Demonstration Projects Service

Call for Ideas to Boost the Competitiveness of the Estonian Industry

Katre Eljas
AIRE Demonstration Projects Service
demonstration-projects@aire-edih.eu

Content

Introduction

AI & Robotics Estonia (AIRE) is a member of the European Digital Innovation Hub (EDIH) network. AIRE's aim is to increase the competitiveness of Estonian enterprises by offering a range of services to businesses seeking to adopt and deploy artificial intelligence (AI) based solutions.

The AIRE demonstration projects service allows manufacturing and its value chain companies to test AI and smart robotics technologies before investing, encouraging further investment in digital technologies. Based on the call for ideas, AIRE's team provides extensive support for selected demonstration projects, which justifiably leverage AI and AI-enabling technologies (including smart robotics). The technology, methodology, or prototype tested and validated during the **demonstration project must bring novelty and a degree of uncertainty** (e.g., a tailor-made solution). The expected results of the AIRE demonstration projects are at least partly replicable with adaptation in other enterprises and economic sectors.

According to EDIH funding principles, **AIRE does not give grants to companies** (no cascade/ third party funding allowed). AIRE enables **collaboration with universities and other AIRE consortium partners** (knowledge transfer).

Objective

AIRE demonstration projects service enables **knowledge transfer** from AIRE partner R&D institutions to manufacturing companies and related value chain actors. It supports the acquisition, development and exchange of explicit and tacit knowledge, skills and competences, mainly through consultancy, testing and collaborative research. Beyond scientific and technological expertise, the service also covers knowledge related to standards and regulatory compliance, real-life operating conditions, and organisational innovation methods.

To support the main target group – manufacturing industry - inclusively, AIRE has **extended the demonstration project focus** also on the direct value-chain ecosystem related to manufacturing industry – such as logistics, energy efficiency, ICT and quality control sectors – which are essential enablers of industrial resilience and green transformation. Furthermore, applicants from the rapidly growing areas with cutting edge technologies like defence, agriculture, heath technologies and others are also invited to apply.

The objectives of the demonstration projects service are:

1) Encourage companies to use EU AI Ecosystem services with potential benefits:
- increased opportunities to secure EU funding for AI innovation projects through facilitated access to relevant calls and proposal writing support;
- expanded market reach through participation in European AI networks and platforms;

- enhanced access to specialized AI talent and expertise through connections with leading research institutions and technology providers; and
- accelerated product development through collaborative partnerships with other European companies.

2) Encourage companies to use EU AI technologies[1];
3) Encourage companies to invest into AI technologies to increase their competitiveness.

As a part of its awareness-raising mission, AIRE provides **preliminary feedback** to all businesses applying to join the demonstration projects service before finalising the application. **Companies are asked to register to AIRE's supporting services (Support to Find Funding and AI help desk) to validate the eligibility to demonstration project service.** Additionally, we will answer specific questions about intellectual property procedures. Registering to these AIRE services guarantees access to the preliminary feedback.

Applicants can familiarise themselves with previous demonstration projects via AIRE demonstration projects portfolio.

Ideas applicable for applying to the AIRE demonstration projects service include but are not limited to:

- Testing and validating automatic guided vehicles in a complex warehouse environment;

- Testing and validating AI-based prediction models;

- Testing and validating a collaborative robot in a novel application setting;

- Testing and validating AI-based employee training;

- Testing and validating algorithmic or decision tree-based approaches to customer support;

- Testing and validating computer vision solutions in a novel approach.

> AIRE does not support applied research - the demonstration project is aimed to test, experiment or validate technology before making an investment (test before invest).

Demonstration project stands as one important stage in the **technology adaptation journey of the company** – it helps to test and validate the selected technologies to give assurance before investment. The demonstration project does not cover the whole technology or prototype development process; thus the service is tailor-made to address specific challenges where solutions are not available in the market. The demonstration project does not give ready for implementation solution – it tests, validates or experiments with the selected technologies on site at the company. The implementation of the demonstration project results is the responsibility of the Applicant covered by Applicant's own resources. **It is expected the Applicant involves either an in-house technology know-how or an external technology**

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[1] An **EU AI technology** is a software tool, system, model, component, AI-based robotics technology, dataset, toolbox or service that fulfils all the following criteria: a) Developed or co-developed in the EU or Associated Countries and b) Aligns with EU policy and legal frameworks.

partner into the project. The aim of involvement of the technology know-how or partner is to secure further implementation of the demonstration project results.
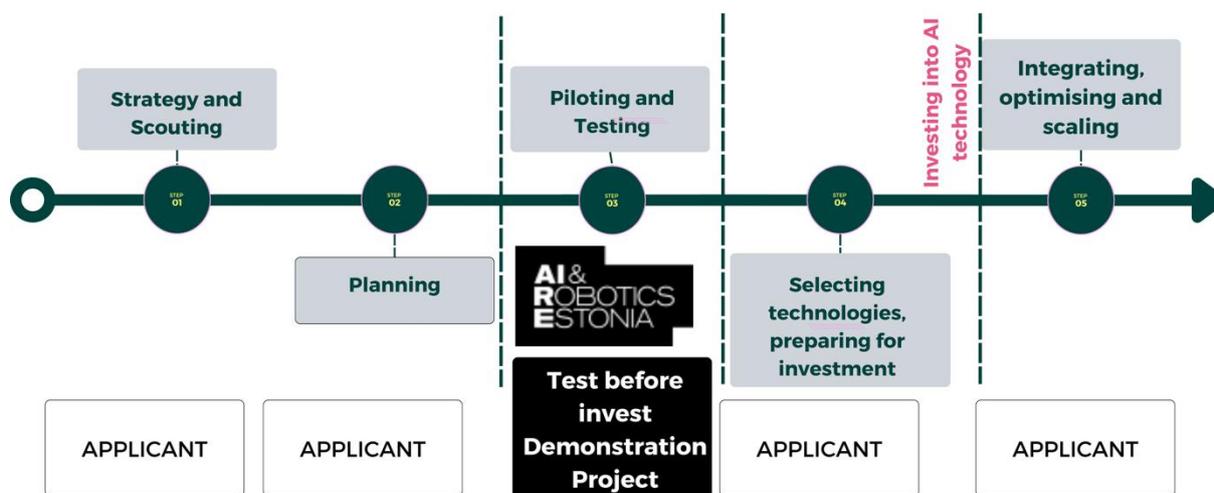

