

DRIVING GROWTH ▲

MARKET SOUNDING

**New Proposed RIF Funding Scheme:
«Innovative Product Development (IPD)»
Programme**

July 2024



ΙΔΡΥΜΑ
ΕΡΕΥΝΑΣ ΚΑΙ
ΚΑΙΝΟΤΟΜΙΑΣ



► Objectives and Basic Principles

- ✓ Support *innovative enterprises, which have attracted private equity investment, to implement Research and Development activities to develop market ready products/services/processes or enhance existing ones.*
- ✓ Support enterprises which have the potential to *penetrate into the international markets.*
- ✓ Encourage *private investments into local innovative enterprises.*
- ✓ Combine *private investments (equity component) with public subsidies (grant component).*



► General Call Information (1)

- ❑ Expected Call Announcement: **September / October 2024**
- ❑ Proposal Submission Deadlines:
 - 1st Deadline: February 2025**
 - 2nd Deadline: May 2025**
- ❑ Time to Contract: **4 Months**
- ❑ Programme Budget: **€ 2.000.000** (€ 1.000.000 for each deadline)
- ❑ Minimum private equity investment* required: **€ 200.000**
- ❑ Grant (equity free): Up to **50% of the equity investment** capped at **€ 300.000**
- ❑ Project Duration: **Up to 12 Months**

** «equity investment» means the provision of capital to an undertaking, invested in return for the ownership of a corresponding share of that undertaking.*

► Conditions for Participation

- ❑ *The **minimum equity investment** is € 200.000.*
- ❑ *The total agreed investment should be made between the **Call announcement date** and until the **end of the Project funded by the RIF**.*
- ❑ ***30% of the minimum equity investment** should be made by the **Contract Signing Date** with the RIF.*
- ❑ *No restrictions regarding the **geographical origin of the investors**.*
- ❑ *To justify the investment, applicants should submit **relevant proofs** for the transactions (e.g. documentation of issued share capital).*
- ❑ *At the time of submission, applicants should submit the data (Name and Surname, ID / Passport Number and Date of Birth) of their **ultimate beneficial owners**.*
- ❑ *Participants should **be able to start commercialisation**, or in case of projects in the **biomedicine area to start clinical trials**, after the project's completion.*





▶ Grant Award

□ Grant Instalments:

- *Pre-Financing: 30% of the Requested Funding paid upon Contract signature*
- *Final Funding Payment at the end of the Project*

□ Funding Intensity (Funding Percentage on Eligible Expenses):

- *Up to 60% for **Small Enterprises** (num. of employees <50, turnover ≤ € 10 M)*
- *Up to 50% for **Medium Enterprises** (50 ≤ num. of employees ≤ 249, turnover ≤ € 50 M)*

► Beneficiaries (1)

Eligible enterprises to participate are **Small and Medium Enterprises (SMEs) legally established and active*** in territories under the **control of the Republic of Cyprus**, which at the time of submission:

- ✓ Have a **«Certificate of Innovative Enterprise»** issued by the Deputy Ministry Deputy Ministry of Research, Innovation and Digital Policy. → More information is available [here](#)
- ✓ Have secured a **direct private investment** (in equity) of at least **200.000 Euros**.

** The activity of the entities is documented by the existence of facilities and other equipment in territories under the control of the Republic of Cyprus and, indicatively and not restrictively, by audited financial statements, the tax return of the entity in the Republic of Cyprus, etc.*



► Beneficiaries (2)

- ❑ *Partner Organisations (Research Organisations) may participate in funded Projects (Up to 15% of the total Project Budget).*
- ❑ *Enterprises that, at the time of submission, have an **ongoing RIF Funded Project** under **PRE-SEED, SEED, INNOVATE, DISRUPT Programmes**, are not eligible to participate.*



► Eligible Activities

Experimental Development* activities aiming at the **advancement of the technology readiness level** of the innovation, and the **completion of product/service development** into a market ready product/service.

** **Experimental Development** means acquiring, combining, shaping and using existing scientific, technological, business and other relevant knowledge and skills with the aim of developing new or improved products, processes or services. This may also include, for example, activities aiming at the conceptual definition, planning and documentation of new products, processes or services. Experimental development may comprise **prototyping, demonstrating, piloting, testing and validation** of new or improved products, processes or services in environments representative of real-life operating conditions where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include development of a commercially usable prototype or pilot which is necessarily the final commercial product and which is too expensive to produce for it to be used only for demonstration and validation purposes. Experimental development does not include routine or periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress, even if those changes may represent improvements.*





▶ Eligible Grant Costs

- Personnel Cost
- Costs for Instruments and Equipment (*depreciation*)
- Costs for External Services
- Costs for Travelling Abroad
- Consumables
- Other specific costs
- Overheads (*up to 20% of the direct costs*)

► Evaluation

Evaluation by **Independent Evaluation Committee** consisting of experts with business background.

- A **member/members of the project Team** present the Project, **in person**, to the members of the Committee (pitching).
- Selection for Funding:** Proposals that will be deemed eligible for funding by the Committee, will be selected for funding (Go / No-Go).
- Total funding of approved projects, **will not exceed** the total Call budget.

