



EU4Business



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ANNOUNCEMENT

Innovation Matching Grants – Business Development Support for innovative technology oriented Start-ups and companies

The “Support to SME development in Armenia” (SMEDA) project – funded through the European Union and implemented by GIZ, the German Development Cooperation in cooperation with Enterprise Incubator Foundation announces “Innovation Matching Grants – Business Development Support for innovative technology Start-ups” grant competition.

The aim of the project is to support technology-oriented ventures and to increase the competitiveness of existing SMEs by providing financial and technical assistance to develop new innovative products and services for domestic and global markets.

Furthermore, the project aims at stimulating the rate of technology absorption, technology transfer, innovation, and commercialization of research ideas in the private sector, and also fostering the collaboration between research centers and SMEs.

Competition is open to companies with technology background, as e.g. in the field of Engineering, CleanTech, Biotech, etc, who are registered at least 1 year in the Republic of Armenia and are able to provide necessary co-financing.

Activities covered by the grant are:

- Development of industrial prototype
- Production/Manufacturing
- Market Validation
- Product Launch
- Market entry/Customer acquisition
- Market Expansion

GRANT AMOUNT & CO-FINANCING REQUIREMENTS

Minimum amount of grant per initiative is 30.000 EUR, maximum amount - 50.000 EUR. Up to 18 grants will be provided in 2016 and 2017/2018 with project duration of maximum 12 months. In total, there will be 2 grant cycles. The maximum amount of all grant together is 720,000.00 Euro.

Innovation Matching Grants (IMG) is open to companies from all over Armenia, and provides funding for maximum **50%** of co-financing of project expenditures estimated by the applicant.

Companies from regions (such as Gyumri, Vanadzor, Ijevan, etc) applying to the grant will have privilege of being provided up to **85% financing** from the grant funds when the company location is minimum 50km distance from Yerevan.

To support the development of technology cluster in Gyumri and Vanadzor companies, from Yerevan who want to extend their businesses with majority of project's business operations being based in the regions are also eligible for **85% financing**.

SELFEVALUATION OF THE APPLICANTS

It is mandatory that all applicants self-classify the level of development of the products/services within their projects in the Technology Readiness Level (TRL) and indicate the envisaged level of development after 12-month grant period.

Technology Readiness Level	Description
TRL 1.	basic principles observed
TRL 2.	technology concept formulated
TRL 3.	experimental proof of concept
TRL 4.	technology validated in lab
TRL 5.	technology validated in relevant environment (industrially relevant environment in the case of key enabling technologies)
TRL 6.	technology demonstrated in relevant environment (industrially relevant environment in the case of key enabling technologies)
TRL 7.	system prototype demonstration in operational environment
TRL 8.	system complete and qualified
TRL 9.	actual system proven in operational environment (competitive manufacturing in the case of key enabling technologies; or in space)

The applicants should scan his project regarding potential challenges regarding IP infringements and necessity of protection of intellectual property rights and indicate this in the application.

ELIGIBILITY CRITERIA

- **SME or startup** should be registered as legal entity in Republic of Armenia as an LLC, OJSC or CJSC for at least 1 year Note: Sole entrepreneurs are not eligible to apply.
- In alternative unregistered startup teams (comprised of at least two people) are eligible to apply, if their project/technology has a high Technology Readiness Level (TRL). The team should declare in a written form, that technology have completed the technology validation in the lab environment (TRL 4) and the technology was validated in relevant environment (TRL 5) i.e. the basic technological components integrated with reasonably realistic supporting elements have been tested in a simulated environment.
- The applying company should be innovative and technology-oriented and the suggested project should have a **high-technology – focus**. This doesn't incorporate, e.g web applications and platforms, such as e-commerce, and other e-service platforms, mobile applications and services, etc.
- **All applicants must submit self-statement letter on providing of the necessary co-financing** of the grant funds in cash, if awarded the grant to be eligible for proposal evaluation.
- The applicants need to be a legal entity incorporated in Republic of Armenia and the main shareholder(s) - more than 51% shares - has citizenship of the Republic of Armenia or legal entity incorporated in Republic of Armenia.
- Projects with a focus on developing products or services for military use are not eligible. This also incorporates dual use technologies if the targeted customers are military or security forces.

PRE-SCREENING - ELIGIBILITY CHECK

Applicants are able to hand in their applications package for screening for compliance with Eligibility Criteria and to determine whether all the necessary documents are included in accordance with the requirements of the Application Package, as described below till January 27th 2016. Applicants will be informed of any Incomplete Applications and missing documents or other key element within 3 days of notice from EIF.

ELIGIBLE COSTS

Eligible Expenditures under all grants include Hardware, Software, Project related Staff salaries, Certifications, Marketing, Other valid expenses identified in the budget as directly related to execution of the Project. The indirect cost of the project should not exceed 7% of the project budget and should be agreed by EIF, regard their relevance for the aim of the grants.

APPLICATION AND EVALUATION PROCESS

The evaluation within the IMG program is done in 2 stages.

After the 1st stage of evaluation, approximately 20% of applicants will be shortlisted for the next stage. After an intensive mentorship with the shortlisted applicants, the 2nd stage of evaluation will take place during the venture forum in a pitching session.

The Evaluation of the candidates will be done based on the following main criteria:

- Capability of the Team
- Product/service and Commercial Potential
- Understanding of Market and Customer Need
- Risks and opportunities
- Feasibility of the Implementation Plan
- Financials Projections

COMPETITION TIMELINE

Innovation Matching Grants competition - Call for proposals	
Announcement	December 14, 2016
Information Sessions for Interested Applicants	December 20, 2016 (Yerevan) December 21, 2016 (Gyumri and Vanadzor) Further dates tbd
Application Deadline	February 5, 2017
Selection of shortlisted candidates	till March 1, 2017
Bootcamp for shortlisted applicants	March 04-05, 2017
Selection of Winners in the Venture Forum	March 16-17, 2017
Award Ceremony	March 17, 2017

Application Packages must be submitted in English to the EIF office by the following e-mail address: info@eif.am, CC: mari.barseghyan@eif.am.

The Applicants need to indicate in the subject line the grant program they are applying to (e.g. “Application to IMG program”).

Scanned copies of original documents will be acceptable. Original documents will be required upon necessity. **Deadline for application submission is February 5, 2017.**

All the applications received after the deadline will NOT be considered. For all interested candidates, orientation sessions will be organized to provide more information on application process and answer all the questions.

In case of any questions, please free to contact us:
by sending an e-mail **info@eif.am** to or calling to +37410 219797.

APPLICATION PACKAGE

- Completely filled-in Application Form
- Annex I - Project Budget
- Annex II - Projected Cash Flow for 1 year
- Annex III - Declaration on providing the co-financing funds to meet matching contribution of Grantee
- Annex IV - CVs of the project team members demonstrating competency and any experience relevant to execution on the proposed project
- Annex V - Copy of Company's registration certificate and self-statement on majority of shareholders being located in Armenia
- Annex IV - For Gyumri and Vanadzor teams extending their operations, statement letter on having all the major operations based in Gyumri or Vanadzor.