regular paid employment for the previous 6 months ,
- (b) A person who has not obtained a high school education or vocational qualification,
- (c) A person who is over the age of 50,
- (d) A person who lives as a single adult with one or more dependents.
- (f) A person under 25 years old

2. INVESTMENT INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
Fixed Asset Investment Incentives			
Incentives to promote competitiveness plans in industrial sectors	Ministry of Industry Energy and Tourism	<p>Industrial manufacturing companies.</p> <p><u>Investment projects</u> shall include some of the following actions: technological innovation, process reengineering, investments implying energy savings and environmental improvements, etc.</p> <p>Loans at 1.656% - 4.34% interest rate, with a payment period of 10 years maximum with a grace period of 3 years. 10% of guarantees will be required.</p>	Loan amount may be up to 75% of eligible expenses.
Incentives for investments in reindustrialization actions	Ministry of Industry Energy and Tourism	<p>Industrial manufacturing companies with investments in new industrial centres or the expansion of the existing ones.</p> <p>Reimbursable loans up to 75% of eligible expenses, at 1.705% - 4.09% interest rate, payable in 10 years maximum (including a grace period of 3 years).</p> <p>10% of guarantees will be required.</p>	Loan amount may be up to 75% of eligible expenses.

3. R&D&i INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
R&D&i Incentives			
CDTI: Innovation Program	Centre for Development of Industrial Technology (CDTI)	Companies carrying out technological innovation projects. Minimum eligible budget of €175.000. Loan up to 75% of the eligible budget. Repayment period: 3 years (including 1 year of grace period) at Euribor +0,2% interest rate or 5 years (including 1 year of grace period) at Euribor+ 1,2% interest rate. Grant equivalent shall not be greater than €200.000 (<i>minimis rule</i>).	Loan up to 75% of the eligible budget
CDTI – EEA Grants	Centre for Development of Industrial Technology (CDTI)	Companies carrying out R+D projects aiming at the creation of new products, processes or services focused on renewable energy, energy efficiency, environmental technologies and climate change.	Partially reimbursable loan that range between 75% and 85% of the total approved budget. 20% of the loan will be non reimbursable. Interest rate Euribor+0,1% and repayment period of 10 years.
CDTI - NEOTEC	Centre for Development of Industrial Technology (CDTI)	Innovative companies: develop innovative products, processes or services or R&D costs account for over 10% of operating costs. At the date of application the company must have been constituted at most for four years. This grants will finance: investment in equipment, personnel costs, material costs, external collaborations and other costs.	Grant up to 70% of eligible costs with a maximum amount of €250,000 per beneficiary. Minimum eligible budget 175,000 €.
R&D Projects	ACCIÓ – Ministry of Business and Labor	R&D projects carried out by private companies established in Catalonia. Private and public research centers and technological centers shall only participate as outsourced entities. Individual projects shall have a minimum eligible budget of €150,000 and cooperative projects a minimum of €500,000.	<ul style="list-style-type: none"> - Up to 50% for industrial research. (60% medium-sized companies and 70% small-sized companies) - Up to 25% for experimental development (35% for medium-sized and 45% for small-sized companies). -Maximum aid amount: €100,000 for Individual Projects and €300,000 for Cooperative projects.
CDTI: R&D projects financing	Centre for Development of Industrial Technology (CDTI)	All kind of companies with R&D projects. - Up to 75% of the eligible budget. Up to 10% of the loan amount may be non reimbursable for large companies and up to 15% for SMEs. Interest rate: Euribor (12 month). Payment period: 10 years maximum.	Loans up to 75% of the eligible budget.

