

Multi-year programme
2025 to 2028

MOVING THE WORLD WITH SWISS INNOVATION



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Swiss Confederation

Innosuisse – Swiss Innovation Agency

Innosuisse is the Swiss Innovation Agency. By strengthening Swiss science-based innovation and entrepreneurship, Innosuisse contributes to the sustainable economic, social and ecological development on a national and global scale.

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Executive summary

The great challenges facing humanity call for groundbreaking technological and social innovations. Disruptive events such as the Covid pandemic and the war in Ukraine, with their global consequences for the economy and society, are forcing rapid and decisive action and the testing of novel solutions. This is particularly true when it comes to dealing with the rapidly advancing climate change and its consequences. Isolated, technological responses to these challenges alone are not enough to make a difference. Instead, they must be integrated into the social context and take social conditions into account in order to reach people and win them over to make the necessary adjustments and changes. As an innovation promotion agency that spans all disciplines and integrates them, Innosuisse is particularly capable and willing to facilitate such forward-looking systemic innovations and, by promoting them, to enable Swiss companies to make a significant contribution to solving global challenges for the benefit of the Swiss economy.

In carrying out its funding activities, Innosuisse is guided by principles that ensure that the public funding entrusted to it yields real benefits for the Swiss economy and society. Innosuisse's innovation promotion activities are geared towards the needs of the innovation players. It ensures the high quality of the innovations it promotes through competition of innovation ideas, strives in every respect for simple, easily accessible and thus customer-friendly promotion instruments and promotion processes, and relies on a consistent and systematic review of the impact of its promotion activities in order to continuously improve its promotion offering.

Digital transformation, sustainability and equal opportunities, along with national and international cooperation, are transversal topics that shape Innosuisse's entire funding activities. Through its support, Innosuisse promotes digital transformation, particularly among small and medium-sized companies, and makes an important contribution to the sustainable development of the economy and society as well as to strengthening equal participation and diversity. Thanks to national and international cooperation, it also ensures that its funding activities fit harmoniously into the overall Swiss system of research and innovation promotion, thereby achieving the best possible benefits. Of particular importance is the collaboration with the Swiss National Science Foundation (SNSF), both in terms of the mutual coordination of funding instruments and the realisation of joint initiatives such as the BRIDGE funding programme.

Thanks to the revision of the Federal Act on the Promotion of Research and Innovation (RIPA), which was passed by Parliament in December 2021, Innosuisse now has a diverse, flexible set of funding instruments at its disposal, which it intends to make fully effective in the 2025–2028 funding period. However, the financial scenarios provided by the State Secretariat for Education, Research and Innovation (SERI) are far from enough to satisfy the constantly high demand or to fully exploit the new funding opportunities for the sustainable strengthening of Switzerland's innovative power. Innosuisse therefore requires an average increase in its funding of 11% per year in order to fully implement its funding plans. This growth rate appears high, but it must be realised that public innovation funding

in Switzerland, unlike in many other countries, has so far had a rather low priority and that noticeable growth and real strengthening can only be achieved with a major increase. Should Innosuisse have to settle for annual growth of 2.5% or less, it would have no choice but to postpone the strengthening of innovation promotion intended by the legislature and, in particular, to refrain from launching new, forward-looking promotion instruments. It would have to focus on maintaining the traditional funding of standard, bottom-up initiated innovation projects between research and implementation partners at an acceptable level given the strong demand. Specifically, the flagship initiatives that are particularly suited to solving the major economic, societal, and environmental challenges and that are systemic and transdisciplinary in nature would have to be cut back to a minimum. This means that value creation that is necessary in order to stay ahead as a country in an increasingly competitive world, would be at risk and that efforts to become more sustainable would probably negatively impact the economy rather than offering any upside. The launch of the initiative to support highly qualified persons, which is also intended as a measure to combat the shortage of skilled workers, would have to be relinquished altogether. Finally, in addition to refraining from further strengthening international cooperation, further expansion of the funding for innovation projects of science-based start-ups before they enter the market – which will be possible from 2023 – would not be an option. This would mean missing a major and important opportunity to help promising, disruptive innovations from young companies reach market maturity as quickly as possible and thus make a significant contribution to ensuring that

Switzerland remains one of the most innovative countries in the future. It is therefore crucial to have sufficient funding in years 2025–2028. Innosuisse and the experts, start-up coaches, innovation mentors, employees and members of the Innovation Council and Board of Directors who support it with full conviction and huge commitment will continue to do everything in their power to ensure that Swiss innovations move the world.

Mastering global challenges with innovation

Disruption is shaping the present

The Covid-19 pandemic brought economic and social life worldwide to an abrupt halt. What were once considered to be solid, well-established mechanisms in the globally networked world fell apart within a very short time. Despite unprecedented financial injections from governments, the global economy showed strong symptoms of crisis during the pandemic, international supply chains collapsed and the resulting supply shortages severely slowed down important sectors of the economy. However, economic, political and social upheavals were also evident in liberal democracies. Populations became increasingly unwilling to endure the impositions of the pandemic and the measures taken by governments to contain it. Conspiracy theories took off – a clear sign of the crisis. The sputtering global economy, restrictions on social life, healthcare systems that have been functioning on the brink of overload for months, and breaks in the basic education suffered by children and young people continue to have an effect and could also have negative consequences in the longer term.

No sooner were there hopeful signs of recovery from the pandemic than the international community was put to a new test by Russia's war against Ukraine. After decades of relative stability in Europe, the war represents a culmination point in the newly ignited quest for supremacy and the associated tensions between global power blocs. The geopolitical order is in upheaval. Distortions between liberal democracies in the Western hemisphere and autocratically governed countries in Asia and other regions of the world are bound to increase with unforeseeable consequences for the peaceful coexistence of nations. As for Europe, the devasta-

tion of the Ukraine war, the accompanying flights of refugees and the dependence on energy from a war-torn country pose major challenges at least in the short and medium term and call for a consistent and bold response.

Both events are emblematic of a world in which disruptive events of global proportions can be expected at any time and supposed achievements can be called into question from one day to the next. They show us how vulnerable our globally networked societies based on the division of labour are, despite all the achievements.

Although addressing climate change is a very high priority and calls for efficient action, disruptive events of global proportions such as the Covid-19-pandemic or armed conflicts of greater magnitude have been absorbing the attention of the international community time and again. They often require immediate interventions to secure public order and vital economic activities in the short term, possibly even to the detriment of the environment. The current quest for alternative sources of energy to compensate for unwanted Russian supplies can serve as an example. More environmentally friendly solutions are not available at short notice, are too expensive or fail due to technological challenges such as storage, as in the case of alternative energies. Nevertheless, climate change poses unique challenges to humanity and calls for focused attention. Even if the associated effects are usually felt only gradually, rapid and radical changes in the economy and society are critical in order to turn the tide. Climate change affects everyone, now and/or in the future. If entire regions of the world eventually become uncultivable and uninhabitable, less severely affected regions are likely to be challenged by the resulting migratory pressures, with unforeseeable consequences for social coexistence worldwide.

Strengthening innovation and securing the future

Pandemics, wars, climate change and the associated consequences pose challenges for the entire global community. They require swift and concerted action and the resources necessary for achieving it. Innovation secures the necessary resources and tools, helping the economy and society to become more resilient and more agile. The Covid-19 pandemic in particular has made it clear how indispensable innovation is. Thanks to the unprecedented, rapid development of novel vaccines, the pandemic was brought under control. Further development of these vaccines, novel medicines and treatment methods will continue to help control potential future pandemics and effectively combat diseases that are not yet curable today. However, innovation has also helped in other areas to cope with the Covid-19 pandemic. The automation and digital transformation of production, business and administrative processes have reorganised supply chains and in many ways compensated for limitations in mobility, local presence and social contacts.

Innovation also helps to reduce or even eliminate dependencies on blackmailing partners in times of geopolitical crisis. In addition, it is indispensable for meeting the challenges of climate change. Innovation will be crucial in finding new emission-free, resource-conserving and climate-friendly solutions that will open up new options for people; solutions that will give them confidence that the problems they face can be overcome through progress. However, technological innovations alone are not enough. Holistically conceived innovations and, in particular, social innovations that aim to propose new models of social interactions, relationships and processes will offer alternatives to people on their way to a resource-conserving, liveable and more just world.

As a prosperous, innovative and highly developed country with a powerful economy, outstanding science and well-educated, motivated people, Switzerland has a special responsibility to fully exploit its innovation potential – not only for its own benefit, but also as a committed member of the international community, and to invest even more in future-proof innovation. Nevertheless, regardless of its economic weight and impressive innovative strength, it is also dependent on like-minded partners. Due not only to their geographical proximity, but also to their shared culture and values, Switzerland's European neighbours and the European Union of which they are a part would seem to be natural partners for our country. Despite the

growing importance of economic and scientific discourse with other world regions such as Asia or North America, Europe (EU + UK) will remain in the foreseeable future the most important partner for economic and scientific dialogue. Should it therefore no longer be possible in the medium and long term to maintain an association with the world's largest research and innovation programme Horizon Europe and its successor, Switzerland will have to go to great lengths not only to close the financial gap, but above all to compensate through suitable measures for the lost opportunities for international networking and cooperation associated with this European initiative. Backed by appropriate support from the public sector and their own hard work, Swiss stakeholders will really be successful if they act from a position of strength and can demonstrate to their potential partners the clear added value of working together with them. Such an approach can succeed, but it will require considerable effort and significant resources from the public sector in order to be truly effective. Switzerland will have to do a lot of work upfront and ideally also offer concrete incentives in the form of financial or infrastructural support to international cooperation partners in order to realise initiatives initiated by Swiss stakeholders.

Innosuisse, in its role as an innovation promotion agency, is committed to defending and strengthening innovation with its positive, forward-looking and optimistic mindset as a counter-concept to backward-looking, destructive forces, and to framing and promoting it – not only in its economic context, but also with regard to its social and environmental aspects. Innosuisse can have a tremendous impact by setting appropriate areas of emphasis in its funding instruments, for example by defining thematic targets for flagship initiatives, by promoting collaboration and networking within the Innovation Boosters, or by fine-tuning its funding criteria. Innosuisse has the necessary prerequisites and the will to further strengthen Swiss innovation promotion and to take on a leading role internationally as well. Now that Parliament has created the conditions for future-oriented, intensified and more broadly based public innovation funding with the revision of the RIPA, the necessary conditions will also have to be created in financial terms for the 2025–2028 contribution period so that the expectations thus raised can be put into practice.

Principles of innovation promotion

► Customer focus and needs-driven approach

Innovation promotion can be successful when it meets the needs of those who are targeted by its efforts. It is therefore essential for Innosuisse to understand the needs of the key players in innovation, to elicit these needs on a regular basis and to analyse its support offers to determine whether they meet these needs. This also takes account of the subsidiarity principle. If new support offers are planned or major changes are to be made to existing support offers, therefore, Innosuisse ascertains the needs of the stakeholders concerned and aligns the offers according to demand. Consultations, research, impact analyses and working groups with the involvement of stakeholders are some of the methods Innosuisse uses for this purpose. Networking and collaboration are vital cornerstones of the work done by Innosuisse. Innosuisse maintains a close partnership with the SNSF. There are also various other players (e.g. stakeholders from the regional innovation system, private foundations or federal offices responsible for policy research) with which Innosuisse institutionalises a dialogue or exchanges information as needed. At least as important, however, is continuous dialogue and exchange with the customers in day-to-day promotion activities. Thanks to the revision of RIPA entering into force on 1st January 2023, Innosuisse will furthermore be able to tailor its support offers more flexibly to the different stakeholder groups. Pilot tests will, for example, offer the opportunity to introduce new funding initiatives for a limited period of time without undue administrative burden, to test them out and to adjust them if needed.

As its main mission, Innosuisse will continue to put its customers at the forefront, offering them the funding instruments they need, simple and efficient processes and impeccable service.