Figure 1 Responsibility and roles along technology adaptation journey

The Process

1. The Applicant registers to AIRE services Support to Find Funding and AI Help Desk (see also Figure 2). By the time of submission of the Application the Applicant has to be passed the AIRE service AI suitability assessment (the report is needed to be added to the Application).
2. The Applicant defines project idea: what challenge is solved, why (the problem needs solving) and what is the expected impact.
3. The Applicant and Development Team prepare the application and supporting documents.
4. The Applicant and Development Team consult the draft application with the demonstration project lead before submitting (through registering to the AIRE services Support to Find Funding and AI Help Desk).
5. The Applicant submits the application via email demonstration-projects@aire-edih.eu (the Applicant receives a confirmation email).
6. The Application is reviewed by AIRE team and administrative check is provided to make sure the application is complete and it includes minimum relevant information for technical evaluation (administrative evaluation).
7. AIRE team asks additional information or additional documents from the Applicant, if needed.
8. The Application is assessed by AI and business experts according to the Evaluation criteria.
9. The Applicant presents the project idea to the Advisory Board.

10. The Application is reviewed by the Evaluation Committee and recommendations for the Steering Group prepared.

11. AIRE Steering Group decision on project funding.

12. If the decision is positive, AIRE team prepares the demonstration project collaboration agreement and launches agreement negotiations.

13. If the decision is not positive AIRE team helps the Applicant to find other forms for collaboration and/or sources of funding.
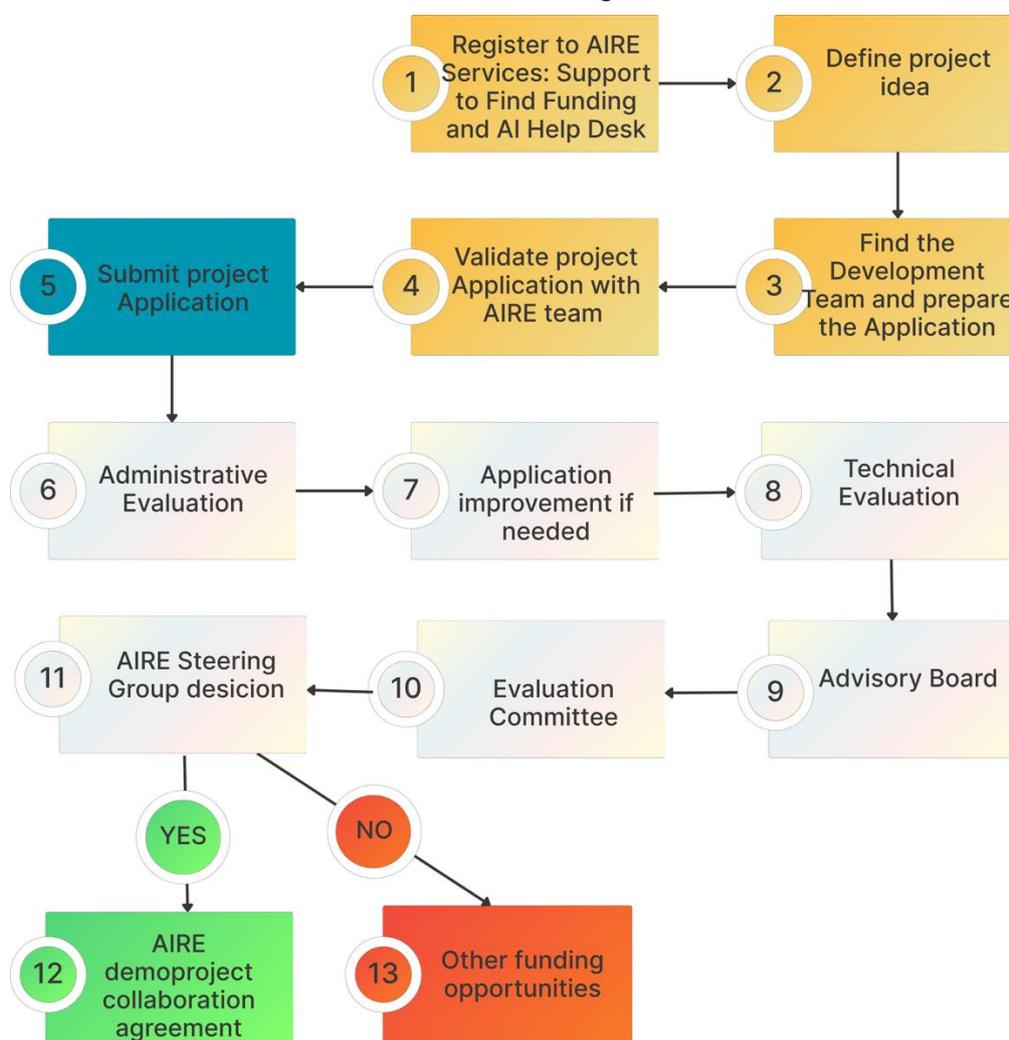

Figure 2 Application process

The Applicant

The applicant confirms that, based on the last two closed fiscal years and on consolidated group data where applicable, it has **no more than 2,999 employees** and the annual turnover does not exceed EUR 300 million.

The applicant confirms that it has no outstanding tax debt, is financially solvent, and has sufficient state aid capacity available.

The Development Team

The Development Team is a **team of researchers** from AIRE partner R&D institutions. AIRE partner R&D institutions are:

- Estonian University of Life Sciences;
- Tallinn University of Technology;
- University of Tartu;
- Innovative Manufacturing Engineering Systems Competence Centre (IMECC);
- Tartu Science Park;
- Tallinn University.

All demonstration projects must be implemented in collaboration of an enterprise and R&D institution. The enterprise brings an idea to be solved, and this is the task of the Development Team to offer a solution and validate it. While enterprise is an Applicant, the Development Team lead is a project leader of a demonstration project. It is the responsibility of the Development Team to reach project objectives and secure timely management of the project.

