



Llywodraeth Cymru  
Welsh Government

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Welsh European Funding Office

## Guidance on Indicator Definitions, Data and Evidence Requirements

### ERDF: Priority Axis 1: Research and Innovation

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## Glossary<sup>1</sup>

Applied Research	'Applied research' means industrial research, experimental development, or any combination of both.
Cooperation	Cooperation or Collaboration between at least two independent parties to exchange knowledge or technology, or to achieve a common objective based on the division of labour where the parties jointly define the scope of the collaborative project, contribute to its implementation and share its risks, as well as its results. One or several parties may bear the full costs of the project and thus relieve other parties of its financial risks. Contract research and provision of research services are not considered forms of collaboration.
Employee	Employee as defined at <a href="https://www.gov.uk/employment-status/employee">https://www.gov.uk/employment-status/employee</a> An employee is someone who works under a contract of employment.
Enterprise	Organisation producing products or services to satisfy market needs in order to reach profit. The legal form of enterprise may be various (self-employed persons, partnerships, etc.). (EC, 2014).
Experimental development	Acquiring, combining, shaping and using existing scientific, technological, business and other relevant knowledge and skills with the aim of developing new or improved products, processes or services. This may also include, for example, activities aiming at the conceptual definition, planning and documentation of new products, processes or services. Experimental development may comprise prototyping, demonstrating, piloting, testing and validation of new or improved products, processes or services in environments representative of real life operating conditions where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include the development of a commercially usable prototype or pilot which is necessarily the final commercial product and which is too expensive to produce for it to be used only for demonstration and validation purposes. Experimental development does not include routine or

<sup>1</sup> Definitions have been taken from EU 1303/2013 and C(2014)3282 and EC Concepts and Recommendations, March 2014

	periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress, even if those changes may represent improvements.
Financial Support	Financial support is defined as grant where non-refundable direct financial support is provided conditional only upon completion of a project. Financial support is defined as other than grants where financial support takes the form of loans, interest subsidy, credit guarantee, venture capital or other financial instruments.
Full-time equivalent	Jobs should be reported as FTEs, based on a 30 hour week. For example, if a post involves working 30 hours <b>or more</b> per week then it is 1 FTE ( <b>capped at 1</b> ). If a job is not full-time, then the hours worked each week will need be divided by 30 to give the proportion of FTE represented. For example, 18 hours per week would be 0.6 FTE.
Fundamental Research (Basic Research)	Experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any direct commercial application or use in view.
Gender	The term "sex" refers to the biological and physiological characteristics that define men and women while the term "gender" refers to the social representation of male and female attributes. For the purposes of monitoring it is recommended that: <ul style="list-style-type: none"> <li>- in cases where information is collected directly from participants the gender identity of participants should be recorded (i.e. the sex/gender that the participant wishes to be identified with);</li> <li>- in cases where information is taken from registers the existing records can be used without further enquiry.</li> </ul>
Industrial Research	Planned research or critical investigation aimed at the acquisition of new knowledge and skills for developing new products, processes or services or for bringing about a significant improvement in existing products, processes or services. It comprises the creation of components parts of complex systems, and may include the construction of prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems as well as of pilot lines, when necessary for the industrial research and notably for generic technology validation.

Innovation Advisory Services	Consultancy, assistance and training in the fields of knowledge transfer, acquisition, protection and exploitation of intangible assets, use of standards and regulations embedding them.
Innovation Support Services	The provision of office space, data banks, libraries, market research, laboratories, quality labelling, testing and certification for the purpose of developing more effective products, processes or services.
Knowledge Transfer	A process which has the aim of acquiring, collecting and sharing explicit and tacit knowledge, including skills and competence in both economic and non-economic activities such as research collaborations, consultancy, licensing, spin-off creation, publication and mobility of researchers and other personnel involved in those activities. Besides scientific and technological knowledge, it includes other kinds of knowledge such as knowledge on the use of standards and regulations embedding them and on conditions of real life operating environments and methods for organisational innovation, as well as management of knowledge related to identifying, acquiring, protecting, defending and exploiting intangible assets.
Operation	<p>An Operation will have an agreed business plan with WEFO and contribute to a single Specific Objective.</p> <p>The EC definition is below:</p> <p>a project, contract, action or group of projects selected by the managing authorities of the programmes concerned, or under their responsibility, that contributes to the objectives of a priority or priorities; in the context of financial instruments, an operation is constituted by the financial contributions from a programme to financial instruments and the subsequent financial support provided by those financial instruments.</p>
Organisational Innovation	The implementation of a new organisational method in an undertaking's business practices, workplace organisation or external relations, excluding changes that are based on organisational methods already in use in the undertaking, changes in management strategy, mergers and acquisitions, ceasing to use a process, simple capital replacement or extension, changes resulting purely from changes in factor prices, customisation, localisation, regular, seasonal and other