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Competition and quality

Competition between the innovation projects and business ideas for which funding is requested has a two-fold effect: it increases the quality of the submissions on the one hand, and the creativity of the players on the other. For this reason, innovation promotion at Innosuisse is competitive by design. This applies in particular to the promotion of innovation projects, the coaching of start-ups and the promotion of larger networking measures. When it comes to coaching and mentoring, using the vouchers awarded by Innosuisse, the applicants are able to select the consultancy that is right for them from within the pool of coaches and mentors pre-selected by Innosuisse. This in turn strengthens the quality and the impact of the service as well.

The quality of the innovation projects is the key assessment criterion for awarding funding resources and measures because quality is the central factor for a project's success over the long term.

Innosuisse itself attaches great importance to the high quality of its assessments and thus also of its decisions, as well as to the qualifications of the coaches and mentors provided. The members of the Innovation Council, the experts, and the coaches and mentors must meet correspondingly high standards and are subject to regular evaluation.

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Simplicity, accessibility and efficiency

Offers with a simple and efficient process will be used and thus have the potential to achieve their intended effect. For small and medium-sized enterprises (SMEs) and start-ups in particular, high administrative expenses or difficult-to-understand funding instruments pose obstacles that can easily lead to a decision against submitting an application. Innosuisse therefore strives to make its application and funding procedures as simple and self-explanatory as possible, supported by suitable electronic tools, and to provide comprehensible explanations and assistance where necessary. Furthermore, it is in Innosuisse's interest that both the application and funding processes are designed with maximum efficiency in mind. In particular, it aims at short response times and application turnarounds, with decisions on funding applications for innovation projects generally available within six weeks. A new IT system helps to optimise Innosuisse's processes. Sufficient human resources are also an indispensable prerequisite for running an efficient, flexible and customer-friendly funding business.

Alongside the procedures involved, the funding instruments themselves and their delimitations and interrelationships must be sufficiently easy to understand so that Innosuisse's customers can quickly find the support offers that are suitable for them without the need for extensive consulting and research. To this end, Innosuisse provides information about its support offers in an appealing way through various channels, e.g. by being present at events, via social media, through written information offers and by means of electronic tools such as a guide that customers can use interactively.

Ultimately, it is important for a broad innovation promotion that the requirements for applicants are in line with the respective funding instruments. For example, formal and substantive requirements for an initial mentoring consultation are kept deliberately low so that as many people as possible can take advantage of this option. On the other hand, correspondingly higher requirements need to be set for offers, which are reserved for the promotion of highly innovative ideas.

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Innosuisse strives to make its application and funding procedures as simple and self-explanatory as possible.

Geared to impact

Innosuisse's mandate is to promote science-based innovation in the interests of the Swiss economy and society. It fulfils this task through funding of innovation projects, promotion of science-based entrepreneurship, transfer of knowledge and technology between universities, business and society and, in future, through specific support aimed at enhancing the skill sets of highly qualified individuals and at strengthening the start-up ecosystem. By doing this, Innosuisse undertakes the necessary steps in order to ensure that its funding instruments are effective and meet their goals.

A systematic and continuous impact assessment is the main tool to ensure that Innosuisse's funding instruments achieve their goal. To assess the effectiveness of the implemented measures, Innosuisse expands and concretises specific impact models. These impact models define in detail what output, outcome and impact existing and new instruments aim to achieve.

Continuous impact monitoring of all major funding instruments is Innosuisse's main tool for assessing the impact of its funding activity. The systematic collection of data, their careful analysis as well as their comparison over time provide valuable insights into the impact of Innosuisse's support measures. The long-term monitoring of supported start-ups helps, for example, to gain important insights from their further development. In addition, external impact analyses and evaluations are carried out on a regular basis; these can also draw on data from impact monitoring and examine in detail how Innosuisse's instruments and measures are positioned in the broader context.

Innosuisse uses the results of impact analyses and monitoring to critically examine its instruments in order to make or propose adjustments if necessary. At the time of drafting this multi-year programme, various evaluations are under way; the results of these can then be used to help optimise processes and instruments in the new dispatch period.

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Transversal themes

The transversal themes of digital transformation, sustainable development, equal opportunity as well as national and international cooperation permeate the fields of innovation. In order to successfully pursue and promote innovation, it is therefore central to take these topics into account – this applies not only to Innosuisse as a funding agency, but also to all customers who want to pursue a sustainably innovative and potentially globally successful project. Innosuisse aims to integrate and use these transversal themes as much as possible in its activities. In the evaluation of bottom-up instruments, these themes serve as guiding principles wherever possible and needed. As these are cross-cutting themes, it is particularly important to be able to think and act in a networked and interdisciplinary manner. Innosuisse's thematic instrument, the Flagship Initiative, is therefore perfectly designed to meet the challenges in these thematic areas with innovation.

Digital transformation

In its "Digital Switzerland" strategy, the Federal Council fleshes out the blueprint for a digital Switzerland. Research and innovation play a crucial role in this. Innosuisse is mentioned by name when it comes to support for entrepreneurship and start-ups. Priority is to be given to promoting the further internationalisation of start-ups and making more targeted use of synergies at the national level. Innosuisse is committed to meeting these expectations.

Digital transformation offers enormous potential for new products and business models as well as efficiency gains for the economy. Entire production processes can be revolutionised: the use of data opens up completely new possibilities, and relationships with customers can suddenly take on a whole new dimension. In 2019, prior to the Covid-19 crisis, 73% of Swiss companies

believed that digital technologies play a medium to large role in their respective business models¹. This figure will have increased even more in the meantime as the pandemic has forced us all to adopt more digital lifestyles. This has highlighted opportunities, but at the same time it has shed a stark light on organisations' shortcomings in the area of digital transformation. For SMEs in particular, it can be extremely difficult to master the challenges that digital transformation poses for business processes and models.

Swiss companies have to stay internationally competitive and become fit for the digitalised future. Innosuisse therefore also reviews innovation projects where appropriate to determine what their digital innovation content is and what use is made of digital opportunities in terms of competitiveness. At the same time, utmost attention needs to be paid to the challenges that digital transformation poses for data science, data access, data use and – in particular – data security.

The opportunities and challenges of digital transformation are likewise something Innosuisse faces as an organisation. Contact with customers must be smooth, easy to understand and free from barriers so that customers can bring their concerns to Innosuisse as efficiently as possible. Innosuisse's digital infrastructure must function reliably so that work processes do not come to a standstill. The dissemination of information must be tailored to the needs of customers and the support offer must be easily accessible online. Moreover, the interplay with other innovation players must be shown transparently. In addition, Innosuisse will undertake the necessary steps to make better use of its available data in the future in order to carry out even more well-founded evaluations, optimise funding instruments

¹ "EY: Schweizer Mittelstand gut gerüstet für die Digitalisierung, aber...", [Link moneycab](#) [17.05.2022]



Digital transformation

55% of Innosuisse projects deal with digital solutions



About the monitoring

The ongoing digital transformation is a strong driver of innovation. This is confirmed by our impact monitoring 2021, which indicates that many innovation projects are using digitisation to create entirely new and innovative business models as part of their process, product or service innovations. Swiss companies are thus gaining sustainable competitive advantages in existing and new markets.

and, in time, to adapt Innosuisse as a whole to new developments.

Innovations in domains such as blockchain, virtual reality, 3-D printers or artificial intelligence show that digital transformation not only offers opportunities for all companies to optimise their traditional business model; it also opens up possibilities that no one could have imagined just a few years or decades ago. By the same token, ideas will form in people's minds, both now and in the future, that are just waiting to mature into new and possibly even breakthrough or disruptive innovations. However, the path from the initial spark of an idea to a market-ready innovation may be long, especially when the innovation is disruptive, and care must be taken to plot the right course. Innosuisse wants to do its part to remove obstacles along the way.

Innosuisse therefore remains committed to promoting innovations in the digital space. Given the importance of digital transformation for competitiveness, innovation projects that have a high degree of digital innovation are especially worthy of funding. Through its flagship initiative, Innosuisse wants to contribute to systemic, interdisciplinary projects, which are so urgently needed in the field of digital transformation. In the area of knowledge and technology transfer, Innosuisse's thematic networking tools are intended to ensure that the relevant players in an innovation area are also able to find each other in the field of digital transformation, and that the starting shot is fired for a new product, service or process. The new possibility of Innosuisse contributions being made to players in the start-up ecosystem in Switzerland can also be used to support the promotion of entrepreneurship and start-

ups in the field of digital transformation in line with the "Digital Switzerland" strategy. Internationally, Innosuisse strives for active participation in initiatives that focus particularly on digital transformation (Horizon Europe partnerships, Eureka Clusters).

Sustainable development

The human race is more highly developed than ever before in its history, and yet the prognosis for future developments appears bleak in many areas. Despite the technological progress made in recent decades, the world's population is not living sustainably, which means it is living at the expense of future generations. The United Nations has formulated 17 goals to improve sustainable development in social, environmental and economic terms. In addition to preserving natural resources, for example, these Sustainable Development Goals also aim to eradicate hunger and poverty and promote gender equality, health, stable institutions and sustainable economic development. Based on this reference framework, in 2021 the Federal Council adopted the Sustainable Development Strategy 2030. The Federal Council has formulated the following three priorities: sustainable consumption and sustainable production; climate, energy and biodiversity; equal opportunities and social cohesion.

Innovation offers the opportunity to shape a more sustainable future without having to forego past achievements. Through innovation, sustainability has the opportunity to become more economically viable and accordingly successful. Breakthrough innovations

Sustainable development

Sustainability is a common thread running through the funding instruments

Innovations are important drivers of sustainability and increase the competitiveness of companies. The upcycling battery technology by Libattion, an entire laboratory in a single cartridge for measuring water quality by bNivate or an alternative to petroleum-based products thanks to biomass by Bloom Biorenewables: more than half of the projects funded by Innosuisse are concerned with sustainability issues.



About the thematic dossier

can help make entire production processes or economic sectors sustainable, while at the same time overall innovation should positively impact sustainability so that the goal of a sustainable future does not slip even further out of grasp.

Innosuisse wants to make its contribution to sustainable development and shape its funding activities in line with the Federal Council's Sustainable Development Strategy 2030. Sustainability is a challenge that requires systemic and interdisciplinary thinking and often fails due to market failure. With this in mind, sustainability should play a central role in thematic funding – in the area of flagship initiatives or networking instruments – in order to give innovations in the area of sustainability the necessary boost, in a way that is subsidiary to the market. In addition, Innosuisse does not promote bottom-up projects and activities that have an overall negative impact on the sustainable development of society, the economy and the environment, but encourages its customers to put specific emphasis on the sustainability of their innovation. The goals of economic, social and environmental sustainability must be an intrinsic part of all innovation projects.

Based on a sustainability strategy, Innosuisse wants to take a more systematic approach to the topic than it has done before. Innosuisse aims in particular to increase awareness of sustainability among innovation creators. Innovation projects that give sufficient space to sustainability are more competitive internationally, more promising for the future and have global sustainability in mind. This shall be taken into account as appropriate when evaluating innovation projects. The impact monitoring must show how sustainable the

innovation projects funded by Innosuisse already are. In the area of entrepreneurship, sustainable thinking is among the topics promoted and measures are put in place so that women can take more entrepreneurial initiative in the interests of equal opportunity.

Innosuisse also wants to become more sustainable as an organisation. This includes ensuring that the company and its employees use resources responsibly and do their best to avoid wasting materials and resources. Furthermore, Innosuisse wants to continue to have a balanced representation between the genders on Innosuisse's committees such as in the Innovation Council, the Board and the management team and wants to improve the representation of women among its experts, coaches and mentors, while strengthening the high quality standards of the services delivered by these groups. The well-being and continuous training of employees is another top priority for Innosuisse.