The Development Team carries out AIRE demonstration project on an open research principle - the results of the demonstration project must be worthy of publication (i.e., the Development Team must have scientific expertise).

Requirements

Application

To apply for AIRE's demonstration project service, the Applicant needs to fill in and submit application.

Requirements for the application:

1) The Applicant has to be registered to the AIRE services:
   a. Support to find funding (public measures) and
   b. AI Help Desk

to validate the eligibility of the project idea and technology ambition to the demonstration project service. <u>Registering to these AIRE services guarantees access to the preliminary feedback.</u> Presentation of the services' report is not necessary when submitting the Application (the registration is confirmed by AIRE team when submitting the Application);

2) The application must be filled in on an application form (Annex 1)

3) The application has to be filled in either in English or in Estonian

4) The application has to be accompanied with

    a. Development Team members CVs or at least CV of the team lead is required;

    b. The following documents:

- **AIRE AI suitability assessment report** or any other analysis presenting the readiness and opportunities for implementing AI solutions or any other document describing technical solution;

- **A clear and transparent ROI (Return on Investment) calculation** (see Annex 2).

5) By applying to run a demonstration project, the Applicant agrees to:

- Have the application signed by a registered board member;

- Provide information demonstrating that the company meets the Mid-Cap eligibility criteria on the basis of consolidated group data, where applicable, including where an entity directly or indirectly holds more than 50% of the company's shares.

Timeframe

The Call for Ideas is open until the funds are used.

The demonstration project is preferably completed within 6 months since the signature of the cooperation agreement.

The Development Team can not incur costs before signing the cooperation agreement.

Proposed Technical Solution

The technical solution used in the demonstration project has to be either **AI prerequisite technology** (follow for definitions on page 11) or **AI technology.** Base technologies are not eligible in the scope of AIRE (see Annex 8). The technical testing must involve novelty, either in the solution itself or in the application, operating, or testing environment.

It is recommended to the Applicant to involve either an in-house technology know-how or an external technology partner into the project. The aim of involvement of the technology know-how or partner is to secure further implementation of the demonstration project results.

When defining the solution, please follow the following definitions:

AI & Robotics Estonia (EDIH) is co-financed by European Digital Innovation Hubs Programme of the Digital Europe Programme and the Estonian Ministry of Economic Affairs and Communications

Project number: 101256226

💡 **Base technologies -** technologies which exist and do not bring novelty and a degree of uncertainty. Testing and validation of such technologies **are not eligible in the scope of AIRE** demonstration projects service.

💡 **AI prerequisite technologies** - context-aware technologies that create or process data automatically. There is a degree of uncertainty - the technical solution will emerge as the work progresses. Testing and validation of such technologies are eligible actions in the scope of the AIRE demonstration projects service if these test before invest activities lead to adaption of AI technologies in the future. The company must have a clear plan to implement AI technologies as the follow-up action.

💡 **AI technologies** - technologies which apply generally accepted AI algorithms and methods. Testing and validation of such technologies are eligible actions in the scope of the AIRE demonstration projects service.

Expected Results

There are four results expected by the end of the demonstration project:

- **A user experience story -** the company reflects on the project's user experience (see Annex 4);

- **A final report -** a comprehensive report on the project is essential for AIRE coordination. The Development Team lead is responsible for finalising the report before the end of the project. AIRE will publish the document at the end of the project in AIRE GitHub (see Annex 5);

- **A technological deliverable** - the Development Team works in a GitHub environment; the code repository with the documentation is made public at the end of the project (see Annex 7);

- **Informational video** or poster - the Development Team collaborates with the AIRE marketing team to create a video or other marketing material about the project (see the [AIRE demonstration projects portfolio](#) for examples).

All demonstration projects must follow the principle of **replicability with adaptation (reusability)** - **the demonstration project results can be reused by other companies in any economic sector** – the Development Team lead ensures the **adaptability** by uploading the technological deliverable into AIRE GitHub.

Publication

AIRE demonstration projects service performs based on open science principle, where results of the projects are made public as much as possible. Publicity does not apply to enterprises' confidential data.

In principle, AIRE expects the publication of project results (this includes the final report and technological deliverable).

AIRE publishes the results on [AIRE website](), [the AIRE GitHub organisation]() and [AI on Demand platform]().

Exceptions are made only on an individual basis, project by project (e.g., the enterprise self-finances the project and wishes to keep all the technological deliverables afterward).

Intellectual Property

As stated before, the AIRE demonstration projects service supports knowledge transfer from R&D institutions to companies. The service does not necessarily expect the creation of new intellectual property. At the same time, creating intellectual property during the project is highly encouraged.

Intellectual property created during the demonstration project might be considered indirect state aid. AIRE will help navigate these situations case by case and in communication with the company and the Development Team.

In general, we expect the technological results of the project to be published by the Development Team under an [MIT license]() via [GitHub](). To discuss other options (e.g., if intellectual property created independently by the applicant or third parties is used for the project), the applicant should reach out to AIRE demonstration projects service lead.

The general principle governing AIRE demo projects is that the projects and their results are public, with the exception of company-specific data used during the project. Consequently, the solutions tested within the demo project may be freely used afterwards - including for commercial purposes - by the participating company, the university, and potentially by third parties. The intellectual property provisions in the demo project agreement are designed to ensure that neither party can restrict the other from using the project results in the future. Any exceptions to this principle must be separately agreed upon and must be clearly justified as exceptional cases.

