

«Pre-Seed» Programme (PRE-SEED/0824) – Frequently Asked Questions (FAQs)

Q1. Who is eligible to participate in the Programme?

The Programme addresses Startups which are in the stage of developing their business idea and/or they are at the early stages of their product or service development. According to the RESTART 2016-2020 Work Programme, a startup, is considered as any small enterprise not listed in the stock exchange, up to five (5) years after its registration, which: (i) has not taken over the activity of another enterprise, (ii) has still not distributed profits, and (iii) has not been incorporated through a merger.

Q2. Which other organisations may participate in the Programme? Are there any limitations regarding their participation?

Research Organisations, Enterprises, or Other Private Sector Organisations may participate as Partner Organisations. Partner Organisations shall support the Startup (Host Organisation) in accomplishing the project's technological objectives and specifically only for the implementation of experimental development activities, relating to the prototype development, pilot operation, testing and validation of the company's product/service. The total costs of the Partner Organisations, should not exceed 20% of the total project budget.

Q3. Can foreign startups participate in the Programme?

All participating organisations should be legally established and active, or will be established and active (in case of under establishment enterprises) in territories under the control of the Republic of Cyprus. 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. For the participating startups the activity must be confirmed during the implementation of the project, with the existence of facilities and other equipment in territories under the control of the Republic of Cyprus. RIF may also request additional information to justify the activity of the entities.

Q4. For how many Projects can an Enterprise receive funding as Host Organisation?

An enterprise may receive funding as Host Organisation (HO), only in one (1) Project. This condition applies to the present Call only.

Q5. How many proposals can an enterprise submit in the frame of the PRE-SEED/0624 Call?

An enterprise may submit more than one proposal in the frame of the Call. Each person acting as Project Coordinator may submit to each Call for Proposals a maximum of two (2) proposals.

Q6. Can natural persons submit proposals if the startup is not yet established?

A proposal may be submitted by a group of natural persons, however the registration of the company should be completed until the signing of the Contract with the RIF. For the submission phase, an «Enterprise Under Establishment» should be registered in the IRIS Portal.

Q7. Can a prototype/MVP be released to the market before contract signing with the RIF?

The Programme aims to support startups which are in the stage of developing their business idea and/or they are at the early stages of their product or service development. Startups with mature innovations and technologies which fall within a high technological readiness level, having already been validated in laboratory and relevant environment and are at least being demonstrated at relevant environment, are encouraged to participate in the RIF's «Seed» Programme.

Q8. Will RIF funding cover the full expenses of the beneficiaries?

RIF may cover up to 85% of the total eligible costs. The rest 15% of eligible costs should be covered by participants own resources.

Q9. Is there a template to submit the Proposal?

Proposals are submitted through the RIF's IRIS Portal. Participants should fill in online the Part A of the Proposal and upload the Part B - Technical Annex, which is the main part of the Proposal and is available in the IRIS Portal. Furthermore, applicants should upload mandatory Annexes, as defined in the Call for Proposals.

Q10. Who is responsible to submit the Proposal on behalf of the company?

The Project Coordinator submits the Proposal on behalf of the Host Organisation through the RIF's IRIS Portal. Kindly note that, Project Coordinator and all participating organisations, should register in advance on the IRIS Portal. A person registered as an IRIS user, should complete its registration as a «Researcher» in order to be able to submit a Proposal as coordinator.

Q11. Can existing enterprises participate for the development of new ideas?

Only Startups as defined in Q1 may participate as Host Organisations in the present Programme. A Spinout enterprise undertaking part of the activities of an existing enterprise, is allowed to participate as HO in the RIF's «Innovate» Programme.

Q12. Should the team members be established/work in Cyprus? What applies for people working abroad and are relocating to Cyprus for the establishment of a startup?

*Personnel participating in the Project must be employed by the participating organisations **during their participation period in the Project**. The **Project Coordinator** must be employed by the Host Organisation starting from the Project start date and throughout the Project implementation period. According to the RESTART 2016-2020 Programmes, a person is considered an “employee” of an organisation, if: (i) the employee-employer relationship can be proven (employment contract, job control, supervision and work approval, provision of work-related materials and so forth), (ii) such person is included in the organisation’s official payroll on a regular basis, and (iii) all the employer’s obligations pursuant to the law are fulfilled.*

Q13. Does the team need to be defined in the proposal?