	cyclical changes and trading of new or significantly improved products.
Process Innovation	Process innovation' means the implementation of a new or significantly improved production or delivery method (including significant changes in techniques, equipment or software), excluding minor changes or improvements, increases in production or service capabilities through the addition of manufacturing or logistical systems which are very similar to those already in use, ceasing to use a process, simple capital replacement or extension, changes resulting purely from changes in factor prices, customisation, localisation, regular, seasonal and other cyclical changes and trading of new or significantly improved products.
R D & I Project	As per the framework for state aid for RD&I (2014/C 198/01) being defined activities spanning over one or several categories of applied or fundamental research and development that is intended to accomplish an indivisible task of a precise economic, scientific or technical nature with clearly pre-defined goals. An RD & I project may consist of several work packages, activities or services, and includes clear objectives, activities to be carried out to achieve those objectives (including their expected costs), and concrete deliverables to identify the outcomes of those activities and compare them with the relevant objectives. When two or more RD & I projects are not clearly separable from each other and in particular when they do not have independent probabilities of technological success, they are considered as a single project.
Research Infrastructure	A wide term for a very heterogeneous group of tangible or intangible assets but which has been defined by the EU in other contexts as “facilities, resources and related services that are used by the scientific community to conduct top-level research in their respective fields and covers major scientific equipment or sets of instruments; knowledge-based resources such as collections, archives or structures for scientific information; enabling information and communications technology-based infrastructures such as grid, computing, software and communication, or any other entity of a unique nature essential to achieve excellence in research. Such infrastructures may be “singlesited” or “distributed” and an organised network of resources”.

Research Institution	An organisation for which R & D is a primary activity, this could include private sector organisations. This includes Health Boards, Higher Education Institutions (HEIs) and Further Education Institutions (FEIs)
SME	<p>As defined recommendation 2003/362/EC. A category of micro, small and medium-sized enterprise employing fewer than 250 persons and which has an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.</p> <p>SMEs can be autonomous, partner or linked enterprises. Guidance on the definition of these categories and on calculating headcount and turnover can be found at:</p> <p><a href="http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm">http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm</a></p>
Social Enterprise	An enterprise with primarily social objectives whose surpluses are principally reinvested for that purpose in the enterprise or in the community, rather than being driven by the need to maximise profit for shareholders and owners.

## Thematic Objectives and Investment Priorities

Thematic Objective 1	Strengthening research, technological development and innovation.	
Investment Priority 1(a)	Enhancing research and innovation infrastructure (R&I) and capacities to develop R&I excellence and promoting centres of competence, in particular those of European interest.	SO 1.1
Investment Priority 1(b)	Promoting business investment in innovation and research, and developing links and synergies between enterprises, R&D centres and higher education, in particular product and service development, technology transfer, social innovation, eco-innovation, public service applications, demand stimulation, networking, clusters and open innovation through smart specialisation and supporting technological and applied research, pilot lines, early product validation actions, advanced manufacturing capabilities and first production, in particular in Key Enabling Technologies and diffusion of general purpose technologies.	SO 1.2

## Result Indicators and Specific Objectives

The result indicator is intended to represent the change anticipated as a direct consequence of the intervention(s) linked to each specific objective (SO). The rationale for the selection of the result indicators and programme targets are set out in the respective Operational Programmes. The Operational Programmes are available at: <http://www.gov.wales/eu-funding>

These set the overall aims of the programmes within which operations will take place, and in many cases will provide examples of the types of activities envisaged under each SO.

Operations, in accordance with their operation logic tables, should focus on their contribution to the result indicator associated with the specific objective.

