

# REGULATION

## PROVE YOUR SOCIAL INNOVATION

### General context

For several years, Innoviris has supported social innovation and entrepreneurship in various ways. Its annual programme for Co-Creation projects enables multi-disciplinary teams to engage in a participatory research-action approach in order to promote Brussels' medium-term resilience. Similarly, the support provided to COOPCITY, the Brussels benchmark centre in social and cooperative entrepreneurship through the funding of occasional services based on the innovation vouchers model, has already enabled several projects to obtain an outside perspective and backing. Finally, Innoviris is also operational within the BISSIB, the Brussels network for social innovation.

However, it appeared that, despite undeniable innovative qualities, projects which were part of a social entrepreneurship and innovation approach were finding it difficult to benefit from Innoviris aid intended for companies.

Consequently, Innoviris has decided to implement a specific programme to support social and democratic entrepreneurship and social innovation. As a result, the programme presented below, not only corresponds to Innoviris' mission to support innovation for and by Brussels residents, but also to the specific characteristics and needs of social innovations carried out by social and democratic enterprises.

### Objective and philosophy of PROVE YOUR SOCIAL INNOVATION

**The programme is designed to fund companies that intend to develop a socially innovative product or service and which are engaged in a social and democratic entrepreneurship approach.** These different aspects are defined below.

#### Development

The project must target the development of an innovative product or service that has not yet been marketed (beyond, for example, very early contacts with the market under an incubation programme) or subject to another type of operation. There must still be uncertainties about how it will operate, uncertainties that the project carried out under this programme will aim to clarify.

#### Socially and/or democratically innovative

Under this programme, social innovation is defined as providing a new and innovative response to emerging or insufficiently satisfied social needs, while incorporating the participation and cooperation of regional actors, particularly beneficiaries, customers, operators, users, citizens, etc. in its development. The fact that this must be a new and innovative response means sufficiently large unknowns, sources of risk justifying a public intervention, and the adoption of a prototyping and validation approach.

Social innovation can relate to the product or service itself but also to the method of governance, organisation or distribution, for example within a cooperative. Social innovation can therefore be

used to do "something else" (offer new products or services to respond to needs that are insufficiently met) and "do it differently" (adopt a different operating method).

A project wanting to benefit from Innoviris' support must reflect one of these two aspects of social innovation. In practical terms:

- Projects that aim to offer innovative products/services ("do something else") must also reflect the democratic principles that are the hallmark of social innovation in their organisation (see also "social and democratic entrepreneurship" below).
- Projects that innovate through their governance or internal procedures ("doing things differently"), such as cooperatives, must also be clearly distinguished from the existing offer, either directly in relation to their product/service offer or by responding to significant internal challenges in the sector (e.g. precariousness of workers) which also have implications on the definition and the positioning of the offer (e.g. prototyping the activity and validation of the commercial assumptions of a cooperative in an environment characterised by precarious work). It will then be important to explain how "doing things differently" has important implications for the creation and operation of product and service offer.

If the project is supported by an existing structure, the innovative character of the proposal in relation to the existing service or goods offer must be demonstrated.

### Social and democratic entrepreneurship

The projects and the companies that back them must satisfy the three main characteristics of social and democratic entrepreneurship referred to in the Order of 23 July 2018 on the approval and support for social enterprises, namely:

- a social and/or environmental purpose rather than purely for private profit;
- economic viability;
- democratic governance including diverse stakeholders.

Economic efficiency is therefore placed at the service of the general interest, for social and/or environmental purposes.

The general aim of the programme is therefore to enable these companies to validate

- the **feasibility** of their product or service through a "proof of concept"
- the economic **viability** of the project;
- the **potential response** to the identified social need

The programme aims to assess the match between the product/service, the financing model (sales potential and/or non-market financing) and the identified social need. It is not an exploratory study. Applicants are therefore expected to have previously identified a specific need and now be looking to prototype the activity and validate the working assumptions used to demonstrate the relevance of a value proposition and the credibility of the planned business model.

The proposed work programme must be a minimum of 6 months and a maximum of 18 months.

