**Project Portfolio**

**Company Name**

City, State

Company logo

**Technology field “XXX”**

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1. Project Outline
   1. Company Presentation

*Please give a brief description of your company and type of company*

* 1. Objectives of the company, in the IPCEI, during the integrated project (Work Stream or Technical Field it’s involved)

*Please give a brief description of the individual project with the main work stream (WS) or technical field (TF) the company will be active in and link it to a common European interest. For the purpose of this first draft of the project portfolio TF and WS are defined as follows:*

|  |  |
| --- | --- |
| ***TF 1*** | ***Development and Production of H2 Generation Technology*** |
| *WS 1.1* | *Electrolysers* |
| *WS 1.2* | *Equipment for Pyrogasification* |
| *WS 1.3* | *All other technologies for H2 production* |
| *WS 1.4* | *Associated materials and technologies* |
| *TF 2* | ***Development and Production of Fuel Cells*** |
| *WS 2.1* | *Fuel cells for mobility* |
| *WS 2.2* | *Fuel cells for stationary application (incl. Electricity network)* |
| *WS 2.3* | *Associated technologies* |
| ***TF 3*** | ***Generation capacity, Storage, Transportation, Distribution*** |
| *WS 3.1* | *Installation of H2 generation capacity* |
| *WS 3.2* | *Tanks for mobility (gaseous)* |
| *WS 3.3* | *Tanks for stationary applications (gaseous)* |
| *WS 3.4* | *Equipment related to pipe conversion (gaseous H2)* |
| *WS 3.5* | *Technologies related to H2 storage (liquid, solid, LOHC, others…)* |
| *WS 3.6* | *H2 refueling solutions* |
| *WS 3.7* | *Associated materials and technologies* |
| ***TF 4*** | *H2 – Generation and Transport Infrastructure* |
| *WS 4.1* | *Installation of H2-Generation capacity (Electrolysers…)* |
| *WS 4.2* | *Transport infrastrucures (pipe-lines, etc.)* |
| ***TF 5*** | ***End use, including deployment*** |
|  | *End use industry decarbonization* |
| *WS 5.1* | *Steel making* |
| *WS 5.2* | *Methanol production* |
| *WS 5.3* | *Refinary* |
| *WS 5.4* | *Fertilizer production* |
| *WS 5.5* | *others* |
|  | *End use energy* |
| *WS 5.6* | *Injection of H2-based electricity into the electricity grid* |
| *WS 5.7* | *Injection of H2 into the gas grid* |
| *WS 5.8* | *Residential building use* |
|  | *End use transports/mobility* |
| *WS 5.9* | *Production of means of transportation (cars, bus, trains, planes, ships…)* |
| *WS 5.10* | *Deployment of mobility solutions* |

*Explain how this individual project is integrated in the IPCEI (link the main technical field of the IPCEI you’re participating in) with your specific WP or investment (FID and EET) and detail the direct participant you’re working with in the IPCEI (in the same technical field and in other ones).. Indicate how your cooperation with indirect partners will lead to cross border effects in work streams*

*Explain the big keys for the overall project (economical and technical). Explain why the project is of public interest (external additional effects)?*

*Why can this project not be financed by the company alone? Why is funding necessary?*

* 1. Research & Development (R&D)
     1. R&D Projects Before IPCEI

*Description of the R&D tasks which were necessary and carried out before the start of the project (background).*

* + 1. Technology and Challenges – R&D&I Activities within IPCEI in all technical fields it’s involved in

*For each WP describe the state of the art, the technical keys, the objective and the technical challenges associated with the tasks in the work package.*

* + 1. State of the art
    2. Technical obstacles that prevent improvements in the field
    3. Objectives and technical challenges in the project
* *Objectives*
* *technical description of the WP and its expected results* ***compared to the state of the art******with :***
  + *the justification of the additional effect (jobs and investments)*
  + *the contribution to the public interest (increase in knowledge and dissemination effort on unprotected and protected results of the project).*
  + *cooperations*
  1. First Industrial Deployment (FID)
     1. Purpose of the FID phase

