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Federal Act on the Swiss Innovation Agency (Innosuisse Act, SIAA)

of 17 June 2016 (Status as of 1 January 2023)

*The Federal Assembly of the Swiss Confederation,
based on Article 64 paragraph 1 of the Federal Constitution¹,
having considered the Federal Council Dispatch of 25 November 2015²,
decrees:*

Section 1 The Agency and its Purpose

Art. 1 The Swiss Innovation Agency (Innosuisse)

¹ The Swiss Innovation Agency is a federal public law entity with its own legal personality.

² It shall decide its own organisational structure and keep its own accounts.

³ It shall be independent in its funding decisions.

⁴ It shall be managed according to business principles.

⁵ The Federal Council shall decide the location of the Agency's registered office.

⁶ The Agency shall be entered into the trade register as 'Swiss Innovation Agency (Innosuisse)'.

Art. 2

¹ With Innosuisse, the Confederation seeks to promote science-based innovation in the interests of the economy and society.

² In order to achieve this objective, Innosuisse shall adhere to the principles and mandates set out in Article 6 of the Federal Act of 14 December 2012³ on the Promotion of Research and Innovation (RIPA) and shall perform the duties set out in Article 3 of this Act.

AS 2016 4259

¹ SR 101

² BBI 2015 9487

³ SR 420.1

Section 2 Tasks and Cooperation

Art. 3 Tasks

¹ Innosuisse is the Confederation's funding institution for science-based innovation in all disciplines represented at Swiss higher education research centres under Article 4, letter c RIPA⁴.

² It shall pursue innovation support activities in accordance with Article 18 paragraphs 1 and 2 as well as in Articles 19–23 RIPA.⁵

³ It shall represent the Confederation in international organisations and bodies involved in innovation promotion in accordance with Article 28 paragraph 2, letter c RIPA, insofar as it is authorised to do so by the Federal Council, the Federal Department of Economic Affairs, Education and Research (EAER) or the State Secretariat for Education, Research and Innovation (SERI), and shall take measures and decisions to the extent of the Confederation's participation in these organisations and bodies.

⁴ It shall provide, within its area of responsibility, information on national and international programmes and on the submission of applications. It may work with third parties to develop information offers.⁶

⁵ It shall take part in the preparation of federal legislation on innovation support, when said legislation relates to its tasks under paragraphs 2 and 3.

⁶ It shall run topic-specific support programmes if mandated to do so by the Federal Council.

⁷ It shall coordinate its activities with regional and cantonal measures, namely to support the establishment and development of science-based companies and to provide advice on knowledge and technology transfer.

Art. 4⁷ Participation in legal entities

Innosuisse may participate in non-profit-making legal entities under private or public law if part of the Federal Council's strategic objectives.

Section 3 Structure

Art. 5 Bodies

The bodies of Innosuisse are:

- a. the Board of Directors;

⁴ SR 420.1

⁵ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

⁶ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

⁷ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

- b. the Executive Committee;
- c. the Innovation Council;
- d. the Auditing Body.

Art. 6 Board of Directors: position, election, structure and vested interests

¹ The Board of Directors is the highest decision-making body. It consists of 5-7 members from science and industry who are specialised in supporting innovation.

² The Federal Council periodically elects the Chairman and members of the Board of Directors for a 4-year term of office. It may re-elect them. No member of the Board of Directors may remain in office for more than 8 years. The Chairman may not remain in office for more than 12 years, including the amount of time spent as a member of the Board of Directors. The Federal Council may dismiss members of the Board of Directors if there are important grounds to do so.⁸

³ Nominees for election to the Board of Directors must disclose their vested interests to the Federal Council.

⁴ The members of the Board of Directors must perform their tasks and duties with due care and must safeguard the interests of Innosuisse in good faith. They must disclose their vested interests.

⁵ The Board of Directors shall take organisational precautions to protect Innosuisse interests and avoid conflicts of interest.

⁶ The Federal Council shall decide the fees and other contractual terms for members of the Board of Directors. The contract between the members of the Board of Directors and Innosuisse is governed by public law.

⁷ The members of the Board of Directors shall keep the Board of Directors abreast of any changes to their vested interests. The latter shall provide the Federal Council with an update on the vested interests situation in the annual report. If a given vested interest is incompatible with Board of Directors membership and if the member fails to divest himself or herself of the conflicting vested interest, then the Board of Directors shall ask the Federal Council to dismiss this member.