During the evaluation of the Proposals, under the «Implementation» Criterion, the availability of appropriate and complementary technical, scientific and business knowledge and skills among team members, the existence of very good knowledge of the market, and the existence of leadership and management skills within the team, as well as the commitment shown by the team to implement the proposed project, are assessed. Therefore, in the Proposal Document (Part B-Technical Annex) the capabilities and experience of the Project Coordinator and other key team members should be described, and their CVs should be submitted (preferably in Europass format), as Annex. The submission of the CVs is mandatory.

Q14. Are startups that are not based on scientific or academic research eligible for this Programme?

Any Startup fulfilling the requirements of the Programme is eligible to submit a Proposal. Please see Q1. The Programme addresses Startups with potential for high growth, from any technology/market area, which aim to develop innovative products/services that could penetrate into the international market. Applicants are strongly requested to read thoroughly the evaluation criteria.

Q15. Could you define what a company with «technological orientation» is?

Not every newly established company is a startup. Startups are companies which are established with the aim to develop a product/service with a high level of innovation which have a scalable model and potential for high growth. Particularly desirable are high-risk / high-return ideas with a view to entering the international market. Please also see Q14 above.

Q16. What are the thematic areas covered by the Programme?

The Programme is open to startups with innovative ideas in any technological/market area.

Q17. Are there any consequences if the Project teams deviates from the original Project plan?

The Projects are implemented according to the implementation plan which is described in detail in the Proposal Application Form (Part B) and is included in the Contract signed with the RIF. According to the RESTART 2016-2020 Programmes rules, beneficiaries can proceed with certain changes during the Project implementation. More specifically, Project Coordinators (PC) can proceed with minor project changes during the Project implementation, without prior approval from the RIF. These may be changes to the project team members (with the exception of the PC) and minor modifications that will not have major impact on the course of the Project. Major changes such as project extension, consortium composition, major project activity amendments require prior approval by the RIF. The main condition for the acceptance of request for a project change by the RIF is that it will not decrease the scientific quality of the project, affect the exploitation and dissemination capability of the results and cause significant deviation from the objectives of the Call of Proposals under which the project is being funded.

Q18. What and how many reports need to be submitted to IRIS and how often for the first two mandatory Work Packages «Project Management» and «Exploitation and Communication Activities»?

*For each Project, a **Final Progress Report** which includes all deliverables, and a **Payment Request** pertaining to expenditures occurred throughout the project duration, which are submitted up to thirty (30) calendar days after project implementation completion, are requested. The Final Progress Report should be included as deliverable under «Project Management» WP.*

Q19. How do you calculate Personnel Costs?

All beneficiaries that have not previously participated in the RESTART 2016-2020 Programmes, should make use of the simplified cost Method «Standard Scales of Unit Costs» for the calculation of personnel costs. The standard scales of unit costs that apply for each type of employee, are available in the RESTART 2016-2020 Work Programme, Section 3, Chapter 5.4.1.

Q20. Are ideas that are innovative in some countries but not in others eligible for funding?

For the selection of the Projects to be funded, it is evaluated whether the idea refers to a product / service with a high degree of novelty and significantly different in comparison with existing or competing solutions and international practice, and is based on factors such as the quality / functionality of the product / service, the cost, the degree of ease of use, etc. Disruptive and breakthrough high-risk / high-return innovative ideas, with the potential to bring significant and transformational change in the market and the needs of end-users, are particularly sought after.

Q21. What is the success rate for this Programme? Is there a list of previously approved ideas?

According to the data for the previous Calls of the Programme, the success rate for the Pre-Seed Programme is close to 8% (Projects Selected for Funding/Proposals Submitted). A list including all funded Projects by the RIF, is available in the RIF's Website (www.research.org.cy). Furthermore, interested parties may find more information and testimonials from Project beneficiaries in the RIF's communication channels and social media.

Q22. Are costs for activities implemented before the start of the Projects eligible?

No, only expenses that occur during the Project Implementation are eligible.

Q23. Can business development partners be included in the Consortium?