Equal opportunity

Equal opportunity is a sub-aspect of sustainability and is given its own place in the transversal themes because of the importance of the education, research and innovation systems in achieving this goal. Equal opportunity is not only a purpose in itself, but is an efficient way to gain access to additional top talent and further improve quality. It therefore plays a crucial role in the funding business. In terms of the assessment process, equality of opportunity means that all applicants must have the same chances of being awarded funding for innovation projects of equal quality. However, true equality of



Equal opportunity

Putting female innovators and founders in the spotlight

Testimonials on the experiences of female start-up founders such as Margaux Peltier or Olga Dubey, as well as interviews with representatives of Innosuisse make visible the successes of women in innovation and entrepreneurship. At the same time, they show the obstacles we need to overcome in order to encourage women to innovate.



About the thematic dossier

opportunity takes root at a much earlier stage than that, and has to be pursued when providing information and raising awareness among the target groups.

Equal opportunity in the funding business is based on the fact that Innosuisse's funding regulations and processes do not discriminate against any applicant and that there is no discrimination in the evaluation of funding applications. Following the approach that heterogeneous teams lead not only to different perspectives, broader knowledge and an inclusive organisational culture, but above all to higher quality in fulfilling its mission, Innosuisse actively fosters the diversity of all its bodies. Innosuisse therefore pays special attention to diversity when filling positions at its head office and on its committees, particularly with regard to gender proportion, multilingualism and representation of the various language regions. A mix of age groups is also sought. A particular focus has been to actively address with a view to increasing the proportion of female experts, coaches and mentors. Equal representation remains the goal, and further measures to achieve this goal will be considered if women's representation does not increase to a satisfactory degree.

Research indicates that diversity promotes innovation, creativity and collaboration and can give companies competitive advantages in the marketplace (e.g. study by the Technical University of Munich & BCG²). To promote Swiss innovation broadly, Innosuisse is committed to encouraging women as innovators. In the area of entrepreneurship, specific offerings will continue to be

launched that appeal to the female target audience. The goal is to achieve equal participation of women in the start-up training modules. Innosuisse also aims to promote diversity in the teams for innovation projects and will set incentives and contribute by raising awareness.

In order to pave the way for innovative women in all scientific disciplines, increased efforts are needed to overcome gender stereotypes and ensure that girls also feel confident about pursuing a future in mathematics, computer science, natural sciences or technology (STEM subjects). Innosuisse strives as far as it can for the development of women in STEM professions and contributes to this, for example, through visible success stories. In the area of networking measures, the improvement of gender equality is passed on to the applicants as a goal and is measured and taken into account as an indicator of success. The new instrument for promoting highly qualified individuals is an ideal means of increasingly attracting women to science-based innovation and is expected to promote female talent on an equal footing.

Furthermore, Innosuisse will continue to drive the stimulation and promotion of non-technical innovations from the social sector. Diversity in terms of linguistic and cultural background as well as age also takes high priority in all Innosuisse concerns, and measures are implemented to raise awareness where necessary to ensure equal opportunities.

At head office level, but also mentoring, coaching and training are among the possible measures for promoting equal opportunities. HR processes, particularly in

² "The mix that matters. Innovation through Diversity", The Boston Consulting Group, [Link](#) [17.05.2022]

National and international cooperation

Step by step towards international cooperation – the role played by Innosuisse

Innosuisse's international and national funding instruments complement each other well. The Swiss start-up Oxyle aims to combat micropollutants in the manufacturing industry – an innovation with global potential. Innosuisse has supported the project in recent years with two international and three national funding offers.



relation to equal pay, recruitment, induction, training and communication, are regularly reviewed and concrete measures are implemented to improve practices. The entire Innosuisse team, including Innovation Council members, experts, coaches, and mentors, are regularly sensitised to the topics of diversity, inclusion and equal opportunity.

Nationally, the partnership with the SNSF was placed on a new footing in 2021 with a Memorandum of Understanding on deeper collaboration. It is important that synergies and delimitation issues play a central role in the new dispatch period as well; this will ensure optimum coordination between the funding instruments of the two organisations and enable researchers and innovators to find the most suitable offer. Innosuisse is committed to continuing the joint funding programme BRIDGE and to making it even more effective by implementing the findings of an evaluation with the aim of serving the interface between SNSF funding and Innosuisse funding in an optimal way. Close cooperation is sought with the SNSF on a strategic level in order to be able to act in coordination as needed in the interests of the Swiss research and innovation landscape, and also specifically with regard to international activities.

National and international cooperation

An active dialogue and targeted coordination with players in the national and international innovation system is a key contributor to setting up an effective funding landscape. Nationally, this can prevent the unwanted duplication of funding and guarantee the subsidiarity of public funding. In addition, the aforementioned dialogue and coordination ensures that the funding instruments are coordinated with one another to meet needs and cover research and innovation right through from the phase of the initial scientific idea to the market launch of a product or service. With regard to international cooperation, Innosuisse is convinced that only an open European innovation space can secure Europe's competitiveness and address the major global challenges. Close cooperation with the active international involvement of Switzerland – especially in the European research and innovation system, but on a global scale as well – is therefore indispensable.

The Swiss innovation system is characterised by a diverse set of players, both nationally and regionally that influence the innovation landscape. Innosuisse regularly exchanges information with players in the regional innovation system (RIS), foundations, other private funding initiatives and federal offices responsible for policy research. In Switzerland's federal and decentralised system, cantonal and regional funding bodies play an important role. With this in mind, Innosuisse always takes account of local offers when designing the funding instruments. With the annual Innoday event, organised together with the State Secretariat for Economic Affairs (SECO), Innosuisse brings together various stakeholders. Innosuisse also maintains cooperation with business associations and representative organisations of industrial sectors, particularly in the context of information dissemination. In the new fund-

ing period, Innosuisse will continue to focus on preventing any duplication of funding, sharing knowledge and making the best possible use of synergies.

International collaboration and the cross-border exchange of knowledge are even more important in times of increasing global uncertainty and Switzerland's potentially long-term non-association to Horizon Europe. Innosuisse therefore intends to continue its active involvement in Taftie, the European Network of Innovation Agencies, in order to benefit from the exchange of knowledge on funding practices. In particular, it will assume the presidency of Taftie in 2024 and thereby have the opportunity to further strengthen its active involvement in building potent international networks. Innosuisse will maintain and reinforce its bilateral contact with partner organisations abroad with the aim of deepening the exchange of knowledge in specific areas, realising the existing cooperation potential and counteracting the negative consequences and a possible non-association of Switzerland to Horizon Europe in the longer term. Innosuisse represents Switzerland in the multilateral Eureka initiative and will continue to use this platform to advocate for cross-border innovation projects and ensure that all member states can participate with equal rights. The Swiss Presidency in 2025/2026 is the ideal opportunity to advance these goals. The conclusion of the cooperation agreement with the European Innovation Council and SMEs Executive Agency (EISMEA) also secures Innosuisse's participation in the Enterprise Europe Network (EEN). Innosuisse intends to continue to make active use of the opportunities offered by this network – the world's largest network for SMEs – for the benefit of Swiss SMEs, to promote partnerships and internationalisa-

tion. Through its co-organisation and co-sponsorship of the Swisscore office in Brussels, Innosuisse has insights into European Union policy in the field of education, research and innovation.

Both EEN and Eureka reach beyond the European continent. They therefore offer a good opportunity to deepen relations with countries such as Canada, the UK, Brazil and South Korea. In general, cooperation with countries overseas, and in particular with the USA, will represent a priority for Innosuisse in the period 2025–2028.

Funding portfolio 2025–2028

Overview

For decades, Switzerland has provided a favourable environment for the emergence of innovation, including a top-quality education and research system that produces internationally renowned universities and well-qualified entrepreneurs and employees, a high level of legal certainty, a high standard of living and performance, and a large number of private and public stakeholders at regional and national level who are willing to drive innovation and to invest in innovation activities. Companies that contribute the majority of R&D expenditure in Switzerland and bring innovation to market are both competitive and innovative. However, there is comparatively little appetite in Switzerland to invest in high-risk, disruptive innovation and drive it forward with agility and staying power in a rapid and growth-oriented manner. The opportunities and capabilities of the players in the innovation ecosystem to respond quickly and easily to trends and developments must also be further developed in order to cope with major challenges for economy and society emerging repeatedly and without perceived warning in today's non-linear world.

Innosuisse plays a small, yet significant role in this highly dynamic environment. For science-based innovation to come about successfully in the interests of business and society, the wheels of knowledge, research and development must be able to interact perfectly. Therefore, Innosuisse promotes cooperation between science, business and society where necessary, in particular with contributions to innovation projects, networking measures, training and information offerings and coaching, so that promising and forward-looking innovations do not fail due to market failure.

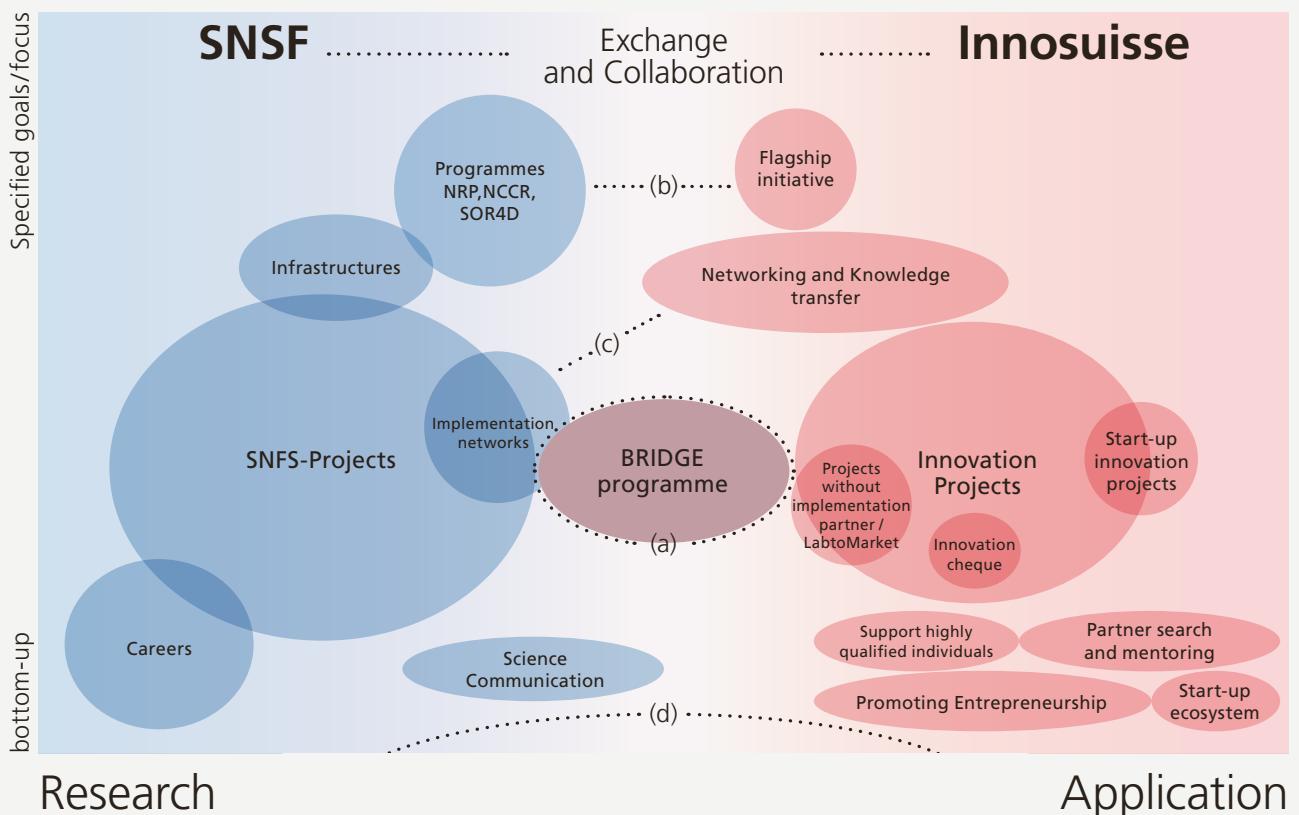
An important national partner for Innosuisse is the SNSF, which funds outstanding research at universities. Innosuisse and the SNSF coordinate their funding portfolios, particularly at the interface between research and innovation, based on two principles: i) respecting the legal mandate and autonomy of the partner organisation, ii) establishing coherence across the research and innovation funding portfolio. To this end, Innosuisse and the SNSF avoid duplication in funding initiatives and strive to close funding gaps. The latter can be achieved either by one of the partners or jointly. The following is a simplified illustration of the funding instruments of the SNSF and Innosuisse as well as an excursus on the strategic cooperation between the two funding organisations.