⁸ The members of the Board of Directors are obliged to maintain confidentiality regarding official matters both during and after their term of office on the Board of Directors.

Art. 7 Board of Directors: Tasks

¹ The Board of Directors shall have the following tasks:

- a. It shall issue the Organisational Regulation.
- b. Based on the proposal from the Innovation Council, it shall adopt the multi-annual programme under Article 45 RIPA⁹.

⁸ Second and fourth sentences amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

⁹ SR 420.1

- c. It shall ensure implementation of the Federal Council's strategic objectives and reports annually to the Federal Council on the state of progress towards achievement of these objectives.
 - d. It shall issue a regulation on acceptance and management of third-party funds.
 - e. It shall issue a funding ordinance in accordance with Article 23 and shall submit this regulation for Federal Council approval.
 - f. It shall issue a personnel ordinance and submit this ordinance for Federal Council approval.
 - g. It shall represent Innosuisse as a contracting party within the meaning of Article 32*d* paragraph 2 of the Federal Act of 24 March 2000¹⁰ on the Personnel of the Swiss Confederation (FPA).
 - h. It shall decide on the issuance, amendment and termination of the CEO's employment contract; it shall first seek Federal Council approval when deciding to initiate or terminate employment.
 - i. It shall decide, at the request of the CEO, on the issuance, amendment and termination of the employment contract of the other members of the Executive Committee.
 - j. It shall elect:
 - 1. the members of the Innovation Council;
 - 2. at the request of the Innovation Council, the experts referred to in Article 10 paragraph 2 below.
 - k. It shall adopt and submit for Federal Council approval an ordinance on the fees and other contractual conditions for members of the Innovation Council and on the remuneration of experts referred to in Article 10 paragraph 2 below.
 - l. It shall supervise the Innovation Council and the Executive Committee.
 - m. It shall establish an internal control system and risk management system suited to the needs of Innosuisse.
 - n. It shall approve the budget.
 - o. It shall prepare and approve an annual report for each financial year and submit the revised annual report for Federal Council approval; at the same time, it submits a request to the Federal Council for discharge and the allocation of any profits. It shall publish the annual report after approval.
 - p. It shall apply to the Federal Council for compensation under Article 15.
 - q. It shall establish the conditions of Innosuisse communication in the Organisational Regulation.
- ² It may establish a compliance office to assist it in its supervisory role.

¹⁰ SR 172.220.1

Art. 8 Executive Committee

¹ The Executive Committee is the operative body. It is led by a CEO.

² It shall carry out the following tasks in particular:

- a. It shall handle day-to-day business and manage the Secretariat.
- b.¹¹ It shall reach decisions pertaining to the matters referred to in Article 3 paragraph 4 of this Act as well as Article 21 paragraph 1 letters b and c and paragraph 3 RIPA¹².
- b^{bis}.¹³ It shall decide on acceptance of funding applications in the areas referred to in Article 3 paragraphs 2 and 3; it shall not accept applications that do not meet formal requisites or are obviously unsuited and shall issue an official decision in writing.
- c. ¹⁴ It shall prepare the documentation needed for decision-making by the Innovation Council in relation to the matters referred to in Article 10 paragraph 1 below and shall submit accepted applications for consideration to the Innovation Council taking into account available funding; if the Innovation Council disagrees with the Executive Committee's proposal and no agreement is reached, then the Executive Committee shall submit the differences to the Board of Directors.
- d. It shall issue decisions and sign contracts in accordance with Innovation Council decisions.
- e. It shall monitor the Innosuisse budget and the status of current and upcoming financial commitments; it shall be responsible for managing finances as well as for reporting on and controlling funded activities.
- f. It shall assist the Board of Directors and the Innovation Council in preparing their day-to-day activities.
- g. It shall report to the Board of Directors at regular intervals and shall do so without delay in the event of specific incidents.
- h. It shall decide on the issuance, amendment and termination of employment contracts of Innosuisse employees; Article 7 paragraph 1 letter i remains reserved.
- i. It shall perform all tasks not otherwise assigned to another body under this Act.