Expected Impact

It is expected that all demonstration projects would have **economic impact on enterprise**. The technical solution should either lead to increased sales or quality, show efficiency in input resources or have any other positive business impact. It is necessary to **describe the measurable economic impact of the project on the Applicant** (in a form of percentage or euros or any other metrics). The figure below shows examples of indicators that can be measured before, during, and after running the demonstration project. Please follow the Figure 3 below to identify and describe your project's expected impact.
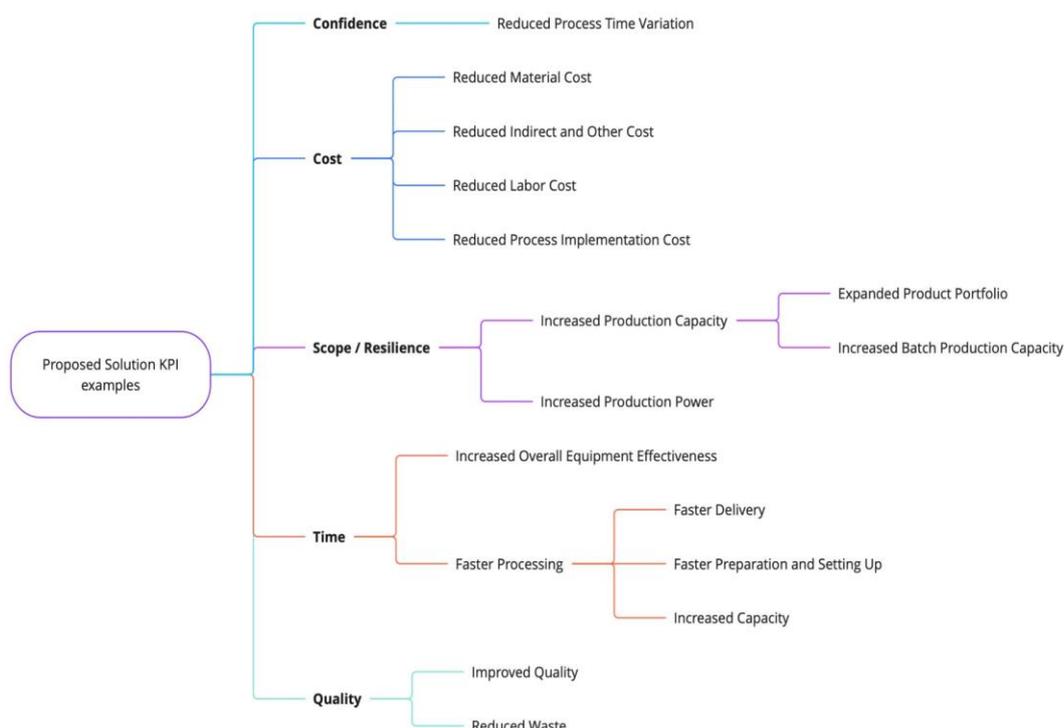
Figure 3 Examples of expected impact

The Application has to involve a brief and concise **investment roadmap** outlining the company's steps toward adopting AI technologies (feel free to use AIRE service AI Help Desk to prepare the investment roadmap). The plan must, at a minimum, include:

- A description of the scale and components of the planned investment(s) required to implement the AI solution(s)
- A pro forma ROI (Return on Investment) calculation for the above-mentioned investment(s), clearly highlighting a) the expected positive impacts on cost savings and/or revenue growth and (for calculating and presenting the ROI, please use the form in Annex 2) b) potential increase in value added per employee
- If the AIRE demo project represents only a component or fraction of the broader AI solution, the ROI calculation must reflect the full scope of the function to be automated, ensuring that the total value creation and return potential are clearly demonstrated

How to apply?

The call for ideas for AIRE demonstration projects is **open since 15 March 2026**. The deadline for Applications of the final Call for Ideas is published on AIRE webpage.

It is required that before applying to the demonstration project the Applicant has:

1) registered to the AIRE services:

- Support to find funding (public measures) and

- AI help desk

2) preferably completed the AIRE service AI suitability assessment.

Completing the AI suitability assessment service would help the Applicant to focus its demonstration project and will increase the likelihood of getting accepted for funding.

To get started with **preparing the demonstration project**:

1. If you have an idea and you don't know where to start, don't hesitate to consult with AIRE Team – register to the AIRE service AI help desk (1h consultation is free of charge).

2. Find a partner from one of the AIRE partners' R&D institutions for forming a Development Team (see Section 'The Development Team');

3. Formulate your idea to be solved, be precise with:

   - What problem is to be solved and why this is important for the Applicant

   - What is the expected outcome of the project

   - To what extent can the enterprise commit itself

   - Expectations to the Development Team

   - Identify how would the solution use EU AI technologies and benefit from the EU AI Ecosystem services. If applicable, define the need for specific EU AI Ecosystem services (e.g., EuroHPC, TEFs, AI-on-Demand platform) that will be utilised or tested during the project. AIRE's Team will help you to contact the service provider.

4. Take your time to discuss the idea, focus of the project and expected outcome with the Development Team and define specific objectives of the project.

5. Involve either an in-house technology know-how or external technology partner into the project preparation process. It is expected that the results of the demonstration project will be implemented by the Applicant.

6. In case you need help in developing the investment roadmap, feel free to register to the AIRE service AI help desk, we will help you prepare the roadmap.

7. In case of any questions feel free to contact demonstration project lead to discuss the open issues.

8. Prepare the draft Application and consult the draft before submission with the demonstration project lead to make sure all necessary information is sufficiently

presented. **The deadline for consultation is minimum 10 working days before the deadline for submission of applications**.

9. Submit the Application via e-mail (demonstration-projects@aire-edih.eu). Make sure you have attached all necessary attachments.

10. AIRE team will come back to you to conform that the Application is received and forwarded to evaluation. In case of further questions the Applicant will have a possibility to amend the Application.

Funding

AIRE is funded by European Commission Digital innovation Hubs (EDIH) programme (45%) and co-funded by the Estonian State through the Ministry of Economic Affairs and Communications (55%).

The funding and budget division principles of the project are described below:

For the Applicant, the value of the service (the state aid component) is **up to €49,500**. The aid intensity for this service is **100%**, meaning there is **no financial self-financing requirement** for the enterprise.

💡 Due to the state co-funding AIRE demonstration projects service falls partly under **the state aid regulation** for companies. The state co-financed part of the demonstration project can be financed through one of the following state aid schemes:
  - The de minimis aid regulation - the Applicant uses its state aid balance of €49,500;
  - The General Block Exemption Regulation Article 25 - each demonstration project application leveraging this measure is analysed individually (if applicable, the Applicant uses its state aid balance of €49,500);
  - The General Block Exemption Regulation Article 28 - each demonstration project application leveraging this measure is analysed individually (if applicable, the Applicant uses its state aid balance of €49,500);

💡 Subcontracting should constitute a limited part of the action. Subcontracting exceeding **30% of the total eligible costs** must be specifically justified.