*- describe the FID investment and linked Opex for each WP*

* + 1. Technical challenges in the FID phase

*Comprising:*

* *The R&D intensive part*
* *The process innovation* 
  + 1. Transition from the FID phase to the mass production / commercialisation phase

*Indicate the beginning of FID (after R&D phases) and the end of FID (before mass production). Indicate the KPI used to determine the transition to mass production*

* + 1. Revenues in the FID phase

*If applicable explain that revenues are not commercial sales*

* 1. Intellectual Property Rights (R&D, FID)
     1. IP management principles
     2. IP protection principles
     3. IP exploitation principles
  2. Energy, environment and transportation investment (EET)
     1. Description of the investment

*Describe your investment by explaining how it will contribute to the 2050 climate neutrality objective for the EU (economy with net-zero greenhouse gas emissions) and its major contribution to energy, environment and transport related public policies from the EU:*

* *Why are additional investments required*
* *How it will accelerate the reduction of greenhouse gases in sectors such as industry, transport , mobility, power generation, …*
* *typically relate to the construction or upgrade of low carbon and renewable energy generation plants and related facilities, to the construction or upgrade of transport systems leading to less greenhouse gases emissions, and generally speaking to the construction or upgrade of systems leading to less damage to the environment*
* *Explain how the project contributes to EET related policies from the EU (identify the concerned public policies to which your project relate, for each of them describe the contribution of the project to this policy)*
* *Please quantify the contribution (typically tCO2 avoided, but there could be other kind of contributions), and describe the methodology used for the quantification*

*Possibly, and if it is the case explain:*

* *The incremental innovation that could not be considered on R&D or FID may be explained here*
  + 1. Timeline of the project (construction)

*Indicate the beginning of construction, its end and the scale up of the installation.*

* + 1. Revenues during the scaling up

*If applicable: Explain that revenues are not commercial sales.*

* 1. Contribution to the value chain
     1. Project’s position in the European value chain
  2. Work Plan

*Please describe your work plan.*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **TF** | **No. of WP** | **Title** | **Person Months (PM)** | **PM (R&D&I)** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  | Total PM |  |  |

Table 1: Work Packages (WP) vs. Person Months (PM)

* 1. Investment
     1. Tools and Equipment

*Please cluster your investment by technology classification. Please provide also a brief and simple description in one or two sentences to the table (what is the purpose of the investment…).*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Technology**  **Classification** | **No. of Tools** | **Examples of Tools** | **Investment Cost [EUR]** | **Year\*** | **TF** | **WP** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  | Total |  |  |  |  |

\*investment year

Table 2: Overview of investment in tools and equipment

* + 1. Construction of Buildings/Laboratory

*Please provide a brief and simple description in on or two sentences to the table (what kind of building? for what purpose…). Please cluster your investment so that the table does not exceed 1 page.*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Technology**  **Classification** | **No. of Building** | **Examples of Building** | **Investment Cost [EUR]** | **Year\*** | **TF** | **WP** |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  | Total |  |  |  |  |

\*investment year

Table 3: Overview of investment in buildings or laboratories

1. Budget
   1. Eligible Costs (R&D, FID)

*Eligible costs only cover costs made for the purpose and the timespan of the IPCEI:*

*• The following costs should be listed in a disaggregate manner:*

*• Costs for each of the R&D activities*

*• Costs for each of the FID activities (In case of aid to a project of first industrial deployment, the capital and operating expenditures (CAPEX and OPEX) are eligible, as long as the industrial deployment follows from an R&D&I activity and itself contains a very important R&D&I component which constitutes an integral and necessary element for the successful implementation of the project. The operating expenditures must be related to such component of the project).*

*• Within the FID costs, the costs of R&D carried out in the FID phase should be mentioned; this could give an idea of the overall importance of the R&D*

*• The cut-off date of the R&D and FID phases should be provided explicitly by each company (The Excel sheet template contains exemplary cut-offs and should be adapted per company)*

*•*

*• The result of this step should be one figure: the total amount of eligible costs at the end of the IPCEI, including the FID phase*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Construction of buildings/ laboratory etc.\* | Investment Costs\* | Personnel Costs | Subcontract Costs | Materials, Supplies and Others | Total Costs |
| RD |  |  |  |  |  |  |
| FID |  |  |  |  |  |  |

Table 4: Eligible Costs (R&D&I and First Industrial Deployment) [EUR]

\*: with respect of the terminal values at the end of first industrial deployment phase in MM.YYYY.