¹¹ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

¹² SR 420.1

¹³ Inserted by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

¹⁴ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

Art. 9 Innovation Council: position, election, structure and vested interests

¹ The Innovation Council is the specialised body of Innosuisse for the tasks referred to in Article 10 below.

² It shall be comprised of at least 15 and no more than 25 members.

³ The criteria for the election of nominees to the Innovation Council are the person's performance record in science-based innovation and the relevance of said performance in terms of practical applications for business and society.

⁴ Members shall be elected for a four-year term of office and may be re-elected. No member of the Innovation Council may remain in office for more than 8 years.¹⁵

⁵ Nominees for election to the Innovation Council must disclose their vested interests to the Board of Directors.

⁶ The members of the Innovation Council must perform their tasks and duties with due care and must safeguard the interests of Innosuisse in good faith. Each member must disclose his or her vested interests.

⁷ The members of the Innosuisse Council shall keep the Board of Directors abreast of any changes to their vested interests. The latter shall provide an update of the vested interests situation in the annual report. If a given vested interest is incompatible with Innovation Council membership and if the member fails to divest himself or herself of the conflicting vested interest, then the Board of Directors shall dismiss this member.

⁸ The members of the Innovation Council are obliged to maintain confidentiality regarding official matters both during and after their term of office on the Innovation Council.

Art. 10 Innovation Council: Tasks

¹ The Innovation Council shall have the following tasks:

- a.¹⁶ It shall decide on funding applications in the areas referred to in Article 3 paragraphs 2 and 3 above, provided that this decision has not been assigned to another body; if its decisions differ from those proposed by the Executive Committee pursuant to Article 8 paragraph 2 let c, then it shall provide a statement of reasons to the Executive Committee.
- b. It shall provide science and innovation-based supervision of implementation of the supported activities referred to in letter a above.
- c.¹⁷ It shall select service providers under Articles 20 paragraph 3 and 21 paragraph 2 RIPA¹⁸.

¹⁵ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBI 2021 480).

¹⁶ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBI 2021 480).

¹⁷ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBI 2021 480).

¹⁸ SR 420.1

- d. It shall devise proposals on funding strategy and funding instruments for the Board of Directors.
- e. It shall prepare multiannual programmes for the Board of Directors.
- f. It shall establish implementation provisions for each individual funding instrument in terms of eligible costs for calculation of contributions and application submission requirements.

² It may propose experts to the Board of Directors to lend support in the evaluation of applications in its area of responsibility and for the purpose of supervising project work. These experts shall be subject to the provisions of Article 9, paragraphs 5-8, on disclosure of vested interests and official secrecy where applicable.

Art. 11 Auditing Body

¹ The Federal Council shall appoint the Auditing Body.

² The Auditing Body and audits shall be subject to the provisions of federal legislation applying by analogy to regular audits of stock companies.

³ The Auditing Body shall verify the annual financial statements and the status report on implementation of a suitable risk management system as well as the information on human resources development.

⁴ It shall provide the Board of Directors and the Federal Council with a comprehensive audit report.

⁵ The Federal Council may have the auditing body clarify certain issues.

⁶ The Federal Council may dismiss the Auditing Body.

Section 4 Personnel

Art. 12 Employment contracts

¹ The members of the Executive Committee and other personnel shall be subject to:

- a. the FPA¹⁹; and
- b. the Implementing Provisions to the FPA, insofar as the Board of Directors does not decide otherwise under paragraph 2 below.

² The Board of Directors shall, where necessary, issue additional implementing provisions on employment contracts; said provisions shall require Federal Council approval.

³ Innosuisse is an employer within the meaning of Article 3 paragraph 2 FPA.

¹⁹ SR 172.220.1

Art. 13 Pension fund

¹ The members of the Executive Committee and other personnel are insured with the Federal Pension Fund (PUBLICA) under Articles 32*a*–32*m* FPA²⁰.

² Innosuisse is an employer under Article 32*b* paragraph 2 FPA. It is part of PUBLICA. Article 32*d* paragraph 3 FPA shall apply.

Section 5 Funding and Budget**Art. 14** Funding

Innosuisse activities are funded by:

- a. federal contributions (Art. 15);
- b. third-party funds (Art. 16);
- c. reclaimed amounts paid under the Federal Act of 5 October 1990²¹ on Financial Assistance and Subsidies.