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Project number: 101256226

The State Aid Regulation

AIRE services fall under state aid regulation. AIRE can fund projects under the de minimis aid regulation, the General Block Exemption Regulation article 25, the General Block Exemption Regulation article 28, and a mixture of all the listed state aid measures.

The state aid regulation does not apply if the company self-finances and covers the total cost of the demonstration project.

The de minimis Aid Regulation *(VTA)*

The de minimis aid regulation translates to *vähese tähtsusega abi (VTA)* in Estonian.

The de minimis aid is an aid which, because of its small amount, does not distort competition within the European Union. AIRE can leverage this measure.

By implementing the demonstration project, the Applicant uses its state aid balance of **€49,500.**

By applying to run a demonstration project following the de minimis aid (VTA), the Applicant confirms the following:

- They are eligible to receive aid under the VTA regulation;

- They have a sufficient balance of aid left (for the whole group) under the VTA regulation. The Applicant can check their current aid balance using a tool on the state aid and VTA registry website (in Estonian);

- They agree to AIRE reserving necessary aid balance in the VTA registry at the start of the demonstration project, right after the legal documents (including the cooperation agreement) are signed (e.g. AIRE will reserve €49,500 in the VTA registry).

The General Block Exemption Regulation (GBER) Article 25

There are different provisions under the General Block Exemption Regulation (GBER) to give aid. AIRE can leverage Section 4 - aid for research and development and innovation, and Article 25 - aid for research and development projects. Each demonstration project application leveraging this measure is analysed individually.

Please be aware of:

1. Aid for research and development projects, including research and development projects having received a Seal of Excellence quality label under the Horizon 2020 or under the Horizon Europe programme and co-funded research and development projects and, where applicable, aid for co-funded Teaming actions, shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, provided that the conditions laid down in this Article and in Chapter I are fulfilled;

2. The aided part of the research and development project shall completely fall within one or more of the following categories:

   - fundamental research (not applicable for AIRE);

   - industrial research (not applicable for AIRE);

   - experimental development (not applicable for AIRE);

   - feasibility studies;

3. The eligible costs of research and development projects shall be allocated to a specific category of research and development and shall be the following:

- Personnel costs: researchers, technicians and other supporting staff to the extent employed on the project;

- Costs of instruments and equipment to the extent and for the period used for the project. Where such instruments and equipment are not used for their full life for the project, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible;

- Costs for of buildings and land, to the extent and for the duration period used for the project. With regard to buildings, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible. For land, costs of commercial transfer or actually incurred capital costs are eligible;

- Costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project;

- Additional overheads and other operating expenses, including costs of materials, supplies and similar products, incurred directly as a result of the project;

4. The eligible costs for feasibility studies shall be the costs of the study;

5. The aid intensity for each beneficiary shall not exceed:

   - 100 % of the eligible costs for fundamental research (<u>not applicable for AIRE</u>);

   - 50 % of the eligible costs for industrial research (<u>not applicable for AIRE</u>);

   - 25 % of the eligible costs for experimental development (<u>not applicable for AIRE</u>);

   - 50 % of the eligible costs for feasibility studies;

6. The aid intensities for industrial research and experimental development may be increased up to a maximum aid intensity of 80 % of the eligible costs as follows:

   - by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises;

   - by 15 percentage points if one of the following conditions is fulfilled:

     i. the project involves effective collaboration:

        ✓ between undertakings among which at least one is an SME, or is carried out in at least two Member States, or in a Member State and in a Contracting Party of the EEA Agreement, and no single undertaking bears more than 70 % of the eligible costs, or

        ✓ between an undertaking and one or more research and knowledge-dissemination organisations, where the latter bear at least 10 % of the eligible costs and have the right to publish their own research results;

     ii. the results of the project are widely disseminated through conferences, publication, open access repositories, or free or open source software.

7. The aid intensities for feasibility studies may be increased by 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises.

The General Block Exemption Regulation (GBER) Article 28

There are different provisions under the General Block Exemption Regulation (GBER) to give aid. AIRE can leverage Section 4 - aid for research and development and innovation, and Article 28 - innovation aid for SMEs. Each demonstration project application leveraging this measure is analysed individually.

Please be aware of:

1. Innovation aid for SMEs shall be compatible with the internal market within the meaning of Article 107(3) of the Treaty and shall be exempted from the notification requirement of Article 108(3) of the Treaty, provided the conditions laid down in this Article and in Chapter I are fulfilled:

2. The eligible costs shall be the following:

   - costs for innovation advisory and support services.

3. The aid intensity is **100% of the eligible costs** (service value of up to €49,500), provided that the total amount of aid for innovation advisory and support services does not exceed EUR 220,000 per undertaking within any three-year period. As the service is fully funded by the AIRE program resources, the applicant's **financial self-financing rate is 0%**.

Self-financing

For demonstration projects funded under GBER Article 28 or De Minimis Aid (VTA) within the AIRE framework, the **financial self-financing requirement is 0%**, as the full value of the service is covered by the program's co-financing from the European Union and the Estonian State.

Eligibility of Expenditure

The costs necessary for the realisation of the demonstration project (salaries, rental of equipment during the project, supplies, licences, transport and other costs directly justified by the realisation of the project) are all allowed. **Costs made before the signature of the cooperation agreement are not eligible**.

Eligible expenditure for aid falling exclusively under GBER Article 25 or GBER Article 28 is, however, limited to the costs stipulated above.

The project funding **may only cover the costs incurred by AIRE partners**:

- [Innovative Manufacturing Engineering Systems Competence Centre](#) (IMECC);

- [Estonian University of Life Sciences](#);

- [Tallinn University of Technology](#);

- [University of Tartu](#);

- [Tartu Science Park](#);

- [Tallinn University](#).

Costs incurred by the Applicant are not eligible. The Applicant receives state aid in the form of the AIRE demonstration projects service.

Evaluation

AIRE evaluates applications after every Call for Ideas application submission deadline. AIRE publishes the dates for submission of applications on [AIRE website](#).

AIRE evaluates applications in three stages:

1) Administrative evaluation;

2) Expert evaluation;

3) Advisory board evaluation.