* 1. Eligible Costs (EET)

*Eligible costs (EET) only cover costs made for the purpose and the time span of the IPCEI:*

*• The following costs should be listed in a disaggregate manner:*

*• Costs for each of the EET investment*

*Note: all costs mentioned in the Excel sheet are considered by the Member States as eligible costs under the IPCEI Communication.*

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Construction of buildings/ laboratory etc.\* | Investment Costs\* | Personnel Costs | Subcontract Costs | Materials, Supplies and Others[[1]](#footnote-1) | Total Costs |
| Investment 1 |  |  |  |  |  |  |
| Investment 2 |  |  |  |  |  |  |

*Table 5: Eligible Costs (EET) [EUR]*

\*: with respect of the terminal values at the end of first industrial deployment phase in MM.YYYY.

* 1. State Aid (R&D, FID)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Technical Fields | Construction of buildings/ laboratory etc. | Investments | Personnel | Subcontracts | Materials, Supplies and Others | State aid instrument | Planned Total State Aid |  |
| RDI |  |  |  |  |  |  |  |  |
| FID |  |  |  |  |  |  |  |  |

Table 6: State Aid (R&D&I and First Industrial Deployment) 1 [EUR]

* 1. State Aid (EET)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Construction of buildings/ laboratory etc. | Investments | Personnel | Subcontracts | Materials, Supplies and Others | State aid instrument | Planned Total State Aid | Gross grant equivalent |
| Investment 1 |  |  |  |  |  |  |  |  |
| Investment 2 |  |  |  |  |  |  |  |  |

*Table 5: State Aid (EET) [EUR]*

1. Spill-over Effects
   1. Spill-over by non-protected results diffusion (R&D)

*Publications and communication on IPCEI results**. You may comment on specific spill over actions which are qualitatively and quantitatively well-defined and detailed in a dissemination plan that can be evaluated and whose scope can be quantified at European level*

* 1. Spill-over by IP protected results diffusion (R&D)

*Commitment to concrete dissemination in the form of licences granted under FRAND conditions on clearly identified technologies or project developments to a well-defined business target (SME start-ups for ex).*

* 1. Spill-over in FID phases

*Commitment to open infrastructures for European SMES, RTO, start-up in some specific actions clearly defines and targeted to offer a cross border spill over effect.*

* 1. Spill-over by a contribution to green deal investment (beyond the IPCEI)

*Comment on a reduction of carbonised emission directly and indirectly (over the value chain) due to the investment.*

*…*

* 1. Spill over by cross border effect in the IPCEI

*Indicate here the commitments in terms of cooperation between the direct and indirect partners that will have cross-border effects.*

…

* 1. Spill-over by cross border by opening some capacity to European actors

*Commitment to open infrastructures for European SMES, RTO, start-up clearly defined in specific actions and targeted to offer a cross border spill over effect.*

1. Other positive effects on the market

R&D: Increasing the level of R&D and innovations in Europe. *Description of how the project will increase the level of innovation and R&D in the sector and the European economy and society.*

*EET:* *Increasing the level of decarbonization of economy in Europe. Description of how the project will increase the level of protection and the European economy and society.*

* 1. Impact of the Project on Employment and New Investments in Europe

*Estimation of the quantitative and qualitative impact of your project on direct and indirect employment and training in European economy and new society investments in Europe.*

* 1. Environmental protection and energy dependence

*Description of the project influence on environment protection and on the reduction of energy dependence.*

* 1. Coordination problems

*R&D, FID:*

*Due to scale and complexity of the IPCEI explain the challenges to work together particularly with:*