The selection of output indicators, as defined in this guidance, should be derived from the intervention logic for each operation and be aligned with the respective result indicators, specific objectives and investment priorities.

Evidence will need to be provided to demonstrate the how the funded activities link the aims to the objectives and outputs. The evidence that will be provided will be set out and agreed in the Business Plan.

### Monitoring Data:

Data will need to be provided to support claims. Annex A sets out the data requirements for WEFO funded operations.

Beneficiaries should collect **additional** monitoring data to enable evaluation of the effectiveness and impact of the Operation.

The data should be uploaded via WEFO online as a part of the claims process. A template for provision of data is available on the WEFO website.

If a query relates directly to an approved Operation then the first point of contact should be the Project Development Officer .

Other useful Contacts for queries and advice:

[RME.MAILBOX@gov.wales](mailto:RME.MAILBOX@gov.wales) Queries relating to Research Monitoring and Evaluation

[WEFOCrossCuttingThemes@gov.wales](mailto:WEFOCrossCuttingThemes@gov.wales) Queries relating to Cross Cutting Themes

[WEFOverifications@gov.wales](mailto:WEFOverifications@gov.wales) Queries relating to audit and evidence

## **Evidence general principles**

These principles apply to all indicators unless otherwise stated.

Evidence should be available when the claim is made.

The evidence of eligibility, activities and outputs should be set out within the Business Plan, and in the Monitoring and Evaluation Plan agreed with WEFO.

Details of activities to be undertaken should be retained. In the case of business support, these should be consistent with the Welsh national eligibility rules and the operational programme and address a genuine business need established through a diagnostic or other assessment.

If self-declaration forms are used they should be agreed with WEFO and attached to the Monitoring and Evaluation Plan (M&E Plan).

Evidence will need to be provided of the SME status if your operation is restricted to working with SMEs. ERDF supported enterprises can use the model declaration form in the EC SME user guide to establish SME status:

<http://ec.europa.eu/DocsRoom/documents/10109/attachments/1/translations/en/renditions/pdf>.

Alternatively, evidence might come from company accounts; companies house records; databases such as MINT; cross-reference to other information held by Welsh Government or in the public domain.

**The indicator definitions which follow do not supersede any requirements for state aid and beneficiaries should ensure appropriate due diligence checks are undertaken on supported enterprises to ensure they are not in financial difficulty<sup>2</sup>. Evidence of the checks should be retained.**

**If any Operation specific agreements are made with WEFO regarding evidence then this should be recorded in the M&E plan**

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<sup>2</sup> Undertakings in difficulties' as defined under EU State Aid rules are ineligible for support. European Commission guidance [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014XC0731\(01\)&from=EN](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52014XC0731(01)&from=EN) section 2.2. refers

## Specific Objective 1.1

To increase the success of Welsh research institutions in attracting competitive and private research funding.			
		Target WWV (2023)	Target EW (2023)
<b>Result indicator</b>	Research Income for HEIs. <sup>3</sup>	10-15% increase over baseline <sup>4</sup>	6% increase over baseline
Output Indicator	Number of partners cooperating in a research project	1,357	288
	Number of improved research infrastructure facilities	11	5
	Amount of research funding secured	£180m	£95m
	Number of new researchers in supported entities.	470	290
	Number of researchers working in improved research infrastructure facilities.	200	110

<sup>3</sup> Research income from competitive and private funding for 'applied' research. <https://www.hesa.ac.uk>  
Includes 'private' and 'match'.

<sup>4</sup> Baselines £82.4m (WWV) £92.8m (EW) (2011-12) (HESA)

## Specific Objective 1.2

To increase the successful translation of research and innovation processes into new and improved commercial products, processes and services, in particular through improved technology transfer from Higher Education Institutions (HEIs)			
		Target WWV	Target EW
<b>Result indicator</b>	Average share of total turnover from product innovation and novel innovation: new to market, new to business and significantly improved.	+ 24-27% <sup>5</sup>	+ 23-24% <sup>5</sup>
Output Indicators	Number of partners cooperating in a research project	2,300	550
	Number of enterprises receiving grants	350	320
	Number of enterprises receiving non-financial support	1,676	550
	Number of new enterprises supported	30	20
	Private investment matching public support in innovation or R&D projects	€42.8m	€26.2m
	Employment increase in supported enterprises	942	574
	Number of enterprises supported to introduce new to the market products	490	300
	Number of enterprises supported to introduce new to the firm products	725	250
	Number of patents registered for products	519	315
	Number of pilot projects completed	n/a	n/a

<sup>5</sup> Baseline 22.4% (All Wales) (2010 data : Table 4) UK Innovation Survey (BIS)

# Indicator Definitions

## **Number of enterprises receiving grants**

The number of *enterprises* receiving non-refundable direct financial support which is conditional only on completion of the *project* for which the grant is awarded.

