



## Funding programme

Maintaining competitiveness and exploiting growth potential – in the age of digitalisation, this is a major challenge, especially for small companies. There is often a lack of time and money to make the necessary investment decisions, to tackle development work or to manage the changeover to new digital systems and business models.

With the Digitalbonus funding programme, the Free State of Bavaria wants to support small businesses in equipping themselves for the challenges of the digital world. Digitalbonus enables companies to digitise through hardware and software and to improve IT security.

Digitalbonus is an important component of the Bayern Digital initiative.

**The funding programme has been extended until 31 December 2023.**

The funding is provided in the company for the **funding areas**:

- development, introduction or improvement of products, services and processes, through ICT hardware, ICT software and migration and porting of IT systems and IT applications and the
- introduction or improvement of IT security.

## Who gets the funding?

An application can be submitted by **small commercial enterprises** which have a **permanent establishment in Bavaria**. The precondition is that the funded measure is used in this establishment.

A commercial enterprise is deemed to be a business enterprise within the meaning of Article 2 of the German Trade Tax Act. Companies that meet this criterion can in principle apply for a digital bonus. However, freelancers are not eligible even if they have a commercial legal form.

You cannot be funded if

- your company is in insolvency proceedings or
- the requirements under German law for the opening of insolvency proceedings at the request of creditors are met for your company.

Hospitals, clinics, medical care centres, mental health facilities or similar establishments, as well as agriculture, forestry, aquaculture, fisheries (unless processing or marketing) are also not eligible.

Whether your company is a **small enterprise** depends on the number of employees, annual turnover and total assets: **Small enterprises** are companies with

- less than 50 employees and
- an annual turnover or an annual balance sheet total not exceeding EUR 10 million.

## Which costs are funded?

An **improvement of existing products, processes and services** is eligible for funding if digital systems are being used for the first time or the degree of digitalisation is increased to the latest standard.

In the case of **measures to improve IT security**, solutions individually tailored to the company or the conversion of a standard solution to this end are eligible for funding. Measures to set up an information security management system in the company are also eligible for funding, provided that a certificate is obtained at the end (e.g. in accordance with ISO 27001).

Funding will be provided for **expenditure on services provided by external suppliers, including the ICT hardware and software** needed to implement the action.

Eligible services are those provided by external suppliers of ICT hardware and software. Investments in digital technologies and related processes and changes in the company will be funded. This includes in particular ICT hardware and software that promotes the internal and external networking of companies, for example in the following aspects: Industry 4.0, data-driven business models, enterprise resource planning systems, artificial intelligence (AI), cloud applications, sensor technology and IT security.

## What costs are not eligible for funding?

The following are not funded:

- **Measures that have already been started.** A measure is considered to have been started when a legally binding order has already been placed or a contract for the provision of a service has been awarded (even verbally, if necessary)
- Expenditure for **standard web pages** (conventional web pages without deep functional integration into the operational processes) or **standard web shops** (especially standard shop templates)
- **Standard online marketing measures** (e.g. search engine optimisation, display advertising, content marketing, email marketing and newsletters)
- The purchase of **standard software** (such as conventional office software or operating systems, email archiving,) or **standard hardware** (such as PCs, laptops, tablets, smartphones, printers, telephones, telephone systems including software or Exchange servers)
- **Server hardware** incl. operating system in the area of IT security
- **Replacement purchases**
- **Devices, systems and machines including associated software** (e.g. production systems, CNC milling machines, sawing/trimming machines, printers, industrial robots, automation systems, oscillographs, fluorimeters), where the focus is primarily on automation (of a previous analogue process) and not on the extensive digital further processing of data
- **Measures that are based on a legal obligation** (e.g. digital cash registers, email archiving)

- Services provided for specific measures in the context of **consulting, planning** or structuring the project (project support)
- **ICT solutions which are to be used in return for payment in other firms** and are a measure eligible for funding there
- Measures financed by hire purchase or leasing
- The applicant company's personnel, administrative and travel expenses, and in-house development capacities
- Measures with eligible expenditure of less than 4,000 euros
- IT Security Officer and Data Protection Officer
- Licensing costs and system service fees incurred during the entitlement period that exceed a maximum period of 18 months (please have the IT service provider break down the offer accordingly into 18 months)
- Measures already funded under other programmes (Federal Government, Federal States, EU)

The Bavarian district governments are commissioned by the Bavarian Ministry of Economic Affairs with managing the Digitalbonus programme.