Strategic partnership between SNSF and Innosuisse

Research and innovation fuel each other: scientific breakthroughs may lead to unexpected innovations, but unsolved challenges in economy and society also inspire research. Innosuisse and the SNSF therefore work closely and effectively together as national organisations that provide public funding for research and innovation. While the SNSF supports all types of

research aimed at acquiring new knowledge, Innosuisse promotes science-based innovation. The common goal of the two funding organisations is to create a powerful and efficient public funding and innovation environment. They coordinate their strategies to ensure the best possible implementation of research results for the benefit of the business sector and society. Since 2021 they have been connected by a memorandum of understanding, formalising the collaboration that has existed since 2017.

Figure 1: Funding portfolio of SNSF and Innosuisse



As figure 1 illustrates, the respective funding instruments of the SNSF and Innosuisse and the joint funding instruments of BRIDGE complement each other well on the research-application axis. Nevertheless, it is a declared goal of both organisations to continue to proactively maintain the interfaces and strengthen the exchanges. Synergies will be better exploited in the future in the following areas:

a.) Further developing the joint BRIDGE programme: based on an external evaluation, Innosuisse and the SNSF want to develop measures to diversify the participation in BRIDGE and to strengthen the contribution to the implementation of research results (see page 32).

b.) Strengthening institutionalised collaboration in thematic schemes: in the case of funding instruments with a thematic focus, both funding organisations want to pursue an intensive exchange of expertise and experience in order to fully exploit potentials in the interplay between research and innovation. The SNSF and Innosuisse intend to better identify the extent to which a topic of scientific interest has the potential to create concrete added value for the economy and society. Furthermore, they want to identify innovation projects from which new stimuli for research can emerge. The SNSF aims to strengthen the transfer of research results into practice, namely in the National Research Programmes (NRPs). With the involvement of SERI, greater involvement of Innosuisse in both the creation and the management of NRPs is to be examined. Innosuisse, in turn, will examine the SNSF's thematic projects, especially NRPs, for their potential for future flagship topics when setting themes for flagship initiatives. Furthermore, the SNSF and Innosuisse will participate jointly in certain European partnerships and support each other.

c.) Exploiting synergies in the promotion of networks: for an effective interface between research and innovation, the exchange of ideas, knowledge and expertise between research, innovation, academia, business and society is central. In both research and application, the success of a project depends on all relevant players being involved in a thematic area. The exchanges between the SNSF's implementation networks and Innosuisse's network activities are therefore strengthened so that, in the case of thematic overlaps, the creation of a pool of experts can be tackled jointly.

d.) Promoting mutual understanding between research and practice: so that ideas can transfer from research to application and equally from application to research, value and cultural differences must be known and taken into account. The goal is to create a common basis for dialogue and to constantly maintain the exchange between research and application. In the new dispatch period, the SNSF and Innosuisse wish to promote mutual understanding on both sides via exchange programmes and mentoring.

The Innosuisse offer to promote science-based innovation meets the needs of business and society, as shown by the fact that demand for Innosuisse's innovation funding has been reaching new peaks since 2019. In view of the high demand for innovation in practically all areas of life and sectors of the economy, it can be assumed that demand will remain equally strong in the medium to long term. Global thematic challenges, geopolitical uncertainties and economic crises are further reinforcing the need for an innovative Swiss economy. Economic players, specifically also SMEs, must innovate if they want to remain competitive on an international scale. The start-up scene, which has seen encouraging development in Switzerland in recent years, also contributes to the lively demand for funding.

Despite the additional financial injection of CHF 130 million by Parliament, the subsidies made available to Innosuisse on the basis of the ERI Dispatch 2021–2024 are now no longer sufficient to meet demand to the extent known so far. As a result, even promising, high-quality projects risk being rejected. This, in turn, poses a danger for Switzerland's innovative capacity. Due to a lack of funds or networking, promising innovations might be implemented too slowly or not at all, to the detriment of the Swiss economy, or – in the case of start-ups – their business activities might be relocated abroad. By the start of the new 2025–2028 contribution period at the latest, Innosuisse needs to be in a position to address the imminent, problematic shortage of funds. Otherwise, the changes permitted by the RIPA revision at the end of 2021 and the greater flexibility in the design of funding instruments will bear fruit only to a very limited extent, even in the medium to long term. In particular, it will not be possible to launch the new funding instruments permitted by the revision of the RIPA, such as support for highly qualified individuals or support for organisations in the start-up ecosystem.

Innosuisse is using the 2021–2024 contribution period to optimise its funding portfolio. The individual funding instruments are being brought into a comprehensible and verifiable interrelationship and coordinated with one another even more carefully. Thanks to the RIPA revision, innovation project funding in particular can be designed in a more targeted manner and aligned more effectively with the various stakeholder groups. Preparatory work is also being stepped up for the launch of the additional funding opportunities created by the RIPA revision for highly qualified individuals, on the one hand, and for organisations in the start-up ecosystem, on the other. However, as already emphasised, their launch will have to be made dependent on securing their longer-term funding.

Innosuisse would like to use the 2025–2028 contribution period to make the leap in Swiss public innovation funding that was made possible by the RIPA revision, and hopes that the Confederation will grant it the necessary funding to do so.

Funding activities

Funding of innovation projects

The core of Innosuisse funding is the support of innovation projects between implementation partners and research institutions. They can be carried out with national or international partners.

► Pages 24–33

Promoting entrepreneurship

To facilitate the creation and development of knowledge and technology-based start-ups, Innosuisse offers training, coaching as well as internationalisation and trade fair offers.

► Pages 34–37

Support for highly qualified individuals

► Pages 38–39

Innosuisse will launch the promotion of highly qualified individuals to strengthen their innovation skills, primarily through exchange programmes. These will see experts from the corporate world update and expand their innovation knowledge at a research institution for a specific period of time or conversely experts from academia, spend time in leading industry placements.

Knowledge and technology transfer

► Pages 40–44

With its offers in the field of networking and knowledge transfer, Innosuisse stimulates the emergence of innovation ideas and increases the input of promising innovation projects.

CHF

1,651 m

is the **financial requirement** reported by Innosuisse for 2025–2028.

► Pages 47–53

NEW OFFER

Funding of innovation projects



These innovations have progressed in recent years with the support of Innosuisse.

The funding of innovation projects is the core of Innosuisse's business. The collaboration in a specific project between researchers from research centres eligible for funding, on the one hand, and practitioners from private, public, for-profit or not-for-profit enterprises, on the other, makes it possible for the latter to acquire the scientific expertise required for their innovation, and for the former to gain practical knowledge of its application. This transfer function of Innosuisse project funding creates a highly welcome, win-win situation.

Innovation projects include:

- **standard innovation projects**, which are defined and implemented from the bottom up by research and implementation partners working together;
- **innovation projects without implementation partner**;
- **start-up innovation projects**, which are innovation projects of start-ups that are still before market entry;
- **international innovation projects**, which are carried out either within the framework of multilateral or bilateral funding initiatives; and
- **flagship initiatives**, which address key challenges for business and society within the framework of thematically predefined calls for proposals using a systemic, transdisciplinary approach.

In the new dispatch period 2025–2028 as well as before it, between 80% and 85% of the available subsidies will be earmarked for this form of support. While the standard innovation projects are to be stabilised at a high level, the other variants of innovation project funding are to be developed further and – subject to sufficient funding – expanded with care during the dispatch period 2025–2028.

Standard innovation projects

After a slump in Innosuisse's first financial year in 2018, demand for funding for standard innovation projects has risen steadily, reaching a peak in 2021 with a requested funding amount of around CHF 380 million. CHF 182 million (excluding overhead contributions) was awarded in 2021 – likewise a record. Together with the funds injected by the implementation partners, this means that over CHF 370 million was invested in such innovation projects in 2021.

It is interesting to see that the proportion of the different types of research partners (Universities of Applied Sciences, Federal Institutes of Technology, Cantonal Universities, other research centres) as well as the size of the implementation partners (micro-, small- and medium-sized enterprises) active in innovation projects has remained fairly stable over the years. In innovation projects that have ended in 2021, micro- und small-sized enterprises (enterprises with fewer than 50 full-time equivalents, FTEs) still

Financial
requirement
2025–2028
CHF
636m
excluding
overhead
contributions

made up almost 60% of all implementation partners. Medium-sized enterprises made up 20%, while larger companies reached 22%. This result seems to testify that, contrary to the general tendency of a falling ratio of innovating SMEs, small companies are continuing to innovate to the same extent in the framework of Innosuisse's innovation project funding as in the previous years. The increasing proportion of start-ups in innovation project funding, reaching 37% in 2021 compared to 19% in 2014, might however point to a shift in the typology of the supported SMEs. While the strong proportion of start-ups in innovation promotion is extremely gratifying and promises the disruptive innovation output that is so greatly needed for the future competitiveness of Switzerland, Innosuisse will have to ensure that mature and more traditional SMEs are not disregarded and continue to innovate. The fostering of incremental research and development – and ensuring easy access to it – will therefore continue to be an important element of Innosuisse's funding activity.

It is fundamentally difficult to make forecasts for the dispatch period 2025–2028 at this early stage. In addition, the introduction of new funding opportunities in the wake of the revision of RIPA is likely to have effects that are not yet fully foreseeable. To begin with, the introduction of innovation projects by start-ups before market entry might have a certain displacement effect. In turn, however, the more flexible funding conditions could well result in higher average funding amounts per project. Given this set of conditions, Innosuisse considers it essential to be able to stabilise standard innovation project funding in the years 2025–2028 at an annual funding amount of around CHF 160 million (**CHF 636 million over the full dispatch period**). This will ensure that those SMEs that would like to carry out incremental, yet crucial innovation projects for them, together with their research partners – who often come from universities of applied sciences – continue to have a chance of being funded. This, in turn, will help to attract SMEs that have not yet been reached by the support offer for investments in innovation and will support them in positioning themselves for the future, in particular by exploiting the existing potential for digital transformation.

In an increasingly non-linear world, however, incremental innovations will not be enough to ensure the economic success of companies in future. The need to make their operations more sustainable and keep pace with digital transformation will increasingly force SMEs to fundamentally rethink their business models. Standard innovation project funding is intended to contribute to this, as well as to provide the necessary incentive for SMEs, like their larger counterparts, to take on the risks of disruptive or radical change and thus invest in the future. As the initial results of the impact analysis show, SMEs are quite willing to do so.

NEW OFFER

Innovation projects without implementation partners / "LabToMarket"

Standard innovation projects are complemented by innovation projects without implementation partners, which enable researchers to test the feasibility of research results. So far, these projects are of rather minor importance overall, accounting for less than 10% of the funding budget for innovation projects. With regard to the dispatch period 2025–2028, the positioning of innovation projects without implementation partners needs to be adjusted, taking into account the introduction of start-up innovation project funding as well as the BRIDGE discovery projects. Innovation projects without implementation partners shall be awarded in future on a more competitive basis, possibly within the framework of special calls. Based on promising research results stemming, for example, from BRIDGE discovery projects, projects without implementation partners shall be focused on product and process development, including development of prototypes, as well as on business development. In this way, the ideas developed within the framework of the so-called "LabToMarket" concept can be taken up. These ideas had been developed under the direction of the SERI, with a view to launching so-called complementary measures to strengthen the Swiss research and innovation landscape. They would have served a similar purpose as the EIC Transition funding scheme of Horizon Europe, which is partially closed to Swiss researchers due to Switzerland's current third country status. Although considered to be a very promising means of strengthening the value chain, the launch of the "LabtoMarket" scheme had to be abandoned for the time being due to financial constraints. Innovation projects without implementation partners will thus become an important tool for the maturation and specification of promising research results and will strengthen an already existing funding instrument with a view to improving and accelerating the transfer from science to market. In order to secure a tangible impact of the redefined funding instrument, an annual funding budget of CHF 20 million (**CHF 66 million over the full dispatch period**) must be made available.