3. R&D&i INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
R&D&i Incentives			
Industrial Doctorates plan	Ministry of Economy and Knowledge – Government of Catalonia.	The aim of the Industrial Doctorates Plan is place PhDs students (doctorands) in companies where they can develop R&D&i projects. Companies shall develop and Industrial Doctorate Project, that is, a strategic research project that allows the doctorate to further develop his research training in collaboration with a university. The Government of Catalonia provides financial support for the following expenses: The public prices and fees for the doctorand’s enrolment in the doctoral program; the company tutorship; the doctorand’s mobility fund; the 30 hours of cross-cutting training corresponding to the first year; funding for the research group for the development of the research project; overhead costs produced at the university.	Up to €55,560 per project (for 3 years). The maximum grant amount for the company is €21,600 for the tutorship of the R&D project.
Corporate tax deductions related to R&D&i	Spanish Ministry of Treasury.	Companies performing R&D&i activities.	Up to 59% of R&D expenses
Discounts at the Employer’s Social Security contributions related to R&D activities	Spanish Ministry of Treasury	Bonuses of 40% of employer’s social security (SS) contribution (common contingencies) for staff exclusively dedicated to R+D.	Incentive of EUR 865-4,125/year/employee, depending on SS contribution base.
Incentives to R&D projects in the field of ICT	Ministry of Industry Energy and Tourism	Companies and non public groups of economic interest doing Experimental Development projects in the field of ICT. The thematic priorities will be set in each call. In the 2015 call the thematic priorities are: <i>Components and systems, Future Internet, Cloud Computing Solutions, Solutions for Massive Data, High performance computing, Robots and Autonomous Systems, Smart Cities, Internet of things, 3D printing, Industry 4.0, Cybersecurity, Health and wellness, Food and environmental management, energy efficiency, transport and logistics, Digital Content.</i> The incentives is a combination of grant and loan. The maximum grant amount is 40% (50% in case of SMEs) of the project budget. Conditions of the loan: Maximum repayment period: 5 years including 2 years of grace period; The loan amount may complement the grant amount until reaching the total budget of the project; Interest rate: 0 %.	Up to 100% of the project budget, through a combination of grant and loan.

3. R&D&i INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
R&D&i Incentives			
Patent Box	Spanish Ministry of Treasury.	Companies developing certain technological IP (patents, secret formulae or processes, designs or models, plans, or information concerning industrial, commercial or scientific experience).	60% of net incomes arising from the letting of the right to use qualifying intellectual property rights are tax exempt.
Challenges-Collaboration	Spanish Ministry of Economy and Competitiveness	Research organizations (universities, R & D centers, technology centers) + companies and business associations. R & D projects developed collaboratively by companies and research organizations with a minimum budget of € 500,000.	For research centers: Grant up to 100% of the accepted cost. For companies: loan up to 95% of the accepted budget (interest rate: 1 year Euribor; repayment: 10 years, 3 years grace period).
EMPLEA	Spanish Ministry of Economy and Competitiveness	Technology centers, innovation centers, foundations; companies, business associations and innovative business groups . Grants for the hiring of researchers devoted to for R&D activities.	Grants of up to 65% of the total labor costs of 3 years.
SME Instruments	European Commission	SME established in EU member states or countries associated with Horizon 2020 with innovative projects clearly aimed at increasing growth and performance. Two different grants depending on the eligible activities.	<ul style="list-style-type: none"> Phase 1: risk assessment, market research, property management, developing innovative strategies , partner research , feasibility studies → 50,000€ lump sum grant Phase 2: prototyping , miniaturization , designing, performance verification testing , validation of commercial applications , → from 500,000€ to 2,5M€ grant