Administrative Evaluation

AIRE team will check whether the Application is complete – it includes minimum information necessary for the expert evaluation and all documents are attached. If the application does not meet the necessary criteria, AIRE will give feedback to the Applicant to improve the application or apply again (depending on the feedback).

All successfully passed applications will be forwarded to expert evaluation.

Expert Evaluation

AIRE comprises independent experts to dive deeper into the AI component and economic impact of the proposed idea. The Application is reviewed minimum by one expert. The expert evaluates the Application according to the evaluation criteria presented below (see 'Expert Scoring'). By the end of expert evaluation, the Application is given evaluation scores.

AIRE has procured AI experts from the industry to evaluate applications.

Expert Assessment

The Expert Committee will investigate the proposed solution details described on the application to validate the idea's eligibility. The experts will take and express a position on the AI component in the context of AIRE and the proposed demonstration project. If the application does not meet the necessary criteria, AIRE will give feedback to the Applicant. The feedback includes details on what to improve to apply again (if possible).

Expert Scoring

Experts will score the application based on set criteria. The experts score a potential demonstration project using the evaluation form that logically corresponds to the application form. Every Expert assesses the application individually, in a total of 5 main categories. In addition, every Expert provides free-form feedback and comments.

The Experts score in 5 categories:

1) General (20 %):

- 5 % - Demonstration Project Objectives;

- 5 % - Problem(s) to be Solved;

- 5 % - Expected Results;

- 5 % - Reusability;

2) Development Team (15 %)
3) Novelty (15 %)
4) Preferably use of EU AI Infrastructure (i.e HPC, TEF, EU AI technology (5%)
5) Economic Impact, including potential and readiness to invest (i.e. investment roadmap and metrics, including probability of co-investment of €1–5m within the next 2 years[2]) (45 %)

AIRE presents the scoring to the Advisory Board with summary of the application.

Applicants receiving minimum score 60% will be invited to present their project idea and solution to the Advisory Board round table discussion.

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[2] AIRE would prefer to support Applicants, whose potential investment would be €1m at the minimum in order to ensure the economic impact. The investment can include public support measures (Estonian and EU), private equity or company's own investments.

Advisory Board Evaluation

AIRE has a group of international business leaders to help determine the economic impact of its actions based on the KPIs. The Advisory Board does not evaluate the project quantitatively, it gives qualitative advice and recommendations instead. Currently, AIRE Advisory Board consists of the following members:

- Andrus Durejko (Eesti Energia);
- Andres Sutt (the Minister of Energy and the Environment);
- Jukka Patrikainen (ABB Baltics);
- Jaan Puusaag (Krimelte, Wolf Group);
- Sirli Männiksaar (Ericsson Eesti);
- Veljo Konnimois (Radius Machining);
- Juhan-Madis Pukk (Flowit).

All Advisory Board members have signed the Non-Disclosure Declaration.

The Project Presentation

The Applicant who is invited to join the round-table discussion will get a chance to present their idea to the Advisory Board:

- The presentation is a closed session for Advisory Board members only to ensure high-level business discussion and confidentiality;
- The presentation is confidential and not shared publicly in any way;
- The presentation is expected to be up to **15 minutes** including Q+A;
- The Advisory Board is encouraged to give feedback and ask additional questions to determine the economic impact of the potential demonstration project if not clear. A discussion between the applicant and the advisory board is encouraged.

AIRE expects the Applicant to be present on-site or online. At least one member representing the project is expected to be present at the Advisory Board evaluation. A representative of the Applicant (company) is expected to make the presentation.

Evaluation Committee

AIRE forms an Evaluation Committee consisting of Experts evaluated the applications and AIRE consortium partners. The aim of the Evaluation Committee is to review evaluation scores and formulate recommendations for making funding decisions. Minimum three members will form the Evaluation Committee.

The Evaluation Committee meeting will take place after the Advisory Board meeting. The Evaluation Committee:

1) reviews Expert evaluation scores and Advisory Board feedback of all applications focusing on:

- the technological level and innovativeness of the demo project;
- to what extent the project uses the AI to solve a real industrial challenge;
- what is the expected economic impact and
- applicant's readiness to invest.

2) makes recommendations for funding decisions to the Steering Group.

What's next?

After evaluation, AIRE comprises the list of demonstration projects with evaluation results. AIRE presents this information to the AIRE Steering Group that will make the final decision. AIRE Steering Group consists of at least one representative from each AIRE partner organisation.

In case the Application is not approved, the Steering Group's reasoning has to be solid and understandable. AIRE will then give feedback to the Applicant on what to improve to apply again (if possible). Alternatively, other forms of collaboration with academia or funding opportunities will be discussed.

When the Application is approved, AIRE will notify the Applicant (in no more than five working days) via email. AIRE will then provide all legal documents (e.g. cooperation agreement) and helps the project team to start with the project.

Finally, the work can begin!

Key Terms

- **Advisory Board** - a group of international business leaders to help AIRE determine the economic impact of its actions;

- **Base Technology** - technology which exists and does not bring novelty and a degree of uncertainty;

- **AIRE** - AI & Robotics Estonia;

- **AIRE Demonstration Project** - a project to be carried out by a company, which justifiably leverages AI and AI-enabling technologies (including robotics) by providing access to digital transformation expertise and testing and experimentation services/facilities. The technology, methodology, or prototype tested and validated during the demonstration project must bring novelty and a degree of uncertainty (e.g., a tailor-made solution);

- **AI Prerequisite Technology** - context-aware technology that creates or processes data automatically. There is a degree of uncertainty - the technical solution will emerge as the work progresses;

- **AI Technology** - technology which applies generally accepted AI algorithms and methods;

- **EDIH** - European Digital Innovation Hub;

- **EMTAK** - The Estonian Classification of Economic Activities (Eesti Majanduse Tegevusalade Klassifikaator). This is the national version of the international harmonised NACE classification;

- **GBER** - General Block Exemption Regulation, which enables EU governments to grant aid to a wider range of companies without having to request prior permission from the European Commission. The exemption is designed to reduce administrative burdens on national and local authorities and to encourage EU governments to channel aid towards economic growth without giving recipients an unfair competitive advantage. This is a specific domain under state aid regulation;