Financial requirement
2025–2028
CHF
66m
excluding overhead contributions

Start-up innovation projects

The entry into force of the RIPA revision on 1st January 2023 will open the door to tackling the funding of innovation projects of start-ups before market entry. For the time being, due to the scarcity of funding, a maximum of CHF 20 million will be made available annually for corresponding projects. This should make it possible to support around 40 innovation projects by start-ups each year. Even if it is currently still difficult to estimate the potential of this new funding opportunity, given the demand in Switzerland for the EIC Accelerator Grants alone, it can be assumed that the need will be several times higher. In consideration also of the 300-plus start-ups that are accepted into the start-up coaching programme each year, up to 500 applications can probably be expected annually.

Financial requirement
2025–2028
CHF
127m
excluding overhead contributions

Science-based start-ups are intrinsic to Switzerland's future innovative strength. Internationally competitive support opportunities are essential in order to attract the most promising start-ups to Switzerland as a business location in the longer term. A solid national basis is all the more important, as funding opportunities through Horizon Europe are extremely uncertain. It is crucial, therefore, that the promise made with the creation of the new legal basis can be kept.

By nature, innovation is not limited to a single type of company or institution. Historically, Switzerland had a strong tradition of innovation in SMEs. However, all promising opportunities should be given a fair chance, including both start-ups and SMEs, where innovation projects are funded in a very competitive manner. We consider it should be possible to ensure a commitment rate of at least 20% to 25% in the medium term. Otherwise, there is a risk that excellent projects will not receive the funding they deserve and innovative start-ups will turn away in disappointment from Switzerland as a business location. Based on current assumptions, this means that the number of projects funded needs to be increased during the dispatch period 2025–2028 in such a way that, in 2027 and 2028, at least 100 start-ups before market entry should receive support for their innovation projects. Based on the above assumptions, this will require annual commitments in the amount of CHF 50 million. However, due to the time lag in disbursing the contributions awarded, the total funding requirement in the dispatch period 2025–2028 is still at a lower level and amounts to **CHF 127 million**.

Thanks to the legal basis created by Parliament as part of the RIPA revision, Innosuisse will support in 2022 – and, depending on the progress of discussions concerning Switzerland's association with Horizon Europe, also in the years that follow – not only start-ups before their market entry, but also SMEs within the framework of the so-called Swiss Accelerator with direct project funding. It can thus at least partially fill the gap left by exclusion from the European EIC Accelerator. The funds for this support measure are provisionally secured via a credit transfer from the Horizon Europe credit account to a special account for transitional measures. Should an association with Horizon Europe fail, the necessary funds to continue the Swiss Accelerator initiative in the long term would probably have to be provided within the 2025–2028 payment framework for Innosuisse. For the time being, no financial requirement has been identified for the Swiss Accelerator due to the current uncertainty of the development of Switzerland's integration in the European Research Area and the consequences that would therefore have to be drawn at national level.

International innovation projects

The RIPA revision has created the possibility of awarding a partial contribution to the project costs of Swiss implementation partners in international innovation projects. Until now, this was only possible for international projects within the framework of participation in EU programmes in the area of research and innovation. Now it will also be possible within the framework of a joint call for proposals with a foreign partner organisation of Innosuisse, for example together with the Korea Institute for Advancement of Technology (KIAT). This new possibility will help to create a level playing field between the Swiss companies involved in the project and their foreign partner companies. Innosuisse is convinced that international cooperation can be decisively strengthened and expanded thanks to this amendment, provided it is given the necessary financial resources. Besides the already established bilateral cooperations with Sweden, South Korea, Brazil and Israel, multiple opportunities to strengthen international collaborations exist. With its "International innovation cooperation strategy", Innosuisse has defined its plan, principles and priorities in this respect. Currently, the main focus is on the exploration of intensified cooperation with the USA, Canada, and the UK. Depending on the development of the needs and boundary conditions, further future partners might include India, Japan, China, Indonesia and/or other Southeast Asian countries.

Financial requirement
2025–2028
CHF
140m
excluding overhead contributions

Full association with Horizon Europe remains the strategic goal, as this guarantees Switzerland's integration into the European research and innovation area and, as a consequence, its long-term competitiveness in research and innovation. However, in order to make international cooperation in Swiss innovation funding more independent and less reliant on the fate of Swiss participation in Horizon Europe and its successor programmes, Innosuisse intends to further strengthen cooperation within the framework of Eureka, whether through active participation in the Eurostars calls for proposals or increased participation in the Eureka Clusters. It should be noted, however, that scaled-up funding often fails due to a lack of financial resources in the partner countries concerned, and projects classified as worthy of support therefore do not come to fruition, even though funding from Innosuisse would be secured. If Switzerland's association with Horizon Europe ultimately cannot be realised, this should provide the impetus to examine whether Switzerland could step into the breach in such cases and – in addition to financing the Swiss project partners – also take over financing for the foreign project partners not financed by their own national funding organisations. Such a practice would certainly significantly enhance Switzerland's international reputation and underpin its position in international networking. However, no case is made here to provide funding for such support. Rather, this extension of eligibility would need to be the subject of broader political debate and additional funding would need to be made available were it to be endorsed by the federal government.

The intended strengthening of international cooperation can only be ensured through disproportionately high growth. The goal is to have around 10% of the total funding amount flow into international cooperation by the end of the dispatch period in 2028. For this to succeed, funding totalling **CHF 140 million** is needed during the dispatch period.

Flagship initiative

Financial requirement
2025–2028
CHF
160m
excluding overhead contributions

The commitments made to the first flagships in 2021 were CHF 15 million higher than would otherwise have been the case thanks to credit transferred from the coffers of the Horizon Europe package to Innosuisse. Within the two thematic areas of "Managing the digital transformation induced and accelerated by Covid-19" and "Improving resilience and sustainability and reducing vulnerability of society, infrastructure and processes", a total of 15 flagships were approved with a funding contribution of between CHF 2.4 and CHF 5.5 million. In total, Innosuisse will support these flagships over the next four to six years with around CHF 50 million (excluding overhead contributions), supplemented by a contribution of at least the same size from the participating implementation partners. The goal of the call for proposals for this new initiative, which was to promote the establishment of larger cross-sector and cross-disciplinary consortia that work together using a systemic and trans-disciplinary approach to tackle innovation topics with the potential to have a major impact on society and the economy, was fully met. The lively interest and multiple enquiries regarding future calls for proposals and themes set for the flagship initiative show that this new form of funding meets a proven need and represents an ideal funding tool for dealing with transversal topics such as digital transformation or sustainability. Thanks to the additional funds that the Federal Council proposes to allocate to Innosuisse for transitional measures to bridge Switzerland's non-association to Horizon Europe, Innosuisse will be able to launch a second call for flagships towards the end of 2022 with a budget envelope of around CHF 20 million. **However, Innosuisse will not be able to launch a third call for proposals in 2023 or 2024 that will still result in contribution payments in the dispatch period 2021–2024.**

It is of great importance for Innosuisse to be able to resume and strengthen this new initiative, which complements the otherwise predominantly bottom-up funding, to help it reach a critical mass in the dispatch period 2025–2028. The themes set will be driven by demand and will primarily focus on the social and economic challenges in which science-based innovation can make a particular contribution. Of course, use will be made of the relevant scientific expertise available in Switzerland. The National Centres of Competence in Research (NCCR), and in particular the NRP funded by the SNSF and the implementation potential of their scientific results, will also play an important role in this respect. Innosuisse is currently defining the exact process and involvement of interested parties in setting the thematic areas that will be the subject of calls for proposals.

Innosuisse plans calls for proposals for flagships on an annual basis starting in 2025. A look at the first call for proposals shows that a funding amount of CHF 50 million per call for proposals is a sensible figure. Using this amount as a base, this results in a total funding requirement for 2025–2028 for flagships of **CHF 160 million**.

Overhead contributions

The RIPA revision created the possibility for the Federal Council to make the proposition to Parliament, along with proposition of the payment framework to be set for Innosuisse for the four-year dispatch period, that centres of technological excellence be paid a higher overhead contribution than higher education research centres and non-commercial research centres outside the higher education sector. This is intended to take into account the special cost structure of these centres. The Federal Council already made use of this possibility for the current dispatch period 2021–2024 and proposed a maximum percentage for centres of technological excellence of 25% of direct project cost contributions instead of the usual 15%, which was approved by Parliament. Overhead contributions are due for standard innovation projects, "LabToMarket" projects (innovation projects without implementation partners), international innovation projects (partially) and flagships. As regards BRIDGE, overhead contributions are already included in the specified requirement.

Financial
requirement
2025–2028
CHF
154m

Innosuisse assumes that the maximum rates will be in the same order of magnitude in the dispatch period 2025–2028 as in the period 2021–2024. It therefore estimates the financial requirement for overhead contributions at just under 17% of the reported financial requirement for the applicable innovation project funding, which represents **CHF 154 million**.

Financial requirement
2025–2028
CHF
31m
excluding overhead contributions

Innovation cheques

Innovation cheques have seen an extraordinary increase in demand since 2018. The number of applications nearly doubled between 2018 and 2021, rising to more than 800 applications in 2021. This low-threshold support offer for SMEs evidently meets a proven need on their part. In 2021, a total of 576 innovation cheques were awarded comprising funding totalling CHF 8.6 million.

For the future, however, the question arises as to what the exact positioning and funding purpose of innovation cheques actually is. Originally intended primarily as preliminary studies for subsequent innovation projects, innovation cheques increasingly seem to cover the need for small, low-threshold innovation projects that are not primarily preoccupied with clarifying whether the innovation idea can lead to a full-blown innovation project. Innosuisse will analyse this support offer in more detail in order to clarify whether the system of awarding innovation cheques should be expanded further, continued to the same extent or – if necessary – reduced. It is necessary to examine what the level of motivation is on the part of the applicants, as well as finding out in how many cases the awarding of an innovation cheque results in an innovation project, or what added value the financing of an innovation cheque has for SMEs and their innovation efforts. The results of this analysis will be used to reposition or better position the funding instrument in the dispatch period 2025–2028. There is no question that the innovation cheque should be retained as a low-threshold funding instrument with as few formalities as possible, which also enables inexperienced SMEs to gain access to innovation funding. For the time being, pending further findings, it is assumed that the funds required will be slightly below the level achieved in 2021, at a total of **CHF 31 million**.

Financial requirement
2025–2028
CHF
60m

BRIDGE

The joint SNSF and Innosuisse funding programme has been in existence since 2017 and aims to build a bridge from application-oriented basic research to science-based innovation. The programme consists of two support offers: "Proof of Concept" (PoC) and "Discovery". While PoC is aimed at young researchers who want to develop an application or service based on their research results, Discovery is aimed at experienced researchers who want to explore and implement the innovation potential of research results.

An external evaluation of the programme was carried out in the dispatch period 2021–2024; preliminary results from this evaluation were available when this Multi-Year Programme 2025–2028 was being compiled. Both funding lines are successful: 79 start-ups have already been founded (as at April 2022) from among the 121 Proof of Concept projects funded in 2017–2020. The impact of the Discovery projects is not yet evident as the projects are longer. However, the broad participation of project managers from the ETH (27%), university (35%) and university of applied sciences (23%) sectors is very pleasing, which means that one of the objectives of the funding line has been achieved. Competition is fierce: for Proof of

Concept the success rate is 22%, for Discovery only 12%. What needs to be improved is the low participation rate, at 25%, of women in both funding lines.