The grant value should be at least £1000.

An enterprise receiving a grant more than once within an operation can only be counted once

An enterprise recorded as receiving grants can also be recorded as receiving non-financial support if they receive relevant support through different activities.

### **Unit:**

Enterprises

### **Data Requirements:**

Data on all enterprises supported should be submitted when they are included on a claim. A complete list of fields is given in the Annex.

### **Suggested Evidence:**

A letter or appropriate document should be provided from operation to the enterprise stating the amount of the grant; the purpose of the grant and any conditions relating to the grant.

A copy of the BACS or Bank Statement showing transfer of the funds into the grantees account should be provided.

## **Number of enterprises receiving non-financial support**

The number of enterprises receiving support for activities that do not involve non-refundable direct financial support. Activities could include guidance, consultancy, innovation advisory support, innovation support services, knowledge transfer. An enterprise receiving non-financial support within an operation can only be counted once.

A minimum of 1 day (6 hours activity) delivered through a business diagnostic or equivalent that results in an action plan OR 2 days (12 hours) support through active innovation advisory or innovation services.

An enterprise recorded as receiving support under this indicator can also be recorded as receiving grants, cooperation or new products if those indicator definitions are met.

This definition does not supersede any requirements for state aid. Operations must ensure they have the appropriate state aid cover in place when claiming this indicator.

### **Unit:**

Enterprises

### **Data Requirements:**

Data on all enterprises supported should be submitted when they are included on a claim. A complete list of fields is given in the Annex.

### **Suggested Evidence:**

A record of time spent by Operation staff on support to the enterprise, maintained for each enterprise; this record should detail what support is given and the number of hours undertaking the support. The record should be signed by the staff providing the support and either a representative of the enterprise or a senior role within the operation.

If a diagnostic is undertaken then a copy of the diagnostic and action plan should be kept.

## **Number of new enterprises supported**

Number of enterprises created as a consequence of receiving support during the current ERDF Programme. If multiple operations support a new enterprise it should only be counted once. In this case, it is the responsibility of the Operations involved to agree which one will report against the indicator.

The created enterprise should not have traded prior to receiving ERDF support.

An enterprise will not become new if only its legal form changes.

The survival of created enterprises should be considered as part of the Operation's evaluation.

### **Unit:**

Enterprises

### **Data Requirements:**

Data on all enterprises supported should be submitted when they are included on a claim. A complete list of fields is given in the Annex.

### **Suggested Evidence:**

Articles of Association; Memorandum of Understanding, Mission Statement, Business Plan.

Evidence of the first service delivery/goods provision – usually the date the first invoice is raised.

Date on which the business registers for VAT if appropriate.

Below the VAT threshold – date individuals involved register for Class 2 National Insurance contributions (must occur within 13 weeks of the start of trading).

In cases where the above is not necessarily applicable, the start of the business may be determined by developing the balance sheet: investment in assets for the purpose of the business; or opening of a business bank account.

## **Number of partners cooperating in a research project**

The total number of Research Institutes and enterprises cooperating in an R D & I project which is supported through ERDF.

Under SO1.1 projects could include the development of funding applications in subsequent projects and this could be between two or more RIs and/or enterprises.

SO 1.2 should focus on transferring good ideas, research results and skills between the knowledge base and business to enable innovative new products and services to be developed and includes:

- Research collaborations and free dissemination of research.
- Joint and long-term development of new business or services.
- Formation of joint ventures and spin-out companies . At least one RI and enterprise should be involved

Each research institution and each enterprise should be recorded separately against this indicator. If an organisation is based outside of the region, then the benefit to that region should be clearly set out.

Cooperations are intended to be long-term and sustained and are distinct from grant and non-financial support to enterprises.

