WIPO GREEN x Deloitte Global Investment and Innovation Incentives (Gi³)
Financing sustainability and Innovation projects

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Global Investment and Innovation Incentives (Gi³)
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Renaud is a tax lawyer leading a team of 35 scientists & engineers - the Global Innovation and Investment Incentives (Gi³) team located in Brussels. Renaud has +10 years of experience in developing financing strategies to enable R&D and sustainability projects.
Worldwide decarbonization initiatives are ongoing

In recent years, various geographies worldwide put forward national plans to enhance their net-zero capabilities through different industrial policy measures, including subsidies and tax credits.

- **Canada**: FY2023 budget, decarbonization of the economy $87bn
- **USA**: Inflation Reduction Act (IRA) for clean energy $370bn
- **Europe**: Green deal $528bn
- **India**: Production linked incentive scheme $27bn
- **Japan**: Green transformation (GX), GX transition bonds $144bn
- **China**: Five-year plan $280bn
- **Saudi Arabia**: Saudi industrial development fund’s Mtujadeda $28bn
- **Australia**: Powering Australia $16bn

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Financing Sustainability and Innovation

Around the world
Factors triggering support

**INNOVATION**
- Research and development into new products/processes/services
- Unique and innovative for the sector
- Demonstration and pilot projects
- Intellectual property generation

**SUSTAINABILITY**
- Investment in green technologies
- Development of green technologies
- Investments in/to development of circular economy, reduction of greenhouse gas emissions, electricity consumption, renewable energy, etc.

**INVESTMENTS**
- New production site/production line
- Processes innovation
- New lab equipment
- Investment linked to energy/water saving, circular economy, renewable energy
- Focus on innovation or sustainability

**TALENT DEVELOPMENT**
- Training employees linked to new investments/products
- Transformation of the company to a new business model, service, product, markets, etc.

**COLLABORATION**
- Collaborations with universities or research institutes
- Collaborations with customers or subcontractors/industrial partners to stimulate innovation
Financing is available **across the project pipeline**

Europe example
Financing technologies from WIPO Green

Europe: Financing possible across the entire project pipeline

- **Proven technology**
  - TRL 9-10: Local sustainability subsidies, tax incentives

- **Frontier technology**
  - TRL 5-8: EU R&D funding, local R&D funding, local R&D tax incentives

- **Horizon technology**
  - TRL 1-4: Research EU funding, research local funding, R&D tax incentives
Financing is available for any production step - **across the supply chain**
From WIPO GREEN to a funded project
From an ambition to a funded project

01 Identify
Identify the idea/ green technology/investment of interest

02 Apply timely and before incurring any costs (in case of funding)

03 Define the funding strategy
A well-defined, tailored strategy enables benefitting from grants and incentives from early R&D to commercialization.

04 Screen for financing opportunities
Consider technology maturity, partners, your location, budget, ...

Apply for a selection of grants/subsidies/incentives
Apply timely and before incurring any costs (in case of funding)
Financing innovation and sustainability

In practice
G&I landscape: An increased complexity

1. We assist our clients identifying the appropriate finance mix (tax incentives, cash funding, equity, debt, …) to realize their innovation and sustainability strategy.

2. We assist our clients in deploying their innovation and sustainability strategies and complying with their obligations.

The incentives landscape is rapidly changing and accessible incentives will largely depend on the project timeline and the technology's maturity. There is a variety of incentives available at different stages of the project and a single project can access multiple incentives throughout its timeline.
Types of Governmental Sustainability Support

**FUNDING**
- Cash (or loans), up to 100% eligible costs; usually 20-50%
- Temporarily/call-based (dedicated budgets)
- Regional – National - European
- Before a project

**TAX INCENTIVES**
- Tax deduction or credit
- Always open (through tax return)
- Regional — National
- Can be retro-active
## Financing

Overview of financing opportunities in selected countries (local opportunities)

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<th>Topic</th>
<th>Belgium</th>
<th>Germany</th>
<th>USA</th>
<th>Singapore</th>
<th>South Africa</th>
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Most of the opportunities are accessible both for SMEs and large enterprises.

*Limited or temporary availability for specific cases.
Summary

Key takeaways
Financing potentially available across supply chain and across project pipeline: grants, loans, tax incentives, carbon credits, ...

Think globally, act locally – it's important to prepare a strategy taking into account projects maturity, budget, partners, location, ...

Stay up to date: Temporary support granted to “hot topics’: hydrogen, farm-to-fork, plastic recycling, ...

File an application before any costs were made

Obtaining cash takes time - plan it well