In the new funding period, the SNSF and Innosuisse want to further develop BRIDGE and, in particular, achieve greater diversification. Under this objective, the promotion of social innovation is to be strengthened and the participation of women, researchers from universities of applied sciences and younger researchers is to be increased. This further development also includes strengthening the implementability of research results. A systematic coaching offering within the Proof of Concept funding line will help bridge cultural differences between research and application and establish contacts that will accelerate implementation. In "Discovery," the evaluation will focus even more on the implementation potential of projects.

The financial requirement for BRIDGE amounts to **CHF 60 million** for the new contribution period. With this relatively small increase in the budget, the diversification and strengthening of implementation as mentioned above can be pursued.

Promoting entrepreneurship



These start-ups have been able to develop in recent years with the support of Innosuisse.

Innosuisse's current funding instruments for science-based start-ups enjoy a very good reputation among the innovation players at whom they are targeted. In 2018 and 2019 in particular, demand for Innosuisse's start-up coaching increased by around 40% each year. It remains to be seen whether the current support offer covers the existing potential and whether demand will stabilise in the years ahead at around 500 applications per year for admission to start-up coaching. Without doubt, increasing demand will be seen for the internationalisation offers associated with coaching, such as the Market Entry Camps and Market Validation Camps or participation in international trade fairs. As regards the camps, further destinations in Canada, Europe or elsewhere will be added, also taking into account the expansion of Swissnex locations.

The financial requirement for the promotion of entrepreneurship will remain rather modest in the dispatch period 2025–2028, amounting to a **total of CHF 62 million**. This takes into account the fact that Innosuisse will now also be able to make direct contributions to organisations in the Swiss start-up ecosystem based on the revision of RIPA, which will come into force on 1st January 2023.

Awareness-raising and training programmes

The awareness-raising and training programmes attracted nearly 5,500 participants in 2021, including an encouraging 46% women. This shows that entrepreneurship is gaining in popularity among students as an alternative career option, and also that Innosuisse's support offer quite obviously meets the needs of students and people interested in setting up a company – thanks, in part, to alternative, partly digital learning opportunities.

Financial
requirement
2025–2028
CHF
20m

The awareness-raising and training programmes are currently undergoing a comprehensive evaluation. The results, which will be available in the course of summer 2022, will have a significant impact on how the successor programmes are designed. These successor programs will replace the ones currently in place at the beginning of 2025.

It is not only the learning content that is being subjected to review, but also the question of how Innosuisse should select service providers in future. Innosuisse will align its programme offerings in a way that complements existing offerings from private and other organisations, ensuring that it fills gaps that need to be addressed in the interests of ensuring a thriving and high-performing start-up ecosystem. This must not result in distortions of competition.

In addition to ensuring that women and men take equal advantage of the support offered, the new programmes are intended to attract more students from universities of applied sciences and people outside the university sector who are interested in science-based entrepreneurship. The goal is to achieve diversity in terms of linguistic

and cultural background as well as the age and gender of those taking part in the awareness-raising and training measures. Based on the expenditure for current contracts with service providers, the financial requirement for the awareness-raising and training programmes for the dispatch period 2025–2028 are forecast at **CHF 20 million**.

Start-up coaching

Financial
requirement
2025–2028
CHF
21m

Innosuisse's start-up coaching is a success story. The number of coached start-ups was already increased significantly compared to the predecessor organisation in 2018, the first year of operation. The system changeover to coaching vouchers, which happened when the Commission for Technology and Innovation (CTI) was replaced by Innosuisse and which allows start-ups to select the coach they want from a pool of accredited coaches, has proven extremely effective in practice. The supported start-ups are highly satisfied with the offer and the coaches involved are now unreservedly in favour of the system, despite initial reservations from within their ranks.

In view of the good starting position, no major changes are planned for the dispatch period 2025–2028. Minor adjustments are however continuously being made, based on gained experience. A particular focus will be on strengthening and expanding scale-up coaching, which was launched in 2020 and targets start-ups with high growth potential. Innosuisse intends to gear its support offering to the individual needs of these start-ups in a more targeted manner, with the aim of enabling them to exploit their high growth potential in Switzerland and thus for the benefit of the Swiss economy. The financing needs of these start-ups is a key priority here. In order to provide them with access to suitable investors, Innosuisse intends to further expand its contacts with venture capitalists and, in particular, to provide more targeted information on the start-ups it supports – whether in the context of start-up coaching or also in the context of innovation project funding.

In the area of start-up coaching, special attention will also be paid to the topic of gender equality. Innosuisse will take suitable measures aimed at continuously increasing the proportion of female founders, for example by raising the profile of appropriate role models or increasing the proportion of women in the pool of coaches, to name but a few.

In order to achieve the envisaged goals in start-up coaching, it is not so much additional funding that is required, but rather additional, qualified personnel resources in order to effectively ensure completion of the necessary concept, support and networking activities. Overall, Innosuisse assumes a financial requirement of **CHF 21 million** for the promotion of start-up coaching in the dispatch period 2025–2028.

Internationalisation programmes

Science-based start-ups, for example those active in the DeepTech sector, depend on access to international markets if they want to mature from Switzerland as a location. With the Market Entry Camps and Market Validation Camps, on the one hand, and participation in international trade fairs, on the other, Innosuisse provides start-ups that benefit or have benefited from its start-up coaching with a highly sought-after internationalisation programme. This gives start-ups the opportunity to explore new markets and introduce themselves to potential business partners.

Financial
requirement
2025–2028
CHF
10m

Collaboration with Swissnex has proven its worth with the Camp offer. This is to be continued. Innosuisse also wants to cooperate with the newly opened or strengthened locations such as Osaka, Seoul and other locations yet to be established. Due to the stuttering European cooperation, camp locations in Europe are in particular focus as well. Based on the feedback from participants and the results of impact monitoring, the services provided for start-ups on site are also repeatedly scrutinised together with Swissnex, and optimised if necessary. Participation in trade fairs, such as an appearance at CES in Las Vegas, can be a decisive factor in setting the course for the entrepreneurial future of a start-up. This form of support is also to be continued in cooperation with Switzerland Global Enterprise (S-GE) and SwissTech, and – if possible – expanded. Internationalisation programmes achieve a great impact and are comparatively inexpensive; this is also because the start-ups themselves have to make a contribution – something they only do if they are convinced that the measure will be a success. Innosuisse assumes a financial requirement of **CHF 10 million** to cover the internationalisation programmes for the dispatch period 2025–2028.

NEW OFFER

Contributions to organisations in the start-up ecosystem

With the RIPA revision, the legislator created the possibility for Innosuisse to directly support organisations active in the Swiss start-up ecosystem through contributions. These contributions are intended to strengthen private initiatives that are committed to a strong and sustainable Swiss start-up scene, and to enable them to network nationally and internationally and exploit potential synergies. Innosuisse is currently in the process of developing the funding concept for this new support option. It is uncertain whether it can be enacted during the ongoing dispatch period due to the current funding shortage. However, by 2024 at the latest, eligible organisations should be able to submit applications for contributions, meaning that the initial contribution payments can be triggered from 2025 onwards. It is difficult to estimate the funds required until the concept is available, but Innosuisse currently assumes that the programme will require around CHF 5 million per year when implemented. However, with an amount totalling **CHF 11 million** for the entire dispatch period 2025–2028, the start-up ecosystem in Switzerland should receive a significant boost.

Financial
requirement
2025–2028
CHF
11m

Support for highly qualified individuals

NEW OFFER

Support for highly qualified individuals

Based likewise on the RIPA revision of 2021, Innosuisse will launch the promotion of highly qualified individuals to strengthen their innovation skills by no later than the start of the dispatch period 2025–2028. The envisaged funding objective is to be achieved primarily through exchange programmes. These will see persons from the corporate world update and expand their innovation knowledge at a research institution for a specific period of time – or, conversely, persons from the scientific world expand their expertise in the practical implementation of innovations within a company. Ensuring equal opportunities will be a major concern of this promotion activity, as well.

Financial
requirement
2025–2028
CHF
36m

Innosuisse is currently in the process of finalising the detailed design of this new programme. It is doing this with the involvement of interested parties from science and industry. Due to the current financial constraints, the first calls for proposals will be timed so that the first contribution payments can be made in 2025 – provided funding is available. For the entire dispatch period 2025–2028, Innosuisse is claiming a **financial requirement totalling CHF 36 million**. This will allow about 20 people to be funded in both 2025 and 2026, and about 40 people per year in 2027 and 2028.

Knowledge and technology transfer



These innovation endeavours have been launched in recent years thanks to the support for project set-up and networking by Innosuisse.

The specific support measures in the area of knowledge and technology transfer (KTT) aim to bring together innovation players from business, science and society and motivate them to act together in the interests of creating the most radical innovations possible. Traditionally, KTT measures include innovation mentoring, Networking Event Series and Innovation Boosters. Support will be stepped up in the search for suitable innovation partners, not only internationally within the EEN, but also nationally. In addition, the RIPA revision of 2021 created an explicit legal basis for, on the one hand, taking measures to support the clarification of intellectual property issues and, on the other, supporting coordination and training measures within the context of implementing innovation projects. The latter should be of particular interest for large flagships. It will need to be clarified whether, and in what form, such measures should be launched.

Similarly to the promotion of entrepreneurship, the financial requirements for KTT measures are not particularly high in principle. Here, too, the main requirement for the various support measures is a significant deployment of personnel, whether through innovation mentors or through consultants who, as employees, belong directly to the staff of the Innosuisse head office but provide direct support services to the eligible groups. Innosuisse assumes a total **financial requirement of CHF 54 million** for KTT measures in the dispatch period 2025–2028.

Innovation mentoring and partner search

Innovation mentoring is aimed at SMEs and supports them in preparing their innovation projects, whether in terms of finding the right innovation partner or fine-tuning the specific innovation project. From Innosuisse's point of view, collaboration with innovation mentors from the RIS environment has proven to be particularly effective. These service providers can offer comprehensive advice to SMEs seeking support; they can also open the right channels for them if it turns out that the implementation of an innovation project supported by Innosuisse does not meet the SME's needs in a specific case. Innovation mentors must have in-depth knowledge of the funding instruments, the funding criteria and the funding practice of Innosuisse in order to be able to provide meaningful advice. To do this, they must be as close as possible to Innosuisse's funding activities. This requirement is somewhat at odds with the status of innovation mentors, who are accredited by Innosuisse but have no other contractual relationship with it, and thus do not enter into any special contractual obligations towards Innosuisse, for example with regard to confidentiality or data protection. Although the current mentoring system is working well for the time being, Innosuisse will analyse the interaction between the different roles in the mentoring system in the next few years and consider possible alternatives, with the aim not only of securing the undisputed benefits of innovation mentoring, but also of providing better solutions in order to eliminate potential pitfalls.

| |
|---|
| Financial requirement 2025–2028 CHF |
| 16m |

When it assumed responsibility for Swiss EEN activities in 2017, Innosuisse opened up another field of activity in the area of consulting and the search for international innovation partners for the benefit of SMEs. Innosuisse is currently examining whether the international network that this opens up, the expertise acquired and the instruments used to provide the activities can also be put to work at national level. If the review leads to a positive result, it will also need to be examined how these activities could be linked in the interests of providing a clearly positioned support portfolio and also of exploiting the existing synergy potential. With a view to the restructuring outlined here, it is assumed that the financial requirement will be slightly higher than today, averaging CHF 2.5 million compared with CHF 1.5 million in 2021. Added to this is the cost of EEN services provided internationally and, by analogy, nationally. Consequently, the financial requirement for the entire dispatch period 2025–2028 amounts to **CHF 16 million**.