A cooperation to prepare a research funding application can be counted but if it leads to a contractual collaboration this should be counted as one project.

This indicator can be claimed following the start date of the R D & I project. This includes any agreed retrospection period for the Operation.

If a cooperation on a particular intervention includes work with lead and sub-contracting organisations, each organisation within the project can be counted separately.

An Enterprise can be recorded more than once under this indicator provided that they cooperate for the term of each individual R D & I project and the Operation can show that each R D & I project has distinctively different aims and objectives.

To avoid double counting cooperation's which involve multiple ERDF-funded Operations should only be claimed by one Operation.

### **Unit:**

Enterprises

### **Data Requirements:**

For each R D & I project the following should be reported:

Research institution: Name / address and identifier. e.g. For HEIs the PIC code should be used.

Enterprises(s) cooperating Name / address / identifier such as VAT no / address / SME status

The name of the project should be reported under the field 'Type of Support Received'.

The data above should be reported in place of enterprise data.

**Suggested Evidence:**

The evidence should be able to identify the specific aims of the cooperation, the activities to be undertaken and how they are expected to contribute to the anticipated outputs.

Details of the specific expertise and contribution offered in relation to the cooperation activities should be available for all organisations included in the indicator claim.

This should be supported by an agreement between the partners in a cooperation, which states the contribution of the enterprise and the research institution e.g. a collaboration agreement.

If cooperation is less formal for example the preparation of a funding application then a copy of the application or relevant extracts and written confirmation that all partners have been involved from a senior member of staff in the ERDF Operation will suffice.

## **Number of improved research infrastructure facilities**

The number of *research* infrastructure facilities which have been improved directly as a result of ERDF support.

Research infrastructure is a wide term for a very heterogeneous group of tangible or intangible assets but has been defined by the EU in other contexts as “facilities, resources and related services that are used by the scientific community to conduct top-level research in their respective fields and covers major scientific equipment or sets of instruments; knowledge-based resources such as collections, archives or structures for scientific information; enabling information and communications technology-based infrastructures such as grid, computing, software and communication, or any other entity of a unique nature essential to achieve excellence in research. Such infrastructures may be “single sited” or “distributed” and an organised network of resources”.

### **Unit:**

Facilities

### **Suggested Evidence:**

For physical infrastructure:

This output should be recorded upon completion of works.

Building specifications (BREEAM excellent building standard); floor plans; planning consent; environmental impact study (where infrastructure is or includes new or improved building), procurement documents, tender report, signed contract of works, completion certificate.

Non -physical Infrastructure

A detailed description of the infrastructure, agreed with WEFO and signed by a senior member of staff in the ERDF supported Operation

## **Number of new researchers in supported entities**

This is a measure of the increase in research capacity, measured by the gross number of new working positions (that did not exist before structural fund intervention) to directly perform Research, Development and/or Innovation activities, in full time equivalents (FTE).

The indicator focuses on employed personnel; the supported entity may be new or already existing. Employed means that there is a contract of employment.

The **post** must be a consequence of implementation or completion of the research project. The post should be filled (vacant posts are not counted) and increase the total number of research posts in the ERDF supported entity. Support staff in posts not directly involved in RD&I activities are not counted.

Fixed term posts can be included as long as they are for the duration of the project which is being supported. .

Research posts created for different R D & I projects within an Operation should be added up (provided that all projects receive support). This is not regarded as double counting providing each role is specific to that RD&I project, but is subject to the FTE definition.

### **Unit:**

### **FTEs**

For example, if a post involves working 30 hours **or more** per week then it is 1 FTE (**capped at 1**). If a job is not full-time, then the hours worked each week will need be divided by 30 to give the proportion of FTE represented. For example, 18 hours per week would be 0.6 FTE.

Zero hours contracts are excluded.

### **Data requirements:**

The gender of the post-holder must be reported. Gender relates to the first post holder.

### **Suggested Evidence:**

An increase in new researchers can be evidenced by self-declaration. The format of the self-declaration form should be agreed with WEFO and attached to the Monitoring and Evaluation Plan, but should include:

- details of the posts which have been created

- the nature of the contract (fixed term/open-ended) and start and end date,
- that the increase was due to the ERDF intervention
- the salary band and gender of first post holder. The declaration should be signed by a director or senior manager within the Operation and state their role.