* *RTOs (not the same objective)*
* *SMEs, suppliers and customers (it’s easier to work in customer-supplier logic than in a cooperative)*
* *Competitors and sectors actors*

*Explain the challenges due to the necessity to coordinate such a project with such divergent interests.*

*EET:*

*Explain the coordination failure:*

* *Between the demand and supply for H2*
* *Across national policies focused on H2*
* *Across EU industry*
* *For deployment of low carbon or renewable H2 supply chain*
* *For the deployment of the H2 framework conditions and H2 infrastructures*
* *Between European clusters*
* *In a very large scale project*
* *With contractual incompleteness*
  1. Imperfect and asymmetric information

*Explain the risks of the project (technical, economical, regulatory or other specific risk of the project)*

*Explain the difficulty to access to market finance*

*Explain the difficulty to recruit*

* 1. Adequacy of the state aid instrument
     1. Appropriateness among alternative policy instruments
     2. Appropriateness among different State aid instruments

1. Necessity and Proportionality
   1. Absence of similar projects

*Explain that there is no similar project in Europe*

* 1. Counterfactual scenario

*Describe explicitly the effect of the state aid incentive effect on your company.*

*Describe what will happen when funding will not be realized for the project. If you would not realize the project, how will your company maintain business capacity?*

*There should also be a counterfactual scenario at the overall IPCEI level, in order to understand what happens if the IPCEI would not take place. A counterfactual at IPCEI level could consist in technology developments taking place slower than with the aided IPCEI.*

*Description & substantiation of the counterfactual scenario at company level:*

*• The counterfactual scenario should be described in sufficient detail. E.g. a mere statement that “the company would not undertake the project as planned in its Member State without the aid” is not sufficient. It should be described in detail if it will not undertake the project at all, or will undertake it but in a different manner/extent, or will possibly undertake it somewhere else. As the IPCEI Communication requires, the intended change must be specified (the change in behaviour which is expected to result from the State aid, that is to say whether a new project is triggered, or the size, scope or speed of a project is enhanced; The change of behaviour has to be identified by comparing what would be the expected outcome and level of intended activity with and without aid).*

*• This description can be in the technological field documents, or, if confidential in nature, in the accompanying company level text document.*

*• It is vital to have sufficient substantiation of the counterfactual,* eg.via *authentic internal company documents, showing that the company faces a clear choice and how the decision on whether to carry out the project is taken. This requirement is in line with the documentary evidence required in RDI State aid cases.*

*Excel sheet calculations:*

*a) In the absence of alternative project:*

*• If the counterfactual scenario is that there is no alternative project, there is no need for a counterfactual project tab with calculations in the Excel sheet. The Commission will only assess the eligible cost and funding gap calculations for the basic scenario.*

*• Proportionality of aid amount per beneficiary company: two step check of the IPCEI Communication in case there is no alternative project:*

*1) Identify the eligible costs: The possible eligible costs are listed in the Annex of the IPCEI Communication. The aid amount for any beneficiary can in no case exceed 100% of the eligible costs;*

*2) Identify the funding gap.*

*In general, the aid amount corresponds to the funding gap. The aid amount can in no case exceed the eligible costs established in Step 1.*

*b) In case of a counterfactual alternative project:*

*• Where there is a counterfactual alternative project, add a counterfactual tab in the Excel sheet with full calculation of the net present value of the positive and negative cash flows of the counterfactual project.*

*• Proportionality of aid amount per beneficiary company in the IPCEI Communication in case there is an alternative project:*

*Step 1) Identify the eligible costs in the basic scenario: The possible eligible costs are listed in the Annex of the IPCEI Communication. The aid amount for any beneficiary can in no case exceed*

*100% of the eligible costs;*

*Step 2) Identify the difference between the NPV of the alternative project and the NPV of the aided project in the basic scenario.*

*In general, the aid amount corresponds to this difference. In the Excel sheet, it would be convenient to insert this calculation at the bottom of the basic scenario tab.*