4. HIRING INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
Hiring incentives			
Social Security Employer Contributions Discounts	Spanish General Treasury of the Social Security System.	Companies hiring people from certain groups of unemployed.	600-5,700 euros annually, depending on the group to which the unemployed hired person belongs.
Reduced rate for Social Security contributions	Spanish General Treasury of the Social Security System	Companies hiring new employees on a permanent basis	Social Security contributions discount of 2,832€.
Tax incentives to encourage permanent labor contracts	Spanish General Treasury of the Social Security System.	Companies hiring certain groups of unemployed on a permanent basis. The tax incentive is applicable to the first 49 hires.	3.000 - 4.500 euros, depending on the group to which the unemployed belongs.
Stimuli to the hiring of young people	Spanish Ministry of Economy and Competitiveness	Companies hiring people under 30 on a part-time basis with training, or on temporary contract or on practical contract.	50-100% reduction of Social Security contributions in common contingencies with possibility of incentives to turn contract into a permanent contract.
Internship agreement for unemployed people	Catalan Employment Service	- Internship agreement (no labor contract) to hire unemployed people between 18 and 25 with less than 3 months of labor experience.	-Total labor cost of 460€/month/trainee: Labor costs savings
Internship labor contract	Ministry of Labor	Concatenation of an internship agreement with an internship labor contract	75% reduction of the common contingencies part of the Company's Social Security Contributions (2 years)

4. HIRING INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
Hiring incentives			
Torres Quevedo Program: Hiring of Doctor.	Spanish Ministry of Economy and Competitiveness	Companies, Technological Centers, business' associations and Scientific and Technological Parks hiring PhDs for R&D projects	Up to 70% of the employer's hiring cost (salary + Social Security employer's contribution), depending on the type of project and the size of the company.
Personal income tax for non-residents	Spanish Ministry of Economy and Competitiveness	<ul style="list-style-type: none"> - Individuals under the non-resident special regime in Spain. Newly arrived foreigners can chose between the regular resident tax scheme (19% -45%) and the non- resident tax scheme (24% flat rate) for a maximum of 6 years. - Through the non-resident tax scheme, income earned in countries outside of Spain are not subject to personal income tax, provided the relocation to Spain is a consequence of an employment agreement to be carried out in Spanish territory . Beneficiaries must not have been legal residents in Spain for the previous ten years. 	24% flat rate
Grants for hiring unemployed people over 45 years old	Public Employment Service of Catalonia	Companies hiring unemployed over 45 years old. Duration of the contract: 6 or 12 month contracts. Maximum of 5 subsidized contracts per company.	Depending on the % of the workday, the duration of the contract and the gross salary the grant amount may range between 2,500€ and 20,000€ per contract.

5. TRAINING INCENTIVES

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
Training Incentives			
Subsidies for occupational training of unemployed people – Forma i Insereix Program	Catalan Employment Service – Ministry of Business and Labor Government of Catalonia.	Companies carrying out training activities internally or externally for unemployed people; the company has to commit to hiring at least 60% of trainees.	Up to 100% of the training costs.
Retraining Programs of the Spanish Ongoing Training Foundation	Spanish Ongoing Training Foundation.	Deductions from the company's contribution to the social security system. Contributing companies conducting internal or external training activities to their employees.	For newly established companies, the tax credit is fixed at 65 € per employee (new hire).

6. INCENTIVES RELATED TO ENERGY AND ENVIRONMENT

Programs and objectives	Entity	Beneficiaries and type of incentive	Intensity and maximum aid amount
Funding for energy efficiency actions in the industrial sector	Ministry of Industry, Energy and Tourism	SMEs or large industrial companies. Projects: 1. Improvements in technological equipment and industrial processes that reduce energy consumption. 2. Implementation of energy management systems.	Grant of up to 30% of eligible investment. Minimum budget of € 75,000 in eligible projects to improve technology and € 30,000 projects of energy management systems. Maximum eligible for both types: € 4,000,000.
Grants for projects of prevention, reuse and recycling of industrial waste	Waste Agency of Catalonia	Companies and groups of companies with production centers in Catalonia. A. Prevention, reuse and recycling of industrial waste projects. B. Industrial research and development projects in the field of prevention, reuse and recycling of industrial waste.	A. For overcoming EU standards: 30%. For early adaptation to future EU standards: 5-10%. For SMEs +10%. B. 25%. For SMEs +10%. For collaboration between several companies +15%. <u>Maximum grant amount:</u> reduction of hazardous waste €150,000; reduction of non-hazardous waste €100,000.