## **Number of researchers working in improved research infrastructure facilities**

This is a measure of research activity within research infrastructure facilities improved as a result of ERDF support. The facilities may be private or public, physical or non-physical. Existing working positions in research infrastructure facilities that

- (1) directly perform research, development and/or Innovation activities<sup>6</sup> and
- (2) are directly affected by the support provided by the Operation or R&D project.

The posts must be filled (vacant posts are not counted) and are in FTE based upon 30 hours per week. Support staff for R D and I (i.e. jobs not directly involved in R D and I activities) are not counted.

If more researchers will be employed in the facilities as a consequence of the Operation or R&D projects supported by the facilities, thus the numbers of research posts increases, the new posts should also be claimed under “Number of new researchers in supported entities”.

The R&D project must improve the facilities or quality of equipment, i.e. maintenance or replacement without quality increase is excluded.

There must be a contract of employment. Zero hours contracts are excluded.

### **Unit:**

FTE (contracted hours based on 30 hour week)

For example, if a post involves working 30 hours **or more** per week then it is 1 FTE (**capped at 1**). If a job is not full-time, then the hours worked each week will need be divided by 30 to give the proportion of FTE represented. For example, 18 hours per week would be 0.6 FTE.

### **Data Requirements:**

The gender of the researchers must be reported. Gender relates to the first post holder

### **Suggested Evidence:**

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<sup>6</sup> As defined in Glossary

This can be evidenced by self-declaration. The format of the self-declaration form should be agreed with WEFO and attached to the Monitoring and Evaluation Plan, but should include details of the posts, which exist within the improved research facility improved as a result of to the ERDF intervention, include the salary band and gender of first post holder. The declaration should be signed by a director or senior manager within the Operation and state their role.

## Amount of research funding secured

The amount of research funding secured by a Research Institution supported by an ERDF Operation. This will be reconcilable to the value of the award to that Research Institution as stated on an award letter or correspondence from funder. The Full Economic Cost (FEC) of the research award can be claimed.

Research Institutions should only report the value of the award attributable to their own institutional activities and only the amount of the award attributable to the relevant ERDF funded activity.

### Unit:

£ GBP

Where awards are made in € the ECB € / £ exchange rate adopted should be that at the date of the award.

### Data Requirements:

Source of Funding:

BIS Research Councils, the Royal Society, British Academy and The Royal Society of Edinburgh

UK-based charities

UK-based charities (open competitive process)

UK-based charities (other)

UK central government bodies, local authorities, health and hospital authorities

UK industry, commerce and public corporations including as a result of

*EU government bodies (awards only)*

*EU industry, commerce and public corporations (awards only)*

*EU other includes all research grants and contracts income (awards only)*

*Non-EU-based charities (open competitive process)*

*Non-EU industry,*

*Non-EU other*

Other sources

**Suggested Evidence:**

A research funding application associated with the award, which describes a link to relevant ERDF-supported activities.

Where the research application does not outline a link to the ERDF-supported activities, a supporting statement should be provided to demonstrate how the award relates to the relevant ERDF Operation. This should be provided by the Principal Investigator or someone with relevant academic expertise in the subject area.

Confirmation / Award Letter from funder confirming the value of the award and award date. Where the Full Economic Cost (FEC) of a research award is being claimed, evidence of the award from the relevant funder and the Research Institution must both be provided. If a full audit trail from the Research Institution to the Operation cannot be provided, a declaration agreed with WEFO, signed and dated by a senior manager in the Research Institution, independent of the Operation must be provided.

Research funding transferred into a Research Institution can be counted towards the indicator, as long as the operation is enabling the completion of the work in the Research Institution it has been transferred to. There must be a full audit trail in relation to the award and the transfer. Where there is a change in that activity Research Institutions need to provide the original application form for the research funding; the original award letter (which confirms purpose/value/split) and written confirmation from the funder that they are content for the change in purpose of the funding. Evidence of the transfer from the original recipient to the new operation / Research Institution must also be provided.

If research funding is awarded through internal competition in a Research Institution, the Research Institution needs to ensure that it meets the terms and conditions of external awards (for example that the funding can be utilised on a structurally funded project). In all instances when funding has been secured through internal competition an internal university application form and internal university award letter must be provided and this research funding secured shown on the claim form.