Promotion of networking

Financial
requirement
2025–2028
CHF
38m

Within the framework of the promotion of networking, Innosuisse supports the (NTN) Innovation Boosters as well as the Networking Event Series. The Innovation Boosters, which were launched for the first time in 2019, are intended to generate promising innovation projects, especially those aimed at disruptive innovations, through networking and testing of unconventional innovation ideas. They apply methods of agile innovation management and support an open innovation culture. It is too early at the moment to assess the effectiveness of the new approach in more detail. However, initial experience is promising. Moreover, the innovation players involved are highly motivated to push ahead with their Booster activities. Innosuisse will use the information obtained within the context of the impact analysis to identify potential for improvement, and will also take it into consideration for new calls for proposals in the dispatch period 2025–2028. Furthermore, the activities of the Innovation Boosters may also be used to further concretise research results with application potential from the SNSF's funding programmes, and to test their suitability for transformation into concrete innovations together with practitioners from business and society. Finally, Innovation Boosters may also consider international outreach in order to strengthen their impact.

The Networking Event Series likewise serve the goal of better networking and collaboration between research and practice in specific innovation areas. They may be used as precursors to Innovation Boosters because of their impact on the networking of players in promising innovation topics. This fosters the generation and development of new stimuli and can, in the end, help to dynamise the whole Swiss innovation ecosystem.

What both activities have in common is that the topics chosen by the actors are of high relevance, not least for the sustainable development of our economy and society. Topics such as "Digital Health Nation", "Plastics for Zero Emission", "Swiss Smart Cities" or "Applied Circular Sustainability" are testament to this.

Innosuisse assumes that the activities will be continued at least to the same extent as before. This implies that a total of **CHF 38 million** will be made available for networking activities in the dispatch period 2025–2028.

Protection of intellectual property

With the RIPA revision of 2021, the legislature explicitly opened up the possibility for Innosuisse to take measures in favour of innovation players to support them in clarifying intellectual property issues. Time will need to be taken to examine whether more far-reaching offers should be established beyond the free patent search offered as part of the collaboration with the Swiss Federal Institute of Intellectual Property (IPI), with the aim of providing additional support especially to SMEs and start-ups in this area – something that is crucial to their international competitiveness. If a decision is made in the affirmative, it would have to be ensured that these do not compete with existing private offerings or even displace them. Alongside this, cooperation will have to be sought with the specialised consulting facilities of the research institutions and a solution found for the goal-based division of tasks. Further steps for supporting innovation players in their Intellectual Property strategy should be evaluated.

Dissemination of information

The purpose of the information dissemination measures is to familiarise those potentially interested in funding with the existing funding opportunities at national and international level and to provide them with the information they need for successful participation. Innosuisse does this through partnerships with organisers of relevant conferences, exhibitions and campaigns, which can be used to draw targeted attention to Innosuisse's existing funding instruments. Other measures include the information sessions for researchers with the SNSF. As part of this process, the two funding agencies jointly bring researchers at universities and research centres closer to their respective funding offerings. Not least in response to the Covid-19 pandemic, webinars have been introduced and developed further in the last few years. These also offer a suitable and cost-effective means of effectively providing information to those interested in funding.

A particular challenge is Innosuisse's desire to reach SMEs that have not yet made use of Innosuisse's support services or are perhaps not even aware of them, even though they would be good candidates for such support. To this end, Innosuisse is working not only with the RIS, but also with appropriate private organisations or associations representing these groups. The fact that, so far, about half of all implementation partners in a funding year have been new customers is evidence that the

| |
|--|
| Financial requirement 2025–2028 CHF 6m |
|--|

measures are definitely having an effect here as well. However, further efforts will be needed in this area.

As recent years have shown, effective information dissemination can be achieved with relatively modest resources, although the considerable resources allocated to the head office are at the operating expenses. Innosuisse assumes that an amount totalling **CHF 6 million** will be sufficient in the dispatch period 2025–2028 as well for measures to ensure effective information dissemination.

Service provision and financial requirement

Service provision

Since it began operations in 2018, Innosuisse has been able to keep its operating expenses as a percentage of total expenses at a low level, despite an urgently needed increase in staff and significant investments in its IT systems. In 2021, it was only slightly above 7%. This low share can be explained by an extraordinary increase in the commitment budget. While this increase also leads to an additional expense for the provision of services, the operating expenditure does not respond at the same speed due to its fixed-cost character. The resources required to ensure the proper provision of funding services can often only be secured subject to a delay, at the cost of temporarily overloading the organisation. However, the resources will then remain in place and – because of the support and administrative measures to be taken – will also be needed if the funding budget decreases again, as is planned for 2024 according to the current financial plan. If Innosuisse's budget allocation remains unchanged, particularly for 2024, the operating expenses will increase to well over 8% in that year. However, this does not take into account the additional funding made available for the Swiss Accelerator. Since most of this increase in resources will happen in 2022, the operating expenses share will again be very low in 2022, but will then increase significantly in subsequent years – even if not quite to the extent mentioned above.

Since it began operations in 2018, Innosuisse has proven that it is capable of ensuring an efficient funding system at an exceptionally low cost. Another reason for this is its system of part-time commitment, as part of which more than 200 people are responsible for the quality of funding decisions as members of the Innovation Council or as experts, and are willing to perform their part-time work in the interests of Switzerland's

innovative strength in return for comparatively modest compensation. In view of the increase in the tasks ahead, the number of experts in particular will have to be increased as well in order to meet the workload. However, personnel working on a part-time basis can only perform their duties with reasonable effort if they can rely on proven specialists at the head office to oversee the qualified preparation and follow-up of their work, on an efficient and user-friendly IT system and with lean processes. Innosuisse has done considerable groundwork in this regard in recent years. Additional fine-tuning and selective reinforcements are necessary in order to position Innosuisse properly for the future and to ensure highly effective, efficient and customer-friendly funding activities in the long term. The current headcount of around 90 employees, or around 75 full-time equivalents, will therefore increase again moderately during the dispatch period, provided that the intentions outlined in this document can be realised to the extent stated. By the start of the new dispatch period, the new IT system for funding management will have been largely implemented and the Enterprise Resource Planning (ERP) will also have been placed on a new footing. Innosuisse expects tangible efficiency gains as a result. However, it is also aware that short-term developments in Swiss funding policy can always lead to significant deviations from original planning, which in turn requires an agile funding organisation capable of reacting swiftly and decisively.

If the programme outlined in this document can be implemented to the extent proposed, it will be possible to stabilise operating expenses at around 7.2% in the medium and longer term. Overall, Innosuisse assumes **operating expenses for the dispatch period 2025–2028 of CHF 119 million.**

Financial requirement

Innosuisse has earmarked a total financial requirement for innovation promotion of CHF 1,532 million for the dispatch period 2025–2028. Added to this are operating expenses amounting to CHF 119 million (7.2% of the total budget), which leads to an overall financial requirement for 2025–2028 of **CHF 1,651 million**. Innosuisse is well aware that the stated financial requirement is significantly above the financial scenarios specified by the SERI in its mandate dated 16 June 2021 to Innosuisse, with annual growth of 0.5%, 1.5% or 2.5%. However, these scenarios do not take into account the new and modified funding instruments introduced with the RIPA revision of 2021. Innosuisse is of the firm conviction that it would not be living up to its remit if it were to base its planning on the given scenarios, regardless of the level of funding currently achieved and regardless of the expectations raised by the RIPA revision. If the intention of Parliament to strengthen innovation funding is to be put into practice, a higher increase of the payment framework is clearly needed. Innosuisse has made its financial estimates with a high sense of proportion and has, for example, also taken into account the possible shift effects from existing

funding schemes to new ones. However, adhering to the financial scenarios of SERI would not only mean foregoing the launch of a large portion of the support offers introduced with the RIPA revision, but it would also constitute a significant downgrade from the funding level achieved for the innovation projects in 2020 and 2021 (2020 commitments for innovation projects: CHF 175.1 million; 2021 commitments for innovation projects: CHF 182.1 million).

The financial resources indicated for the individual funding areas are, of course, estimates. Taking account of the very early stage of the present planning and the insecure development of the innovation landscape, and also of the overall framework conditions in particular, Innosuisse needs the necessary flexibility to adapt its funding strategies to changing needs. Innosuisse therefore reserves the right to shift resources between the various funding instruments, especially the smaller ones, in order to be able to react quickly and appropriately to unforeseen developments that are bound to occur.

Financial requirement

Table 1: **Financial requirement Innosuisse 2025–2028**

| in CHF million | 2024 | 2025 | 2026 | 2027 | 2028 | 2025–2028 |
|--|--------------|--------------|--------------|--------------|--------------|----------------|
| Federal contributions | 296.5 | 367.0 | 406.0 | 433.0 | 445.0 | 1,651.0 |
| Total innovation funding | 280.4 | 338.5 | 376.5 | 402.5 | 414.5 | 1,532.0 |
| Standard innovation projects | 152.0 | 156.0 | 160.0 | 160.0 | 160.0 | 636.0 |
| Start-up innovation projects | 16.0 | 25.0 | 29.0 | 35.0 | 38.0 | 127.0 |
| International innovation projects | 24.0 | 28.0 | 34.0 | 38.0 | 40.0 | 140.0 |
| Flagship initiatives | 14.6 | 31.0 | 37.0 | 43.0 | 49.0 | 160.0 |
| “LabToMarket” innovation projects | 0.0 | 10.0 | 16.0 | 20.0 | 20.0 | 66.0 |
| Overhead contributions | 27.4 | 35.0 | 38.0 | 40.0 | 41.0 | 154.0 |
| Innovation cheques | 6.0 | 7.0 | 8.0 | 8.0 | 8.0 | 31.0 |
| BRIDGE | 13.5 | 15.0 | 15.0 | 15.0 | 15.0 | 60.0 |
| Entrepreneurship, incl. ecosystem | 12.0 | 14.0 | 16.0 | 16.0 | 16.0 | 62.0 |
| Support for highly qualified individuals | 0.0 | 3.0 | 9.0 | 12.0 | 12.0 | 36.0 |
| Knowledge and technology transfer | 13.4 | 13.0 | 13.0 | 14.0 | 14.0 | 54.0 |
| Dissemination of information | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 6.0 |
| Operating expenses | 25.1 | 28.5 | 29.5 | 30.5 | 30.5 | 119.0 |
| Operating expenses in % of federal contributions | 8.5% | 7.8% | 7.3% | 7.0% | 6.9% | 7.2% |
| Net result | -9.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Compound annual growth rate 2024–28 (federal contributions) | 11% | | | | | |

In the table below the total amount of overhead contributions is allocated to the different innovation project funding instruments that are subject to overhead contributions. The proportion of overhead contributions is significantly lower for international innovation projects due to the fact that a part of the funding is targeted at companies that are not entitled to overhead contributions.

Table 2: **Split of overhead contributions 2025–2028**

| in CHF million | 2024 | 2025 | 2026 | 2027 | 2028 | 2025–2028 |
|--|-------------|-------------|-------------|-------------|-------------|--------------|
| Overhead contributions | 27.4 | 35.0 | 38.0 | 40.0 | 41.0 | 154.0 |
| Total standard innovation projects | 176.3 | 182.6 | 187.3 | 187.2 | 187.2 | 744.3 |
| Standard innovation projects | 152.0 | 156.0 | 160.0 | 160.0 | 160.0 | 636.0 |
| Overhead contributions | 24.3 | 26.6 | 27.3 | 27.2 | 27.2 | 108.3 |
| Total international innovation projects | 24.8 | 29.4 | 35.7 | 39.9 | 42.0 | 147.1 |
| International innovation projects | 24.0 | 28.0 | 34.0 | 38.0 | 40.0 | 140.0 |
| Overhead contributions | 0.8 | 1.4 | 1.7 | 1.9 | 2.0 | 7.1 |
| Total Flagship initiatives | 16.9 | 36.3 | 43.3 | 50.4 | 57.3 | 187.3 |
| Flagship initiatives | 14.6 | 31.0 | 37.0 | 43.0 | 49.0 | 160.0 |
| Overhead contributions | 2.3 | 5.3 | 6.3 | 7.4 | 8.3 | 27.3 |
| Total “LabToMarket” innovation projects | 0.0 | 11.7 | 18.7 | 23.4 | 23.4 | 77.2 |
| “LabToMarket” innovation projects | 0.0 | 10.0 | 16.0 | 20.0 | 20.0 | 66.0 |
| Overhead contributions | 0.0 | 1.7 | 2.7 | 3.4 | 3.4 | 11.2 |

The financial requirement earmarked by Innosuisse for the dispatch period 2025–2028 is **CHF 389 million** higher than the most generous scenario provided by SERI. If this amount had to be saved, this would have serious consequences for Innosuisse's innovation funding.