## Legal framework

The PYSI funding is granted on the basis of Commission Regulation (EU) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid.

This Regulation ensures that the total sum of de minimis aid granted to a single beneficiary does not exceed €300,000 over a 3-year period. Therefore, the aid to be taken into account is that for 2024, 2025 and 2026. Indeed, as the potential PYSI subsidy is granted in 2025, this will be considered as the current tax year.

This ceiling applies irrespective of the form and objective of the de minimis aid or the (regional or national) subsidising entities.

The beneficiary should note that they must provide (to the Region) comprehensive information on other de minimis aid that they may have received over the course of the 3 previous years. To do this, the beneficiary must complete the sworn statement included in the appendix to the application form.

## Task and missions accepted as part of a funding application

The programme aims to assess the suitability between the product/service, the planned market(s) and the identified social need and not to conduct prior work to identify a social need. Applicants are therefore expected to have previously identified a specific need and now be looking to prototype the activity and validate the working assumptions used to demonstrate the relevance of a value proposition and the credibility of the planned business model.

The tasks must therefore cover both the aspects related to validating the feasibility of the planned product/procedure/service and the aspects related to the economic and social validation. The following tasks may be subject to a funding application under PROVE YOUR SOCIAL INNOVATION:

- **"Feasibility" aspects:** demonstration of the feasibility (technical, organisational, social, etc.) of the planned products, procedures or services. This may include the creation of a prototype, validation in a real-world environment and in partnership with users/beneficiaries, on site demonstrations, practical development work for the product, service or procedure, its adaptation following the confrontation with the market, etc.
- **"Economic and social validation" aspects:** demonstration of the economic viability and validation of the potential to address the societal need. This may include the development and validation of a global strategy, the preparation of a distribution network or partnerships, the validation (testing) of prices/rates, the implementation of pre-orders, the validation of the feasibility with customer/beneficiary/user tests, the study and validation of the (expected) social impact.

**The following tasks are excluded de facto:** improvements in the largely "fixed" margins for existing products or services, macro statistical survey, production launch, intellectual protection, accounting/marketing, etc.

The tasks put forward must be spread over the total duration of the project of between 6 and 18 months.

## Funding amount

This financial support, capped at €100,000 per project per company, covers 100% of the associated expenditure related to the demonstration of the feasibility and social and economic validation linked to the development of the socially innovative product/procedure/service.

Eligible costs are as follows:

- **Staff costs:** costs related to staff (employees or self-employed individuals) to the extent that they are employed by the project. Salaries must comply with the uses and pay scales (where applicable) in the targeted business sector.
- **Investment costs:** costs of the instruments and equipment used provided that and for as long as they are used for the project.
- **Subcontracting costs:** this is subcontracting in the broad sense. The company may, if necessary, use relevant external expertise (e.g. advice about governance, support for prototyping, etc.).
- **Operating costs:** particularly costs of materials, supplies and similar products, born directly by the project and specific to it.
- **Overheads:** these fixed general costs amount to 10% of salaried staff costs and other operating costs.

## Eligibility criteria for applicants and projects

In order to be able to benefit from the financial intervention of the BCR under this programme, the applicant must:

- **be a social and democratic enterprise:**
  - only enterprises with a legal personality and a company number on the closing date of the call can apply;
  - it may be an existing or a new company;
  - the enterprises articles of association must comply with the principles of social and democratic enterprises (non-profit, cooperative). Any other enterprise is also eligible, except foundations, provided the articles of association include the principles of a social and democratic enterprise (see below);
  - **the social and democratic enterprise must satisfy the three principles set out in the Order of 23 July 2018 on the approval and support for social enterprises**, namely a social and/or environmental purpose rather than purely for private profit, economic viability and democratic governance including diverse stakeholders;
  - if the enterprise does not have approval on the date the application is submitted, it must undertake to apply for it during or at the end of the project;
- **be submitted by a single company:** a consortium cannot apply and a project must be backed by a single legal entity. If a project originates through the activity of several existing actors, it is vital that it is developed within a separate legal structure. The collaborative approach is however still encouraged due to the definition of social and democratic entrepreneurship. Furthermore, it is possible to include the search for additional external expertise in the project in the form of subcontracting;
- **have at least one place of business in the BCR;**
- **have submitted your application by 28/11/2025 at 2pm;**
- **propose a project that corresponds with the scope of the action:** the project must satisfy the programme's objectives through the identity of its actors, its methodology and its purposes. The socially innovative character, the new product/procedure/service, the social and democratic entrepreneurship approach (involvement of different types of actors in the co-production and/or the co-design of the company's strategy) and the testing and prototyping process must be

present;