*The aid amount can in no case exceed the eligible costs established in step 1.*

1. Elaboration on Terms of the Funding Gap Questionnaire

*Each company should provide all costs and revenues associated with the investment as a whole and the boundaries of investment should be defined from the perspective of the business investor: the calculation should include all (positive and negative) cash-flows for what the investor regards as the investment project, at the time these cash-flows are to be incurred. It is not enough to only submit the eligible costs. For the purpose of calculating the funding gap, what matters are all the costs (eligible or not) associated with the investment project and all the revenues over the entire lifetime including the mass production phase.*

*• The funding gap calculation is to be done consistent with the following methodology:*

*• The funding gap that must be calculated is the funding gap of the investment project (i.e. all investment costs and operating costs) to be made by the company for the purpose of the IPCEI.*

*• The investments made for the IPCEI in R&D, FID and EET by a company will generate revenues.*

*• The funding gap is the difference between discounted positive and negative cash flows over the entire economic lifetime of the investment project, i.e. covering the entire period during which the investments made generate revenues / the products that are produced thanks to programme. The investments are sold on the market. Hence, the funding gap must not be calculated only for the duration of the IPCEI project, which is up to the end of the FID or EET phase, but must also cover the ensuing commercial/mass production phase.*

*• One option is to include in the excel sheet the best estimate projections that the company has for this entire period.*

*• Alternatively, companies could provide data for the explicit forecast horizon of the company and give a residual/terminal value (i.e. net present value of expected cash flow beyond the explicit forecast horizon for the remaining years of the economic lifetime), discounted to the current value. In that case, the number of years of mass production for which data are inserted should be realistic.*

*• Practically, in the Excel sheet, after the data for the FID or EET phase and after the data for the reasonable number of years of mass production, a column should be inserted and contain the terminal value for the costs and for the revenues.*

*• Sales/revenues (positive cash flows): projected sales figures should be used by each company rather than a formula. These should be the figures actually used by the company in its business plan and decision making process. This can be best estimate figures. This data should overwrite the formula embedded in the Excel sheet which calculates sales/revenues as a function of costs, an assumption of idle share and an assumption of gross margin. Only if a company has no sales projections or any best estimate data, and only if it actually uses the formula embedded in the sheet (function of costs, idle share and gross margin) in its business plan and decision making process, should it apply the formula.*

*• Cash flows should normally be discounted using the weighted average cost of capital (WACC) of the company. The firm should provide evidence that the discount factor applied is the actual WACC used by the company (e.g. by internal documents showing the applied WACC for investment analysis). The reason to deviate from the WACC usually applied by the company should be explained in detail.*

*• The result of this step should be one figure: the amount of the funding gap, labelled as such in the Excel sheet.*

* 1. Main hypothesis of the business plan

*Each company should provide all costs and revenues associated with the investment as a whole and the boundaries of investment should be defined from the perspective of the business investor: the calculation should include all (positive and negative) cash-flows for what the investor regards as the investment project, at the time these cash-flows are to be incurred. It is not enough to only submit the eligible costs. For the purpose of calculating the funding gap, what matters are all the costs (eligible or not) associated with the investment project and all the revenues over the entire lifetime including the mass production phase.*

* 1. Necessity of state aid

*Point 28 of the guidelines*

* 1. Proportionality of state aid

*Point 30 of the guidelines*

*Excel sheet calculations:*

*a) In the absence of alternative project:*

*• If the counterfactual scenario is that there is no alternative project, there is no need for a counterfactual project tab with calculations in the Excel sheet. The Commission will only assess the eligible cost and funding gap calculations for the basic scenario.*

*• Proportionality of aid amount per beneficiary company: two step check of the IPCEI Communication in case there is no alternative project:*

*1) Identify the eligible costs: The possible eligible costs are listed in the Annex of the IPCEI Communication. The aid amount for any beneficiary can in no case exceed 100% of the eligible costs;*

*2) Identify the funding gap.*

*In general, the discounted aid amount corresponds to the funding gap. The aid amount can in no case exceed the eligible costs established in Step 1.*

*b) In case of a counterfactual alternative project:*

*• Where there is a counterfactual alternative project, there is a counterfactual tab in the Excel sheet with full calculation of the nett present value of the positive and negative cash flows of the counterfactual project.*