Whether necessary cuts should primarily hit new and innovative funding schemes or instead challenge the legacy funding instruments, is not an easy question to answer. Considering stakeholders' expectations in a re-

liable and stable funding system and the need to reduce operating expenses as far as possible in a situation of austerity, Innosuisse would opt to spare the existing instruments at the expense of the new ones. It would, however, deplore the missed opportunity to optimise and better align its innovation funding with the challenges ahead.

The effects of the reductions are outlined in detail below:

Table 3: **Necessary savings to meet given scenarios**

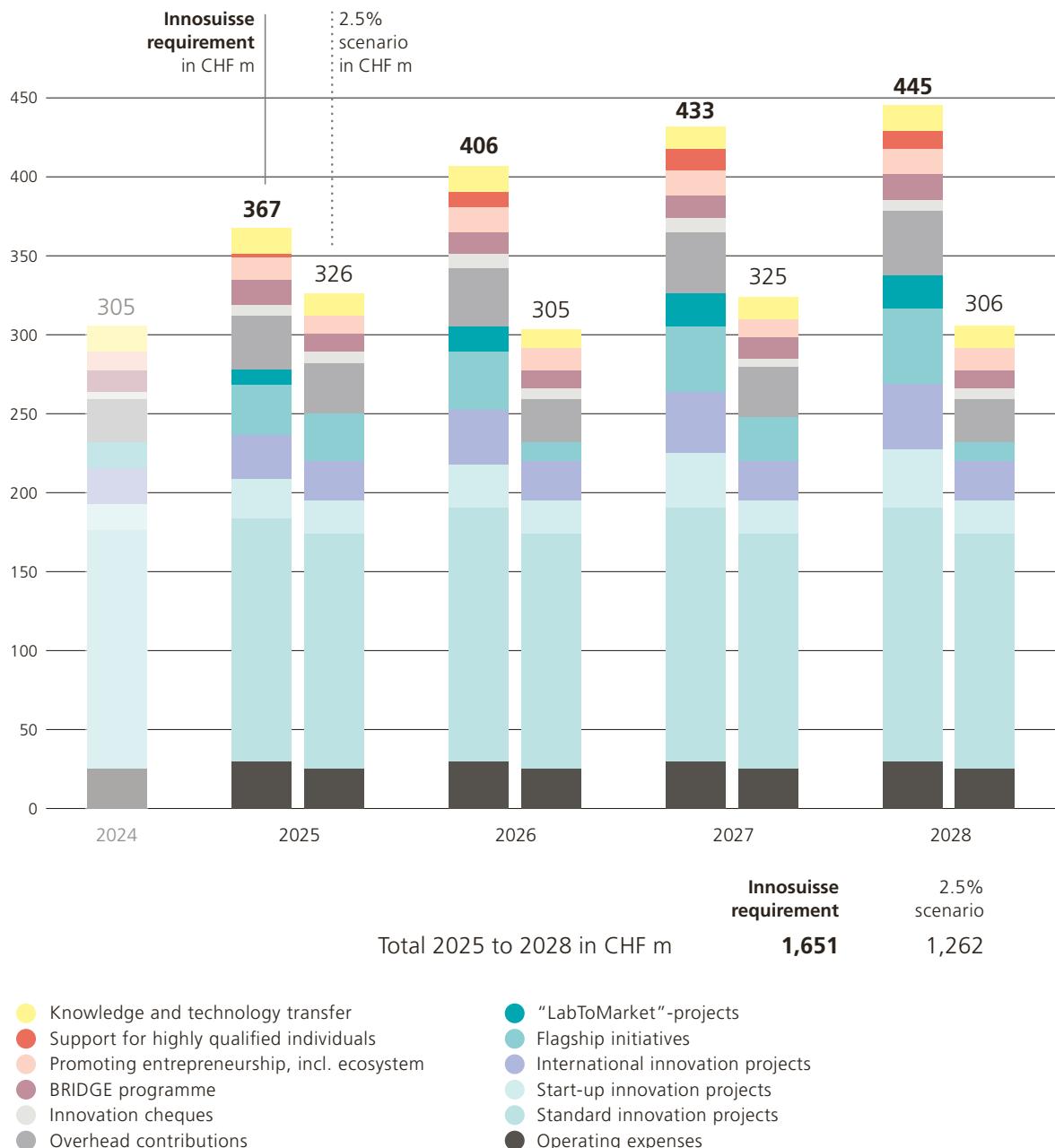
| in CHF million | Need | Savings | Residue | Comment |
|---|--------------|-------------|--------------|---|
| Standard innovation projects | 636 | -36 | 600 | → Reduction of number of funded standard innovation projects compared to 2019–21 of around 15% |
| Start-up innovation projects | 127 | -47 | 80 | |
| International innovation projects | 140 | -40 | 100 | |
| Flagship initiatives | 160 | -78 | 82 | |
| "LabToMarket" innovation projects | 66 | -66 | 0 | → No exploitation of the potential for new and existing instruments; inefficiency in processing (fewer economies of scale) |
| Overhead contributions | 154 | -33 | 121 | |
| Innovation cheques | 31 | -7 | 24 | |
| BRIDGE | 60 | -10 | 50 | |
| Entrepreneurship, incl. ecosystem | 62 | -12 | 50 | |
| Support for highly qualified individuals | 36 | -36 | 0 | → New instruments according to revised RIPA (support ecosystem, support for highly qualified individuals) not implemented for the time being; existing instruments (Networking Event Series NES) suspended for the time being |
| KTU, incl. NES | 54 | -5 | 49 | |
| Dissemination of information | 6 | 0 | 6 | |
| Functional expenses | 119 | -19 | 100 | |
| Total savings to comply with 2.5% scenario | 1,651 | -389 | 1,262 | |
| <i>All positions as in 2.5% scenario, except:</i> | | | | |
| Standard innovation projects | 636 | -46 | 590 | → Reduction of number of funded standard innovation projects compared to 2019–21 of around 17% |
| Overhead contributions | 154 | -34 | 120 | |
| BRIDGE | 60 | -30 | 30 | → Reduction to minimum level for BRIDGE |
| Total savings to comply with 1.5% scenario | 1,651 | -420 | 1,231 | |
| <i>All positions as in 2.5% scenario, except:</i> | | | | |
| Standard innovation projects | 636 | -46 | 590 | → Reduction of number of funded standard innovation projects compared to 2019–21 of around 17% |
| Overhead contributions | 154 | -34 | 120 | |
| BRIDGE | 60 | -60 | 0 | → Temporary suspension of BRIDGE |
| Total savings to comply with 0.5% scenario | 1,651 | -450 | 1,201 | |

First of all, the idea to launch the “**LabToMarket**” **scheme** as a means of sharpening and furthering develop projects without implementation partners would have to be abandoned. This would result in savings of **CHF 66 million** (plus CHF 11 million for overhead contributions). Secondly, the **flagship initiative** and its goal to tackle challenges of great importance for economy and society in a new and systemic way would have to be held back considerably. The funding scheme would have to be reduced to a two-year tendering cycle, and the funding budget available per call for proposals would have to be scaled back to CHF 40 million. This could save around **CHF 78 million** (plus CHF 14 million for overhead contributions) over the entire dispatch period 2025–2028. Despite these considerable savings, all other instruments would have to make a contribution as well, either in the form of a budgetary reduction or even in the form of a waiver of their execution. In detail, the savings would have to be as follows (according to the order of table 3):

- **Standard innovation projects** would have to contribute through a reduction in their four-year budget of **CHF 36 million** (plus CHF 6 million for overhead contributions).
- Funding of **start-up innovation projects** would have to be frozen at the 2023 funding level of CHF 20 million per year, meaning that only around 40 projects could continue to be funded per year. This could save **CHF 47 million**.
- Furthermore, any plans for an expansion of **international innovation project funding** would have to be relinquished. This could save around **CHF 40 million** (plus CHF 2 million for overhead contributions).
- According to the above-stated reductions, **overhead contributions** would be reduced by a total of **CHF 33 million**.
- The promotion through **innovation cheques** would have to contribute **CHF 7 million** to the reductions, which would let the very popular funding instrument fall behind the current funding level of about CHF 8 million per year.
- Under the given circumstances, Innosuisse would see no other solution than to considerably roll back the joint **BRIDGE programme** with the SNSF as well. In the SERI best-case scenario of an annual increase of 2.5%, a reduction of the four-year budget of **CHF 10 million** would be necessary.
- In the area of **promoting entrepreneurship**, support for organisations in the start-up ecosystem would have to be further dispensed with, but this would only bring savings in the order of around **CHF 12 million**.
- Abandoning the launch of the **promotion of highly qualified individuals** would save another **CHF 36 million** of the budget. Starting at a lower level would not be justifiable on cost-benefit grounds.
- In the area of KTT, the **Networking Event Series** would have to be abandoned altogether. The potential savings here could total around **CHF 5 million**.
- In consideration of the forced abandonment of whole instruments, the **operating expenses** could also be reduced by around **CHF 19 million**.

Since the waiver scenario described above exhausts the responsible reduction options for most of the funding instruments, BRIDGE and standard innovation project funding would have to bear the additional funding gap created by the 1.5% and 0.5% scenarios. For standard projects, this would mean a further reduction of around CHF 10 million (plus 1 million in overhead contributions) in both cases. The number of funded standard innovation projects would, as a consequence, decrease to about 330 projects per year compared to well over 400 projects currently. As regards the BRIDGE programme, a further cut of CHF 20 million would be necessary in the 1.5% scenario – an absolute minimum for the execution of the programme. Finally, in the 0.5% scenario, Innosuisse would have to discontinue BRIDGE completely, as it could not justify reducing its core business, innovation project funding and in particular standard innovation project funding to an even greater extent compared to the funding level achieved in the current dispatch period. Innosuisse is aware that the reduction scenarios for BRIDGE are not in line with the intentions of the SNSF. It regrets that it is forced to create this important discrepancy with the SNSF, but sees no other way to cope with the given austerity scenarios.

Figure 2: Innosuisse requirement in comparison with 2.5% scenario



Glossary

| | |
|--------|--|
| CES | Consumer Electronics Show |
| CTI | Commission for Technology and Innovation |
| EEN | Enterprise Europe Network |
| EIC | European Innovation Council |
| EISMEA | European Innovation Council and SMEs Executive Agency |
| ERI | Education, Research and Innovation |
| ERP | Enterprise Resource Planning |
| FTE | Full-time equivalents |
| IPI | Swiss Federal Institute of Intellectual Property |
| KIAT | Korea Institute for Advancement of Technology |
| KT | Knowledge and technology transfer |
| NES | Networking Event Series |
| NCCR | National Centres of Competence in Research |
| NRP | National Research Programmes |
| PoC | Proof of Concept |
| R&D | Research & Development |
| RIPA | Federal Act on the Promotion of Research and Innovation |
| RIS | Regional innovation system |
| SECO | State Secretariat for Economic Affairs |
| SERI | State Secretariat for Education, Research and Innovation |
| S-GE | Switzerland Global Enterprise |
| SME | Small and medium-sized enterprise |
| SNSF | Swiss National Science Foundation |
| STEM | Science, technology, engineering, and mathematics |

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