- **IMECC** - Innovative Manufacturing Engineering Systems Competence Centre (AIRE partner organisation);

- **Innovation advisory services** - consultancy, assistance and training in the fields of knowledge transfer, acquisition, protection and exploitation of intangible assets, use of standards and regulations embedding them;

- **Knowledge Transfer** - any process which has the aim of acquiring, collecting and sharing explicit and tacit knowledge, including skills and competence in both economic and non-economic activities such as research collaborations, consultancy, licensing, spin-off creation, publication and mobility of researchers and other personnel involved in those activities. Besides scientific and technological knowledge, it includes other kinds of knowledge such as knowledge on the use of standards and regulations embedding them and on conditions of real-life operating environments and methods for organisational innovation, as well as management of knowledge related to identifying, acquiring, protecting, defending and exploiting intangible assets;

- **KPI** - key performance indicator. KPIs are the critical (key) quantifiable indicators of progress toward an intended result. KPIs provide a focus for strategic and operational improvement, create an analytical basis for decision making and help focus attention on what matters most;

- **'Off-the-Shelf'** - Commercial off-the-shelf or commercially available off-the-shelf products are packaged hardware or software, which are adapted aftermarket to the needs of the purchasing organisation, rather than the commissioning of custom-made, or bespoke, solutions;

- **Test Before Invest** - a category of services, which may include: awareness raising, digital maturity assessment, demonstration activities, visioning for digital transformation, fostering the integration, adaptation and customisation of various technologies, testing and experimentation with digital technologies (software and hardware), knowledge and technology transfer. Special focus will be on the key technologies promoted in [Digital Europe Programme](): HPC, TEF, AI, and Cybersecurity (the [EU AI Ecosystem]() services);

- **SME** - small and medium-sized enterprise;

- **Steering Group** - a group of representatives from the AIRE consortium. The steering committee validates and approves AIRE key decisions, including approving the demonstration projects as a last step before work can begin;

- **VTA** - de minimis aid regulation ([vähese tähtsusega abi]()).

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Annex 1. AIRE Demonstration Projects Service Application

The fillable form can be found on [AIRE website](#).

Annex 2. Example of ROI calculation

The fillable form can be found on [AIRE website](#).

Annex 3. Application Evaluation form

The fillable form can be found on [AIRE website](#).

Annex 4. AIRE Demonstration Project User Experience Story

The fillable form can be found on [AIRE website](#).

Annex 5. AIRE Demonstration Project Final Report

The fillable form can be found on [AIRE website](#).

Annex 6. AIRE Demonstration Project Standard Contract

The contract can be found on [AIRE website](#).

Annex 7. Code Repository Template for the Development Team

The Development Team will have a dedicated team space on AIRE GitHub, including a code repository. For the duration of the demonstration project, the team can work privately in the code repository.

AIRE will publish the code repository after the completion of the demonstration project. The code repository will be shared through other public channels, such as AIRE website, kratid.ee and AI-on-Demand platforms.

💡 **Template code repository: https://github.com/ai-robotics-estonia/_project_template_**
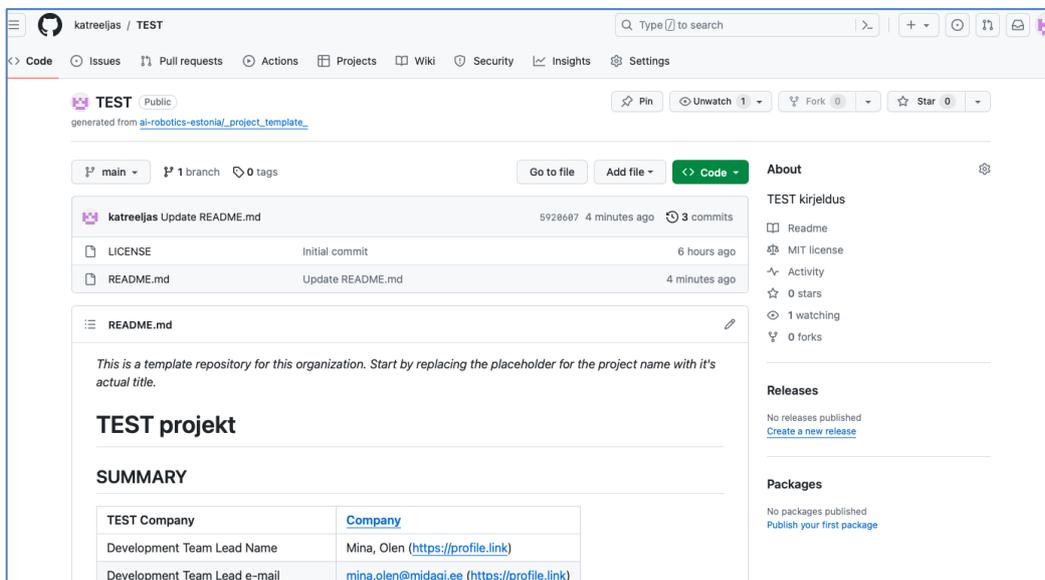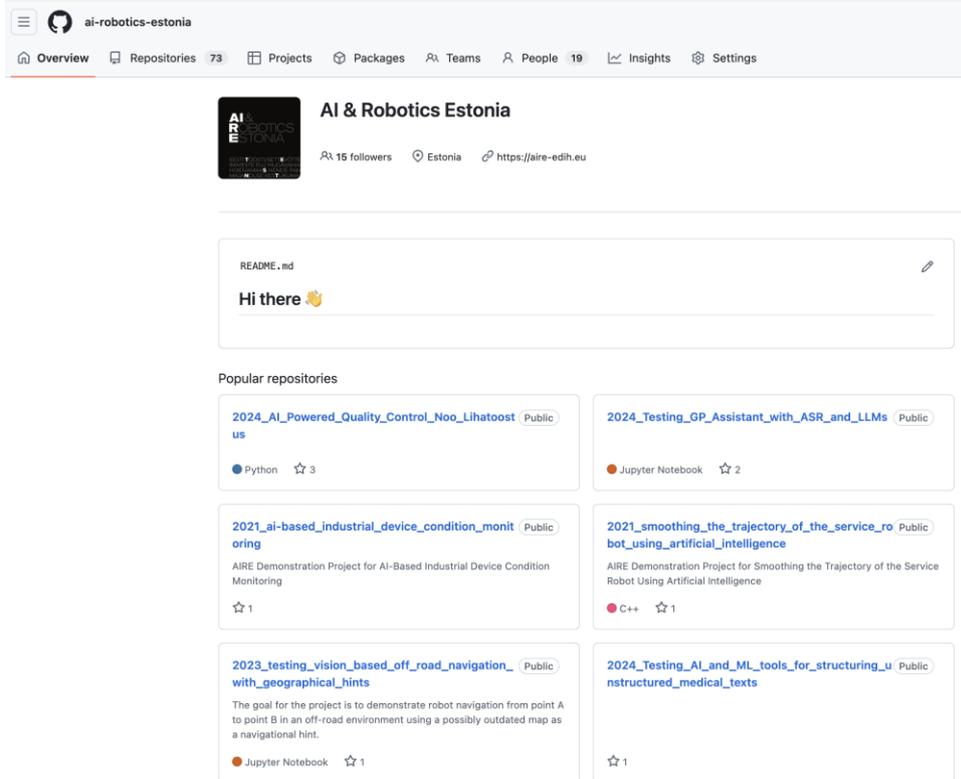
Annex 8. AIRE eligible technology examples