7. FINANCING

Entity	Instruments	Beneficiaries	Contact
CATALAN FINANCE INSTITUTE – ICF	Loans up to 70% of the investment project, maximum of 15 years, at a fixed or variable interest rate (Euribor + differential)	Companies established in Catalonia	http://www.icf.cat/en/inici/
ACCIÓ - CATALAN FINANCE INSTITUTE : Industrial Reactivation Program	<p>Aid in the form of guarantee for working capital and investments related to innovation, industrialization and internationalization activities.</p> <p>Loan conditions: Euribor + 5'75%; amount 500,000-2M€. Eligible expenses: fixed assets, and working capital up to 30% of the loan amount; maximum repayment period: up to 7 years including a grace period of 2; disbursement at the time of signature; commission of 0.5%.</p> <p>Formalized operations will have the guarantee of the Department of Business and Labor of 80% of the live risk of each operation.</p> <p>Under <i>De minimis</i> regime.</p>	Companies established in Catalonia	http://www.icf.cat/en/inici/ http://accio.gencat.cat/cat/

7. FINANCING

Entity	Instruments	Beneficiaries	Contact
<i>Funding</i>			
CATALAN FINANCE INSTITUTE – ICF: Equity loans Co-Investment with Business Angels	Amount: IFEM brings 50,000 to € 200,000 per project.	Funding with private investors (business angels) in the form of shareholder loan to the creation of new companies or companies in early stages	http://www.icf.cat/en/inici/
CATALAN FINANCE INSTITUTE- ICF: CAPITAL EXPANSIÓ	Participative loans or equity loans of €1-2,4M, with a co-investment of a private equity, family office, or other investors (whether external or internal -the current Managing staff or shareholders of the company-).	Catalan companies with internationalization, consolidation or innovation projects, or with manufacturing investments. Minimum company turnover: €10M, in a growing situation and with a positive EBITDA.	
ICF GUARANTEES	Guarantees to endorse credit extensions and investments credits (up to 50%), commercial papers discount (up to 60%), reverse factoring to suppliers (up to 70%).	All kind of companies established in Catalonia	
AVALIS-GUARANTEES	Technical and financial guarantees. Financial guarantees, up to 1.2 million euros.	SMEs, self-employed and professionals operating in Catalonia	http://www.avalis-sgr.com/

7. FINANCING

Entity	Instruments	Beneficiaries	Contact
INSTITUTO DE CRÉDITO OFICIAL – ICO	Financing to support the capital projects of Spanish companies: SMEs, Internationalization, technological Innovation, great projects...	Companies established in Spain	www.ico.es
ENISA	Participative loans between 100,000 and 1Meuros, with long-term repayment and combination of fixed and variable interest rates. Minimum of Euribor + 0,25-0,50% and maximum according to the profits.	SMEs	www.enisa.es

*Regional aid map 2014-2020. Eligible municipalities in Catalonia:

Alt Camp: Querol, Pont d'Armentera, Pla de Santa Maria, Vila-rodon, Figuerola del Camp, Rodonyà, Alió, Valls, Bràfim, Montferri, Puigpelat, Nulles, Vallmoll, Garidells, Rourell, Masó, Milà, Alcover, Mont-ral, La Riba.

Alt Penedès: All the municipalities.

Anoia: All the municipalities.

Bages: Cardona, Navàs, Sant Mateu de Bages, Súria, Castellnou de Bages, Balsareny, Gaià, Sant Feliu Sasserra, Avinyó, Santa Maria d'Oló, Sallent, Artés, Moià, l'Estany, Calders, Monistrol de Calders, Talamanca, Pont de Vilomara i Rocafort, Navarrels, Sant Fruitós de Bages, Santpedor, Callús, Sant Joan de Vilatorrada, Fonollosa, Aguilars de Segarra, Rajadell, Castellfollit del Boix, Sant Salvador de Guardiola, Castellgalí, Sant Vicenç de Castellet, Mura, Castellbell i el Vilar, Monistrol de Montserrat, Marganell.