Art. 15 Federal contributions

The Swiss Confederation shall provide Innosuisse with annual contributions to cover the expenses incurred in relation to the tasks referred to in Article 3, paragraphs 2-4 and 6, as well as to cover Innosuisse's operating costs.

Art. 16 Third-party funds

¹ Innosuisse may accept or secure funds from third parties insofar as this is compatible with Innosuisse's purpose, tasks and independence.

² Third-party funds originate in particular from donations from third parties.

Art. 17 Annual report

¹ The annual report shall be comprised of the annual financial statements (individual financial statements) and the management report.

² The annual financial statements shall be comprised of a balance sheet, income statement and notes to the annual financial statements.

³ The management report shall include, in particular, information on risk management, personnel policy priorities and the vested interests of members of Innosuisse bodies and the experts referred to in Article 10 paragraph 2.

⁴ The annual financial statements and management report shall be audited by the Auditing Body.

²⁰ SR 172.220.1

²¹ SR 616.1

Art. 18 Financial reporting

¹ Innosuisse financial reporting presents an accurate picture of net assets, financial position and results of operations.

² This financial reporting adheres to the principles of materiality, completeness, comprehensibility, consistency and gross presentation and is based on generally accepted standards.

³ The accounting and valuation rules derived from accounting principles must be disclosed in the annex to the balance sheet.

⁴ The operational accounting system must be structured in such a way that expenses and income from the individual funding activities can be reported.

⁵ The Federal Council may issue rules on financial reporting.

Art. 19 Reserves

¹ Innosuisse may form reserves. Third-party funds referred to in Article 16 paragraph 2 may be allocated to the reserves.

² Reserves may not exceed 15 per cent of the respective annual budget.²² Third-party funds shall not be included in the calculation.

³ The Federal Council may decide that the maximum percentage under paragraph 2 may be exceeded in exceptional cases and for a limited period of time if Innosuisse's off-balance sheet commitments for innovation funding justify this measure.²³

Art. 20 Treasury management

¹ The Federal Finance Administration (FFA) shall manage Innosuisse's liquid assets as part of its centralised treasury management activities.

² In order to ensure that Innosuisse has adequate liquidity to perform its duties under Article 3, the FFA shall grant Innosuisse loans under market terms and conditions.

³ The FFA and Innosuisse shall formalise the details in a public law contract.

Art. 21 Taxation

¹ Innosuisse is exempted from all federal, cantonal and communal taxes within the framework of its activities.

² Federal legislation on the following shall remain reserved:

- a. Value-added tax;
- b. Withholding tax;
- c. Stamp duties.

²² Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

²³ Inserted by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

Art. 22 Real estate property

- ¹ The Confederation shall lease the necessary real estate property to Innosuisse.
- ² The Confederation shall retain ownership of said real estate property. The Confederation shall also provide for maintenance.
- ³ The Confederation shall lease the real estate property to Innosuisse for a reasonable sum.
- ⁴ The reasons for the lease and specific details shall be formalised in a public law contract between the Confederation and Innosuisse.
- ⁵ Innosuisse may, in consultation with the Confederation, lease the necessary properties from a source outside the Confederation or secure usufruct from third parties if this is expedient.

Section 6 Funding Ordinance**Art. 23**

The Board of Directors shall establish the following in the Funding Ordinance:

- a. the funding instruments of Innosuisse;
- b. the conditions for promotion and support;
- b^{bis}.²⁴ the cases where contributions may be made to implementing partners in accordance with Article 19 paragraph 1bis RIPA²⁵;
- b^{ter}.²⁶ the criteria for determining the amount of the contributions to be made by start-ups and small and medium-sized enterprises themselves under Article 19 paragraphs 3^{bis} and 3^{ter} RIPA;
- c.²⁷ the procedure used to select service providers under Articles 20 paragraph 3 and 21 paragraph 2 RIPA;
- d. the conditions and terms for granting subsidies to foreign research partners for cross-border innovation projects;
- e. calculation of funding amounts and terms of payment.

²⁴ Inserted by the annex of the FA of 17 Dec. 2021 (Changes to Innovation Promotion), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

²⁵ SR 420.1

²⁶ Inserted by the annex of the FA of 17 Dec. 2021 (Changes to Innovation Promotion), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

²⁷ Amended by the Annex to the FA of 17 Dec. 2021 (Changes in the Funding of Innovation), in force since 1 Jan. 2023 (AS 2022 221; BBl 2021 480).

