



CO-FINANCED GRANTS

FOR COMMERCIALIZATION
OF INNOVATIONS





WHAT KIND OF PROJECTS WE SUPPORT

The instrument is intended for enterprises that want to develop an innovative product, service or process, independently or in cooperation with another enterprise and/or institution that performs higher education activity, i.e. scientific-research activity. The instrument offers financial support to enterprises that are registered in the Republic of North Macedonia in order to enable them to develop and implement innovative solutions, including support for enterprises with high growth potential.

The support through this instrument shall be awarded to projects with a clear commercial purpose that are in the phase of a prototype (or appropriate phase depending on the type of innovative product, service, process) up to the pre-commercial (pre-market) phase.

WHO CAN APPLY?

- the applicant should be a trade company established in accordance with the Law on Trade Companies and registered in the Central Register of the Republic of North Macedonia;
- the annual income of the applicant should not exceed 10.000.000 Euros, according to the financial reports for the previous two fiscal years;
- the average number of employees according to the financial reports for the previous two years should not exceed 250 employees;
- the applicant should not be connected (in accordance with the Company Law) with another enterprise whose annual income exceeds 10.000.000 Euros and the average number of employees should not exceed 250 in the previous two fiscal years, except in case of connection with a higher education institution, that is, a scientific-research institution;
- applicants with more than 3 years of existence until the moment of application should not have suffered a loss in accordance with the financial reports for the last two calendar years, pursuant to Article 14 paragraph 1 indent 5 of the Rulebook and the provisions of the Public competition. Considering the economic crisis in 2020 caused by the Covid-19 pandemic, 2019 shall be considered applicable year for checking the realized loss;
- the applicant, until the moment of application at the public call, should not have a current (active) project that is financially supported by the Fund on the basis of some of the support instruments;
- there shouldn't be an ongoing bankruptcy procedure or liquidation procedure against the applicant;
- the applicant's due liabilities on the basis of public fees and contributions should be settled;
- no proceedings have been initiated against the applicant for forced execution of overdue monetary claims;
- the applicant should meet the requirements of the Law on State Aid Control and the requirements of Article 6 of the Decree on the conditions and the procedure for granting horizontal aid.

**THIS CALL IS NOT OPEN
TO CURRENT FITD USERS**

FiTD FUND FOR
INNOVATIONS
AND TECHNOLOGY
DEVELOPMENT



Republic of North Macedonia
Government of the Republic of North Macedonia

A man with a beard, wearing a blue t-shirt and a light-colored apron, is focused on his work in a workshop. He is leaning over a workbench, and his hands are visible as he works on a piece of wood. The background shows shelves with various tools and materials, and a window with purple curtains. The overall atmosphere is one of concentration and craftsmanship.

WHICH ACTIVITIES WE SUPPORT

- research and development activities;
- testing activities;
- activities related to intellectual property protection;
- design;
- development of pilot lines;
- activities related to quality assurance;
- marketing and sales activities (aimed at bringing the innovation to investment readiness and maturity for introduction in the market).

INELIGIBLE ACTIVITIES FOR FINANCING

- production, trade or service activities that are not in accordance with the law;
- production and trade of tobacco, distilled alcoholic beverages and related products (beverages that contain alcohol, but are not obtained exclusively by distillation, but naturally distilled alcohol (obtained from a different but natural origin) can also be used for their production by giving the various vegetable or other products, whereby various alcoholic beverages are obtained through maceration, blending (mixing), flavoring, coloring, aging, etc., in which the ethyl alcohol content is usually higher than 15%, and they may include various types of liqueurs and cocktails and the like);
- production and trade of weapons and ammunition of any kind;
- casinos and other legal entities for organizing games of chance and other entertainment games;
- research, development or technical requirements related to electronic data, programs or solutions, which refer to:
 - a) support of any activity that is included in the above sectors from paragraphs 2, 3 and 4 of this article;
 - b) internet gambling and online casinos and/or
 - c) pornography;
 - natural - scientific research, development or technical applications relating to human cloning for research or therapeutic purposes; and/or for genetically modified organisms (GMOs).

ELIGIBLE COSTS FOR FINANCING

- gross salaries for the employees of the applicant and the consortium members who will be engaged in the project. The amounts of gross salaries of the employees engaged in the project should correspond to the established practices of the beneficiary before the commencement of the project, reduced by the amount of potential state subsidy received on the basis of salary; procurement and/or rental of equipment and consumables for research and development;
- subcontracted research and development services (eg. testing, laboratory services, etc.);
- engagement of research and development experts/advisors;
- engagement of consultants for other needs that are directly related to the expected project results (expertise related to innovation management, financial management, asset mobilization, business development, marketing, legal affairs, intellectual property protection, etc.);
- preparation and submission of a patent application, trademark and/or industrial design protection;
- marketing costs;
- office and business support (office space rental, overhead costs, bank fees, accounting services, hosting and other types of administrative assistance) in a maximum amount of 10% (ten percent) of the total project budget.