## **Private investment matching public support in innovation or R&D I projects**

Total value of private sector contributions to ERDF-supported innovation advisory and/or support services and/or R&D I projects and/or Operations.

Investment is the cumulative amount to the end of the supported activities.

Private Sector: Includes businesses, registered charities, not for profit organisations, private individuals and further education or higher education institutions, and social enterprises (where the funding cannot be traced to a public source).

Private Investment can be financial or in-kind, grant or non-grant.

Public support is the ERDF support to the project and can be grant or non-grant support (loans, interest subsidy, credit guarantee, venture capital or other financial instrument).

In-kind contributions may include contributions from private sector collaborators (for example staff time, use of equipment and other resources, materials, provision of data etc.) provided these are 'contractually explicit' and are capable of independent assessment and valuation.

Private Investment matching public support may include match-funding to an Operation.

This can be counted at the point the Private Investment is committed to the research project.

### **Unit:**

£ GBP

### **Data Requirements:**

*Match Funding Y/N*

### **Suggested Evidence:**

Details of the type and amount of the investment and how it relates to the ERDF activities should be provided.

In-kind contributions should be given a monetary value and Operations must be able to demonstrate how that value was assigned e.g. through salary costs. If this funding is not being used as match funding for the Operation then the amount of investment can be declared by a director or senior manager in the organisation providing the

investment. Whoever signs should be familiar with, and able to express a knowledgeable opinion on, the ERDF-supported activity.

## **Number of enterprises supported to introduce new to the market products**

The indicator measures the support given to enterprises to develop a 'new to the market' product in *any* of its markets.

This includes process innovation as long as the process contributes to the development of the 'new to market' product. Projects without the aim of developing a (new to market) product are excluded.

If an enterprise introduces several products or receives support for several projects, it is still counted as one enterprise. In case of cooperation or collaboration projects, the indicator measures all participating enterprises. Supported projects that aimed to introduce new to the market products but did not succeed are still counted.

A product is new to the market if there is no other product available on a market<sup>7</sup> that offers the same functionality, or the technology that the new product uses is fundamentally different from the technology of already existing products. Products can be tangible or intangible (incl. services and processes).

If a product is new both to the market and to the firm, the enterprise should also be counted against both 'new to firm' and 'new to market' indicators. **Enterprises included in this indicator should also be recorded as receiving grants/ non-financial support.**

While most classic innovations lead to products new to both the market and the firm, it is possible that the product is new to the market but not new to the firm, e.g. adapting an existing product to a new market without changing functionality.

### **Unit:**

Enterprises

### **Data Requirements:**

Data on all enterprises supported should be submitted when they are included on a claim. A complete list of fields is given in the Annex.

### **Suggested Evidence:**

Detailed documentary evidence of the R, D & I activities undertaken as a result of the support and how this links to the product development. This should be available at the time they are included on a claim.

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<sup>7</sup> New to market does not mean that the product or process has to be new to all markets

A self-declaration. The declaration, signed by a director or senior manager within the Operation stating their role and that the product is new to market is acceptable, but it should also detail the steps taken to ascertain this.

If a product has not progressed to market, the enterprise should provide information on the status of the product.

## **Number of enterprises supported to introduce new to the firm products**

The indicator measures support given to enterprises to develop a *'new to the firm'* product. This includes process innovation as long as the process contributes to the development of the product. Projects without the aim of actually developing a (new to firm) product are excluded.

If an enterprise introduces several products or receives support for several projects, it is still counted as one enterprise. In the case of collaboration projects, the indicator measures each participating enterprise. Supported projects that aimed to introduce new to the firm products but did not succeed are still counted.

A *product* is new to the firm if the enterprise did not produce a product with the same functionality or the production technology is fundamentally different from the technology of already produced products. An example of 'new to firm' might be the purchase/licensing of IP which is then used to improve the enterprises' products or processes.

Products can be tangible or intangible (incl. services and processes).

If a product is new both to the market and to the firm, the enterprise should be counted against both new to firm and new to market indicators.

Enterprises included in this indicator should also be recorded as receiving grants/financial / non-financial support.

While most classic innovations lead to products new both to the market and to the firm, it is possible that the product is new to the firm but not new to the market, e.g. certain technology transfers.

