



Impact of the 2027 relief package on Innosuisse

The draft of the “2027 relief package for the federal budget” plans to reduce the federal government’s contribution to Innosuisse **by 10 per cent** (CHF 32 million in 2027 and CHF 33.1 million in 2028) with the following measures having a lasting effect beyond 2028:

- Setting Innosuisse’s contribution to innovation projects at a maximum level of 50 per cent (instead of a range of 40 to 60 per cent and the option of exceptional amounts above and below this range)
- Setting Innosuisse’s contribution to start-up innovation projects at a maximum level of 50 per cent (instead of up to 70 per cent)
- Restricting funding for projects without implementation partners to joint programmes with research funding institutions (currently taking the form of BRIDGE projects with the Swiss National Science Foundation (SNSF))
- Elimination of the legal basis that would allow Innosuisse to introduce measures aimed at promoting highly qualified persons in case of sufficient budget

Assessment by Innosuisse:

- Innosuisse is aware that a wide range of measures are required in order to ease the burden on the federal budget and is prepared to bear the consequences responsibly. However, a 10 per cent reduction constitutes a deep cut. In terms of scope and implementation, attention should be paid to ensuring that the opportunity costs do not exceed the cost savings and that innovation promotion is able to respond flexibly to the rapidly evolving environment.
- The geopolitical, economic and technological environment currently poses major challenges for Switzerland. There is also a need for solutions for a digitalised and sustainable future. Innovation, as a central component in Switzerland’s competitiveness and export capability, therefore needs to be strengthened, not made weaker.
- Reducing the budget for innovation promotion would lead to considerable opportunity costs for the Swiss economy: Over a period of three years, each Swiss franc invested by Innosuisse in innovation projects generates direct added value of more than four Swiss francs for the companies receiving support ([link impact monitor](#)). An academic study by the Swiss Economic Institute (KOF) at ETH Zurich also shows that the funding of innovation projects by Innosuisse increases revenue by an average of 21 per cent and employment by 18 per cent for the companies involved over the subsequent five years when compared with innovative companies that do not receive funding ([link report](#)).
- Flexibility in the support of innovation projects with implementation partners provided by Innosuisse within a range of 40 to 60 per cent, along with allowing for exceptional amounts above and below this range for specific cases, makes it possible to focus on the quality of projects, to address projects’ particular features and to get involved in special programmes. This flexibility was approved by Parliament and implemented in 2023. This measure is not aimed at pursuing an industrial policy or at distorting the market, as the funding only goes to the research partners, the implementation partners have to make their own contribution, and the topics of the innovation projects are freely chosen by applicants.
- Compared with other countries, start-ups in Switzerland receive only very limited direct support. The venture capital environment is also challenging. This is why Innosuisse’s contribution of up to 70 per cent to the costs of innovation projects for these innovative start-ups should not be reduced even further.
- Switzerland carries out excellent research. The transfer of these results to the market should not be weakened by allowing Innosuisse to give only limited support to projects without implementation partners.

If you have any questions, please write to strategy@innosuisse.ch