Baix Camp: La Selva del Camp, Vandellòs i l'Hospitalet de l'Infant.

Baix Ebre: All the municipalities.

Baix Llobregat: Gavà, Viladecans, Prat de Llobregat, Sant Boi de Llobregat, Cornellà de Llobregat, Esplugues de Llobregat, Molins de Rei, Papiol, Pallejà, Sant Andreu de la Barca, Martorell, Sant Esteve Sesrovires, Abrera, Sant Vicenç dels Horts, Sant Joan Despí, Olesa de Montserrat.

Baix Penedès: Arboç, Santa Oliva, Bellvei, Bisbal del Penedès, Banyeres del Penedès.

Berguedà: Pobra de Lillet, Sant Julià de Cerdanyola, Nou de Berguedà, Cers, Berga, Avià, Olvan, Casserres, Puig-reig.

Conca de Barberà: Montblanc.

Garrotxa: Sales de Llierca, Montagut i Oix, Tortellà, Beuda, Besalú, Maià de Montcal, Sant Ferriol, Argelaguer, Sant Jaume de Llierca, Castellfollit de la Roca, Sant Joan les Fonts, Olot, Mieres, Sant Feliu de Pallerols, La Vall d'en Bas, Les Preses, Vall de Bianya, Riudaura, Planes d'Hostoles.

Gironès: Campllong, Llàmbilles, Quart, Juià, Celrà, Sant Julià de Ramis, Llagostera, Cassà de la Selva, Fornells de la Selva, Vilablareix, Bescanó, Sant Gregori, Sarrià de Ter.

Maresme: Tordera, Palafròls, Malgrat, Pineda.

Montsià: All the municipalities.

Noguera: Preixens.

Osona: Prats de Lluçanès, Olost, Oristà, Sant Bartomeu del Grau, Gurb, Vic, Santa Eugènia de Berga, Masies de Roda, Santa Maria de Corcó, Vilanova de Sau, Torelló, Masies de Voltregà, Taradell, Seva, Tona, Roda de Ter, Sant Martí de Centelles, Centelles, Brull, Sant Pere de Torelló.

Pla d'Urgell: Bell-lloc d'Urgell, Palau d'Anglesola, Vila-sana, Castellnou de Seana.

Pla de l'Estany: Sant Miquel de Campmajor, Porqueres, Banyoles, Cornellà del Terri, Palol de Revardit.

Priorat: Falsset, Masroig.

Ribera d'Ebre: All the municipalities.

Ripollès: Camprodon, Sant Pau de Segúries, Ogassa, Sant Joan de les Abadesses, Ribes de Freser, Campelles, Gombren, Campdevàrol, Ripoll, Vallfogona de Ripollès, Les Llosses.

Segarra: Cervera, Estaràs, Granyanella.

Segrià: Alguair, Portella, Corbins, Vilanova de la Barca, Torrefarrera.

Selva: Arbúcies, Riells i Viabrea, Sant Feliu de Buixalleu, Massanes, Maçanet de la Selva, Sils, Riudarenes, Caldes de Malavella, Riudellots de la Selva, Vilobí d'Onyar, Santa Coloma de Farners, Sant Hilari Sacalm, Brunyola, Anglès, Sant Julià del Llor i Bonmatí, Hostalric, Fogars de la Selva.

Solsonès: All the municipalities.