Section 7 Safeguarding Federal Interests

Art. 24 Strategic objectives

¹ The Federal Council shall establish the strategic objectives of Innosuisse within the framework of the objectives and tasks set out in Articles 2 and 3 for a period of four years.

² It shall also establish the upper threshold for administrative costs.

Art. 25 Supervision

¹ The Federal Council supervises Innosuisse, while respecting its professional independence.

² It shall exercise its supervision in particular through:

- a. election and dismissal of the members of the Board of Directors and its Chairman;
- b. approval of issuance and termination of the CEO's employment contract;
- c. election and dismissal of the Auditing Body;
- d. approval of the Funding Ordinance;
- e. approval of the Ordinance on the Fees and Other Contractual Clauses of the members of the Innovation Council and on the Remuneration of Experts under Article 10 paragraph 2 above;
- f. approval of the Personnel Ordinance;
- g. approval of the annual report and decision on the use of any profits;
- h. annual review of the achievement of strategic objectives;
- i. discharge of the Board of Directors.

³ It may inspect all Innosuisse business documents and obtain information about its business activities at any time.

Section 8 Final Provisions

Art. 26 Amendment of current legislation

The amendment of current legislation is regulated in the Annex.

Art. 27 Establishment of Innosuisse

¹ The Commission for Technology and Innovation (CTI) shall become Innosuisse. Innosuisse shall enter into existing legal relationships and shall revise these where necessary.

² The Federal Council shall determine the date on which Innosuisse shall acquire its own legal personality.

³ It shall specify the rights, obligations and assets transferred to Innosuisse and shall approve the corresponding inventory. It shall determine the commencement of legal effects and approve the opening balance sheet.

⁴ It shall issue provisions, pass resolutions and take all other measures necessary for the transfer. In particular, it may provide Innosuisse with the funds set aside for the CTI in the federal budget, provided that the funds required for Innosuisse tasks are not yet available at the time of entry into force of this Act.

⁵ The transfer of rights, obligations and assets as well as entries in the trade register and other public registers in connection with the establishment of Innosuisse are tax-free and not subject to any fees.

⁶ The creation of Innosuisse is not subject to the Federal Act of 3 October 2003²⁸ on Mergers, Demergers, Transformations and Transfers of Assets and Liabilities.

Art. 28 Transfer of employment contracts

¹ The employment contracts of CTI Secretariat staff shall be transferred to Innosuisse on the date determined by the Federal Council and shall be subject to its personnel ordinance from that date. The appointment of the members of the Executive Committee remains reserved.

² There is no entitlement to continuation of any given role, work area, work location and hierarchical position. However, there is an entitlement to receive the same previous salary for two years, provided that an employment contract exists.

³ Within two months at the latest, Innosuisse shall issue a new employment contract to personnel transferred to Innosuisse to replace the previous contract. No trial period may be used in this contract.

⁴ Staff complaints pending at the time of transfer of employment contracts shall be assessed under previous legislation.

Art. 29 Employer of reference

¹ Innosuisse shall be regarded as the employer of reference for pension recipients:

- a. who worked for CTI under previous legislation; and
- b. whose retirement, widow or disability pensions derived from the PUBLICA occupational pension plan began before this Act came into force.

² Innosuisse shall also be considered as the employer of reference if the disability pension begins after commencement of this Act but the incident causing the disability and corresponding unfitness for work occurred prior to entry into force of this Act.

²⁸ SR 221.301

Art. 30 Updating of register entries

The EAER may decide to update register entries under Article 27 paragraph 5, tax-free and not subject to any fees, for a period of five years after Innosuisse has acquired legal personality.

Art. 31 Referendum and commencement

¹ This Act is subject to an optional referendum.

² The Federal Council shall determine the date when this Act comes into force.

Commencement date:²⁹ 1 January 2018

Art. 1 para. 5, 5–13, 18, 20 paras 3, 22–26, 27 paras 2–6 and 28: 1 Jan. 2017

²⁹ FCD of 16 Nov. 2016.

Annex
(Art. 26)

Amendment of other legislation

The enactments below are amended as follows:

...³⁰

³⁰ The amendments may be consulted under AS **2016** 4259.