- **where applicable, have fulfilled its obligations towards the Region for previous financial aid initiatives;**
- **demonstrate the incentive effect of the aid:** the applicant must demonstrate that the project
  - could not be carried out, or would have to be significantly less ambitious without Innoviris' intervention;
  - **justify a (potential) favourable impact on the BCR** from a social, environmental, economic and employment perspective;
  - **not already benefit from public support for tasks which are part of the project** (double funding prohibited);
  - the amount of the grant **cannot bring the total amount of de minimis aid** that has already been allocated to the company to an amount **greater than 300,000 euros over a period of three financial years.**

#### Note

**It is important to note that any applicant organisation must be financially ready to assume part of the project costs, given that there may be a delay between the project start date and the receipt of the first instalment of the subsidy, and that the payment of part of the subsidy is always made after the end of the project.**

**A contrario, excluded from the project call are:**

- enterprises that do not meet the characteristics of a social and democratic enterprise (see above);
- self-employed persons;
- public administrations and public or semi-public institutions.

**The following projects are excluded from the scope of the project call:**

- entrepreneurship guidance and support projects, as these can use other funding opportunities;
- projects that focus only on the development of a support tool (e.g. a digital platform ...).

## Selection/evaluation of applications

Firstly, the applications are collected. An eligibility check follows, along with a first pre-selection, after which the selected applicants will be invited to defend their project in a briefing meeting in front of two Innoviris advisors.

The jury will comprise of at least one scientific advisor from Innoviris, one financial advisor from Innoviris, one experienced socially innovative entrepreneur and one advisor from Finance.brussels - Brusoc or equivalent.

Each application will have to be defended through an oral presentation by the team responsible for carrying out the programme of work, followed by a question and answer session, after which a closed session deliberation will take place regarding the final funding decision.

Since the award decision is made at the end of briefing meeting, it is essential that the information provided in the form is comprehensive, detailed and substantiated. It is important to note that the following aspects will be highlighted when evaluating the applications:

- **Innovation and objectives of the project:** the social needs and challenges must be clearly identified while having a disruptive level of innovation compared with current practices. The need and usefulness of the prototyping and validation activities must also be demonstrated. Finally, how the project will enable the organisation to contribute to its soci(et)al purpose must be explained, targeting either the interests of the community or a specific group of people.
- **Feasibility and implementation:** the programme of work must be relevant in relation to the project's execution, the allocated budget and the available expertise.
- **Strategic and economic impact:** a real potential for the project to create value and the incentive effect of the aid must be demonstrated. Assumptions are translated into figures in a financial plan demonstrating the economic sustainability of the project. The project must be part of the organisation's global strategy and reflect a viable business model.
- **Valorisation:** highlight the social and environmental impacts and those on the Brussels ecosystem.

## Protection of personal data

The personal data collected by Innoviris, the data controller, by means of this form is used to process your funding application (which involves analysis and evaluation by Innoviris or external experts). Their processing is necessary to comply with a legal obligation to which the data controller is subject (i.e. the l'ordonnance à finalité non-économique and its arrêté d'exécution ) and to perform a task in the public interest or in the exercise of the public authority vested in the data controller.

No data is shared with third parties without the prior consent of the person concerned or unless a legal obligation obliges Innoviris to do so. Innoviris makes every effort to ensure the confidentiality and security of the data processed. The retention time shall be that necessary to accomplish the purposes of the processing concerned. If you have any questions or wish to exercise your rights under Articles 15 to 22 of the GDPR, please contact [dpo@innoviris.brussels](mailto:dpo@innoviris.brussels) or visit our "privacy" webpage.