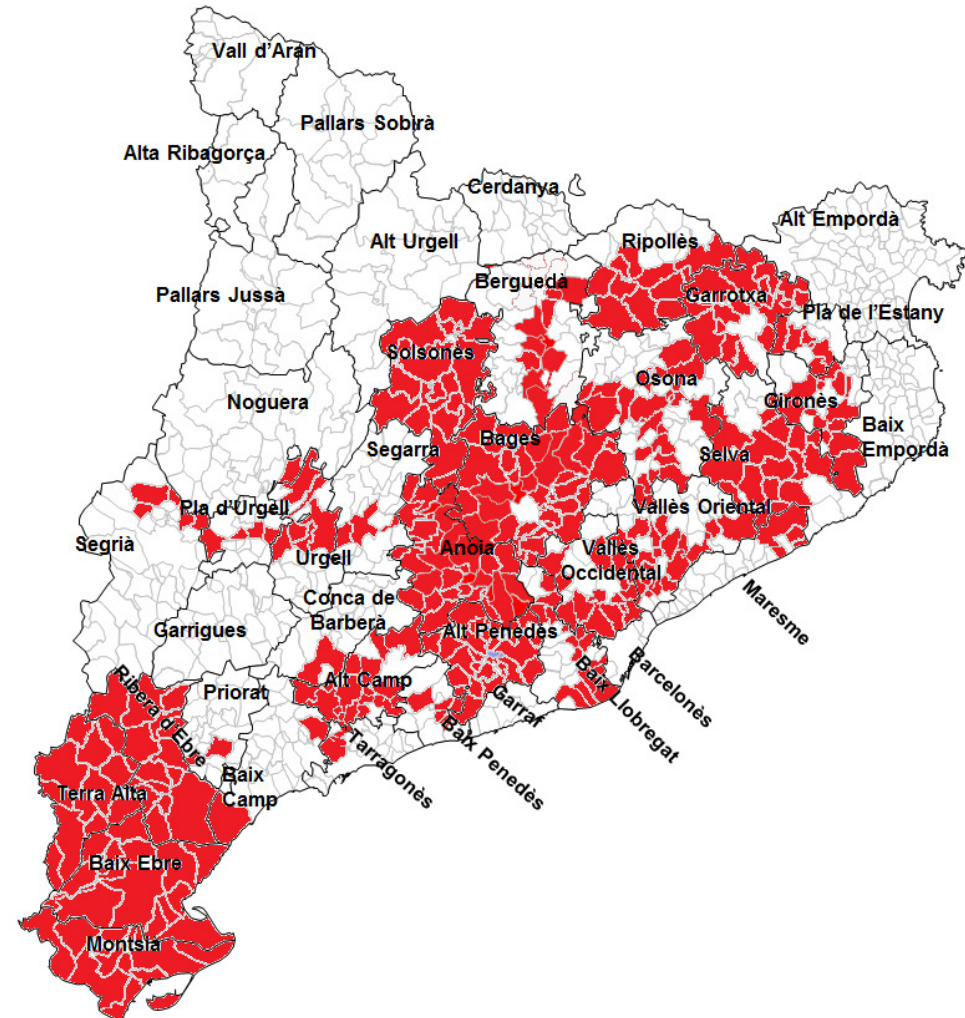
Tarragonès: Morell, Constantí, Pobra de Mafumet.

Terra Alta: Tots els municipis.

Urgell: Tàrrrega, Bellpuig, Anglesola, Agramunt, Vilagrassa, Puigverd d'Agramunt.

Vallès Occidental: Castellar del Vallès, Sentmenat, Palau-solità i Plegamans, Polinyà, Santa Perpètua de Mogoda, Barberà del Vallès, Ripoll, Montcada i Reixac, Cerdanyola del Vallès, Sant Quirze del Vallès, Sant Cugat del Vallès, Rubí, Castellbisbal, Viladecavalls, Vacarisses.

Vallès Oriental: Sant Celoni, Santa Maria de Palautordera, Llinars del Vallès, Cardedeu, Franqueses del Vallès, Roca del Vallès, Garriga, Bigues i Riells, l'Armetlla del Vallès, Canovelles, Vilanova del Vallès, Lliçà d'Amunt, Lliçà de Vall, Parets del Vallès, Montmeló, Montornès del Vallès, Martorelles, Llagosta, Mollet del Vallès, Caldes de Montbui.



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