*• Proportionality of aid amount per beneficiary company in the IPCEI Communication in case there is an alternative project:*

*Step 1) Identify the eligible costs in the basic scenario: The possible eligible costs are listed in the Annex of the IPCEI Communication. The aid amount for any beneficiary can in no case exceed*

*100% of the eligible costs;*

*Step 2) Identify the difference between the NPV of the alternative project and the NPV of the aided project in the basic scenario.*

*In general, the aid amount corresponds to this difference. In the Excel sheet, it would be convenient to insert this calculation at the bottom of the basic scenario tab.*

*The aid amount can in no case exceed the eligible costs established in step 1.*

*• The funding gap calculation is to be done consistent with the following methodology:*

*• For the purposes of this IPCEI, it is sufficient to provide the Excel sheet calculations for one scenario, the basic scenario (no optimistic and pessimistic scenarios and respective probabilities needed), provided the company is able to justify in the accompanying text document why this basic scenario is the most probable one.*

*• The funding gap that must be calculated is the funding gap of the investment project (i.e. all investment costs and operating costs) to be made by the company for the purpose of the IPCEI.*

*• The investments made for the IPCEI in R&D, FID and EET by a company will generate revenues.*

*• The funding gap is the difference between discounted positive and negative cash flows over the entire economic lifetime of the investment project, i.e. covering the entire period during which the investments made generate revenues / the products that are produced thanks to programme. The investments are sold on the market. Hence, the funding gap must not be calculated only for the duration of the IPCEI project, which is up to the end of the FID or EET phase, but must also cover the ensuing commercial/mass production phase.*

*• One option is to include in the excel sheet the best estimate projections that the company has for this entire period.*

*• Alternatively, companies could provide data for the explicit forecast horizon of the company and give a residual/terminal value (i.e. net present value of expected cash flow beyond the explicit forecast horizon for the remaining years of the economic lifetime), discounted to the current value. In that case, the number of years of mass production for which data are inserted should be realistic.*

*• Practically, in the Excel sheet, after the data for the FID phase and after the data for the reasonable number of years of mass production, a column should be inserted and contain the terminal value for the costs and for the revenues.*

*• Sales/revenues (positive cash flows): projected sales figures should be used by each company rather than a formula. These should be the figures actually used by the company in its business plan and decision making process. This can be best estimate figures. This data should overwrite the formula embedded in the Excel sheet which calculates sales/revenues as a function of costs, an assumption of idle share and an assumption of gross margin. Only if a company has no sales projections or any best estimate data, and only if it actually uses the formula embedded in the sheet (function of costs, idle share and gross margin) in its business plan and decision making process, should it apply the formula.*

*• Cash flows should normally be discounted using the weighted average cost of capital (WACC) of the company. The firm should provide evidence that the discount factor applied is the actual WACC used by the company (e.g. by internal documents showing the applied WACC for investment analysis). The reason to deviate from the WACC usually applied by the company should be explained in detail.*

*• The end result of this step should be one figure: the amount of the funding gap, labelled as such in the Excel sheet.*

* + 1. Company hurdle rate
    2. Project’s funding gap

*Explain whereas the State aid is not exceeding the funding gap*

* + 1. State aid intensity
    2. State aid cumulation
    3. Open selection proceeding

1. Limitation of distortion of competition and trade
   1. Definition of the market affected by the State aid
      1. Current Industry Sector

*Description of the market situation (EU and worldwide) in this sector (market share, competitors).*

* + 1. Market Situation / Share after IPCEI

*Estimation of the market situation / share (EU and worldwide) after the project will have been finished successfully.*

* 1. No strengthening or creation of market power
  2. Limiting distortion of dynamic incentives
  3. No maintaining of an inefficient market structure
  4. No effect on location activities

1. Annex to the Portfolio
2. *Funding Gap Questionnaire*
3. *(If necessary) Internal Company Documents substantiating the counterfactual scenario*
4. *Others*

1. [↑](#footnote-ref-1)