	AI Base Technology	AI Prerequisite Technology	AI Technology
Elibiligity	No	Depending on the idea	Yes
Data	Digital Data Collection; Digital Data Processing; Cloud Technologies	Electronic Data Interchange; Data Warehouse; Web Crawler; Algorithmic Data Processing; Data Collection Automation (IoT); Algorithmic Predictive Modeling; Data Mining	AI-based Data Processing; AI-based Predictive Modeling; AI-based Process Optimisation
Manufacturing and Processes	Planning; Process Standardisation; Product Testing	Algorithmic Planning; Perspective Video/Photo Technologies; Statistical Process Control; Digital Product Lifecycle Management	AI-based Planning; AI-based Process Control; AI-based Video/Photo Interpretation
Equipment	Programming Robots; CNC Workbench Programming; Preventive Maintenance; Measuring Overall Equipment Effectiveness	Collaborative Robots; Automated Warehouse; Configuration Automation; Remote Maintenance; Augmented Reality for Maintenance; Blueprint > STEP & STEP > BoM/CNC Algorithmic Process Automation; Algorithmic Operating Program Automation	AI-based Simulations / Digital Twins; AI-powered Robots; AI-based Programming in Offline Robots; Predictive Maintenance; Automated Guided Vehicles; Blueprint > STEP & STEP > BoM/CNC AI-based Process Automation
Employees and Clients	Online Order Forms; Order Form Interfacing with ERP/CRM; Tutorial Videos and Manuals	Virtual/Augmented Reality for Training; Algorithmic Customer Service; Algorithmic Customer Support	Digital twin/simulation-based training; AI-based Customer Service; AI-based Customer Support; AI-based Training
Technologies (non-exhaustive list)	• ERP/MRP/CRM/...; • Excel/BI; • Robots, Cobots (predefined movements); • Web development; • Adoption of cloud technology and data warehouses; • CNC equipment and programming; • Simple interfaces; • (one-off) data analytics; • Web crawler; • OEE monitoring sensors; • ...	• Decision trees; • Algorithmic problem solving; • Complex interfaces; • Cobots (real-time monitoring of signals from the outside world); • Virtual/Augmented Reality; • Digital twins and algorithmic simulation models; • Building a data warehouse system; • Data mining (incl. web scratching); • Anomaly Detection (algorithmic); • Intenet of Things devices; • ...	• Semantic Reasoning; • Trustworthy AI solutions; • Machine Learning; • Reinforcement Learning; • Monte Carlo simulations; • Classification and regression analysis; • Clustering; • Prediction models; • Anomaly Detection (pattern-based); • Constraint solving solutions; • Job shop scheduling; • ...

Annex 9. Checklist for the Applicant

When filling in the Application, please make sure you answer on **all questions** in the Application (incl. the bullet points under headings). Please follow the instructions carefully and do not miss questions – these questions are necessary to ensure the minimum relevant information needed for evaluation is presented in the Application. If you miss information, AIRE team will ask you to amend the Application.

Applicant can self-evaluate whether the Application is complete:

Requirement	Reference in the Guidelines/ Application	Yes/No
The Application is filled on a requested template	Application, Annex 1/ NA	
The Application is filled either in Estonian or English	Application, Annex 1/ NA	
The Applicant has passed the AIRE service AI suitability assessment and has the final report finalised	Application, How to apply?/ Challenge to be solved with the Demonstration Project	
The Applicant is registered to following AIRE's services (via aire-edih.eu): 1) Support to find funding (public measures) or Support to find funding (private capital); 2) demonstration projects	Application, How to apply?/ NA	
The Applicant fits SME or Mid-Cap criteria	The Applicant/Applicant's Information	
Applicant's and Development Team's information is complete	The Applicant, The Development Team/Applicant's Information and Development Team Information	
The Development Team includes the in-house person responsible for the technology adaptation or an external development partner	Proposed Technical Solution/ Description of the Development Team	
The project includes an EU AI Ecosystem service (i.e. HPC, TEF), use/no use is explained and justified	Objective, Expert Evaluation/ Expected technological results	
The project is focused on testing, experimenting or validating an AI based solution (incl. Smart robotics)	Objective, Proposed Technical Solution/ Description of the implementation of the project, Expected technological results	
The Applicant has clearly described the economic impact of the potential investment: the investment roadmap including the ROI calculation is presented and justified	Application, Expert Scoring/ Demonstration project's potential economic impact and KPIs	
The project timeline falls into the limit of 6 months	Timeframe/ Demonstration Project Timeframe in Stages	
The Applicant has selected state aid scheme to cover the project funding	The State Aid Regulation/ The use of state aid under State Aid Regulation	
The Application **is signed digitally by the authorised person** and it includes: - the Application (template Annex 1), - at least the CV of the Development team lead, - the AI suitability assessment report or any other document describing the technological solution, - ROI calculation (see template Annex 2)	The Process, How to apply/ Make sure you have added the required additional documents to the application	