### **Unit:**

Enterprises

Data on all enterprises supported should be submitted when they are included on a claim. A complete list of fields is given in the Annex.

### **Suggested Evidence:**

Detailed documentary evidence of the R, D & I activities undertaken as a result of the support and how this links to the product development. This should be available at the time they are included on a claim.

A self-declaration. The declaration, signed by a director or senior manager within the Operation stating their role and that the product is new to firm is acceptable, but it should also detail the steps taken to ascertain this.



## Employment increase in supported enterprises

Number of gross new working positions in supported enterprises in full time equivalents (FTE).

There must be a contract of employment. FTE is based upon contracted hours and a 30 hour week. Zero hours contracts are excluded.

This is essentially a 'before-after' indicator which captures the part of the employment increase that is direct consequence of project completion (workers employed to implement the project are not counted).

The positions need to be filled (vacant posts are not counted) *and increase the total number of jobs in the enterprise*. If total employment in the enterprise does not increase, the value is zero – it is regarded as realignment, not increase. Safeguarded etc. jobs are not included.

*Data on jobs created where there is no 'increase in the total number of jobs in the enterprise' should be recorded and used for evaluation.*

Gross: Not counting the origin of the jobholder as long as it directly contributes to the increase of total jobs in the organisation. The indicator should be claimed if the employment increase can plausibly be attributed to the support.

Durability: Jobs are expected to last for a reasonably long period depending on industrial-technological characteristics; seasonal jobs should be recurring.

Figures of enterprises that went bankrupt are registered as a zero employment increase.

Timing: Data is collected before the project starts and up to 12 months post intervention.

### **Unit:**

FTE (contracted hours based on 30 hour week)

### **Data Requirements:**

The gender of the first post-holder must be reported.

Salary Bands (0-£14,999; £15,000 – £19,999; £20,000 - £24,999; £25,000 - £34,999; £35,000 and above.

**Suggested Evidence:**

An increase in employment can be evidenced by self-declaration.

***The format of the self-declaration form should be agreed with WEFO and attached to the Monitoring and Evaluation Plan***, but should include details of the posts which have been created, that the increase was due to the ERDF intervention, include the salary band and gender of first post holder. The declaration should be signed by a director or senior manager within the Operation and state their role.

## **Number of patents registered for products**

The number of patents for products, processes or services formally filed with the UK Patent Office or an equivalent office abroad, by **assisted or financially supported enterprises**.

### **Unit:**

Patents

### **Suggested Evidence:**

Evidence of publication of patent application/ confirmation of registration number e.g. GB number

Declaration from enterprise confirming link between filing and ERDF support

## **Number of pilot projects completed**

A project planned as a trial designed to test a given approach for a limited group of beneficiaries over a limited period; intended to attract future activity in the field/discipline or sector<sup>8</sup>.

### **Unit:**

Pilots completed

### **Suggested Evidence:**

The indicator should be claimed on completion of the project.

The evidence to support this activity could be one of the following list but should be agreed with WEFO as a part of business planning:

Baseline evidence – proof of concept.

Cooperation agreement

Evidence of procurement process, technical specification for capacity of installation.

Evidence that installation has been completed and is operational.

Evaluation of pilot

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<sup>8</sup> DCLG ERDF 2007-13 Output Definitions





## **Annex A: Enterprise Data Requirements**

Current versions of the Enterprise micro-level database can be found using the following links:

ENGLISH: <https://gov.wales/european-regional-development-fund-erdf-business-database-template>

CYMRAEG: <https://gov.wales/european-regional-development-fund-erdf-business-database-template>

Version 3.0	
Result Indicators and Specific Objectives	
P9	Specific Objective 1.1 indicator table – targets amended for Number of partners cooperating in a research project; Number of improved research infrastructure facilities; and Amount of research funding secured
P10	Specific Objective 1.2 indicator table – targets amended for Number of partners cooperating in a research project; Number of enterprises receiving non-financial support; and Employment increase in supported enterprises. Removal of the indicators and targets for Enterprises adopting or improving equality and diversity strategies and monitoring systems; and Enterprises adopting or improving sustainable development strategies and monitoring systems



For more information:

[www.gov.wales/eu-funding](http://www.gov.wales/eu-funding)

@wefowales / @wefocymru

Enquiries Helpdesk 0845 010 3355