INELIGIBLE COSTS FOR FINANCING

- salary supplements defined in accordance with the Law on Labour Relations;
- costs for procurement of goods, services and works from domestic public enterprises;
- repayment of interest or debt to another party;
- expenses and reservations for past and possible future losses or debts;
- exchange rate losses and penalties;
- entertainment and catering costs;
- staff recruitment costs (costs for publishing an advertisement, commissions from employment agencies, costs related to selection of candidates, etc.) and relocation costs;
- purchase of land or buildings, including renovation;
- cash payment from the project's designated account;
- annual patent maintenance fees (with the exception of well-justified cases assessed as an allowed cost in the evaluation of the project proposals);
- costs for consulting services provided by the owner/s of the beneficiary/consortium member;
- costs for consulting services provided by persons employed by the beneficiary/consortium member;
- office space rental by a lessor who participates in the project activities or is related to the beneficiary/consortium member;
- procurement of freight transport vehicles by companies that perform freight road transport for a rent or a fee;
- procurement of passenger vehicles (with the exception of well-justified cases assessed as allowed cost in the evaluation of the project proposals);
- costs for realization of activities that were previously financed by other sources;
- costs for procurement of used equipment and
- value added tax (VAT) for all procurements referred to in paragraph 1 from Article 12 of the Regulation on the instrument.

9.000.000 €

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TOTAL BUDGET

- Financial support of a maximum amount of 20.000.000,00 denars, as follows:
- for enterprises with an average number of employees up to 50 employees and whose annual income in the last two years is less than 2.000.000,00 Euros, financing up to 70% of the total project budget, that is,
- for enterprises with an average number of employees between 50 and 250 employees and whose annual income in the last two years is more than 2.000.000,00 Euros, and less than 10.000.000, 00 Euros, financing up to 60% of the total project budget.
- the Applicant is financing 30% or 40% from the total budget of the project.

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THE PROJECT DURATION CAN
BE UP TO 24 MONTHS.

A man in a plaid shirt is pointing at a document on a table during a meeting. A woman in a blue shirt is sitting next to him, and another person is visible in the foreground. The background shows a modern office setting with a glass partition and a small potted plant.

OBLIGATION TO PAY ROYALTIES

Each payment of a royalty is made at a rate of 5% of the beneficiary's annual income realized by selling the product/service resulting from the project, until a return of 100% of the amount paid by the Fund or for a period from five years after the completion of the project, depending on the requirement that has been met first.

In case when during the project, and until the approval of the final report by the Fund, the beneficiary submits a proof of an engaged investor who has invested an amount equal to at least 50% of the amount of financial support granted by the Fund to the beneficiary, the beneficiary will be exempt from the obligation to pay royalty. An agreement, current status and proof of payment of the investment shall be considered proof of the investment.

PROJECT EVALUATION

- The pre-selection phase is carried out by three domestic experts per project. Two experts from the areas corresponding to the evaluation criteria and one person from the area corresponding to the project proposal.
- The selection phase is carried out by the Committee for Investment Approval, which makes the final decision on financing through this Instrument.

EVALUATING CRITERIA



- **DEGREE OF INNOVATIVENESS;**
- **PROJECT QUALITY;**
- **CAPACITY OF THE PROJECT TEAM;**
- **MARKET POTENTIAL;**
- **IMPACT.**

A close-up photograph of a person's hand, wearing a brown tweed jacket, pointing their index finger towards a group of colorful wooden figures on a dark, textured surface. The figures are shaped like stylized people with round heads and tiered bodies in various colors including red, blue, green, and yellow. One red figure is positioned directly in front of the pointing finger.

CAPACITY OF THE PROJECT TEAM

At least one of the members of the project team must be from the field of marketing and sales.

PROJECT DOCUMENTATION

- orderly filled in form for project application;
- orderly filled in form for the project budget;
- applicant's statement on acceptance of the Fund's requirements;
- orderly filled in questionnaire regarding the environment and
- notarized statement on the ownership - founding structure of the applicant.

- **DOCUMENTATION
PROVIDED BY THE
APPLICANT:**

- short biographies of the persons who are part of the project team engaged in the project (maximum for 5 persons);

APPLICATION DEADLINE



THE DEADLINE FOR APPLICATION
FOR THE PUBLIC CALL IS UNTIL
17.11.2022, UNTIL 14.00 PM.



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ADDITIONAL INFORMATION

For all additional information you can:

Visit the web site of the Fund: <https://fitr.mk/komercijalizacija2022/>

Write us to e-mail address: komercijalizacija2022@fitr.mk