Partner organisations may participate in the Consortium only for the implementation of experimental development activities. Please see answer in Q2. Other collaborators may participate as subcontractors under External Services or be employed by the Host Organisation.

Q24. How are different expenses recorded/submitted?

Applicants are requested to read thoroughly Chapter 5 «Project Management» – Section III in the RESTART 2016-2020 Work Programme document, available in the IRIS Portal, and more specifically Chapter 5.4. Supporting Evidence for Project expenditure. Detailed information about the submission of the Financial Report / Funding Payment can be found in the relevant [Guidelines](#).

Q25. When funding is awarded to beneficiaries?

Pre-Financing corresponds to 70% of the Requested Funding and is paid upon Contract signature. The Final Funding Payment, which may correspond to up to the balance of the Requested Funding, taking into consideration the eligible costs of the Project, is paid upon approval of the Final Progress Report by the RIF.

Q26. If revenues are generated during the Project implementation, will they be subtracted from the funding?

In the frame of PRE-SEED and SEED Programmes of the RIF, revenues generated by the Host Organisation during the Project implementation, will not affect its approved funding.

Q27. Is it mandatory receive consulting services by the RIF's Knowledge Transfer Office? Are these services free and beyond the Pre-Seed funding?

*Beneficiaries are **obliged** to contact the Central Knowledge Transfer Office (KTO), within two (2) months at the latest from the Contract signing date, for the preparation of a specialised Service*

*Delivery Plan. It is noted that, the acceptance of the Service Delivery Plan by the Project Consortia and the utilization of the central KTO services **will be optional**. KTO offers free-of-charge consulting and technology transfer services as well as funding for the protection of IPR. Services and funding provided by the KTO, as well as the RIF's Innovation Factory initiative, are additional to the funding received for the funded Project.*

Q28. What is the Product/Service wireframe which is requested as Annex?

A product/service wireframe is a simplified visual guide that outlines the basic structure and layout of a web page or app interface. Wireframes help communicate ideas and plan the user experience before development begins. The product / service wireframe is requested only for Projects that fall within the ICT and manufacturing sectors, and/or Projects which include the development of digital applications and/or software. There is not any specific template available.

Q29. How should the Project Budget be formulated according to the simplified cost method which applies for this Call?

The calculation of the Project Budget will be based on the simplified cost method «Personnel Costs» plus 40% on Personnel Costs for covering the rest of the Project costs. According to this cost method, only the expenses of the Personnel Costs category should be declared in the Payment Request and will be checked by the RIF for verification. However, beneficiaries should comply with the provisions of the RESTART 2016-2020 Work Programme and the Call for Proposals, regarding cost eligibility, the basic principles for project management, the preservation of evidence / proofs for all expenses, and the compliance with National and EU Legislation, as described in the Work Programme.

Q30. Is the participation of non-Cypriot citizens allowed?

Yes, the participation of non-Cypriot citizens in a project is allowed, provided that they are employed by the participating organisations during the Project implementation. Please also see Q12 above.

Q31. Can a company participate as Host Organisation in one Proposal and as Partner Organisation in another Proposal?

It is possible for a company to participate in a Proposal as Host Organisation in one Proposal and as a Partner Organisation in another Proposal. Please also see Q2 above, regarding the participation of Partner Organisations.

Q32. According to the Call Document, the calculation of the Proposal Budget will be based on the simplified cost method «Personnel Costs» plus 40% on Personnel Costs for covering the rest of the Project costs. How should applicants fill-in the Budget Form in the IRIS System?

Applicants should use the «Overheads» Budget category to include the rest of the Project costs amounting to 40% of the Personnel Cost. Applicants are therefore requested to estimate and fill in the Personnel Cost category and then fill in the allowed percentage (40%) in the overheads rate.

Organisation	Activity	Direct Costs					Indirect Costs		Other Simplified Costs		Subcontracting	
		Personnel	Equipment	Travel	Consumables	Other Specific (Direct) Costs	Overhead Rate	Overheads	Other Simplified Rate	Other Simplified Amount	External Services	Foreign Research Organisations (FRO)
HO- Org-TypeB1 (1)		90.000,00 €	0,00 €	0,00 €	0,00 €	0,00 €		36.000,00 €		0,00 €	0,00 €	0,00 €
HO- Org-TypeB1	Aid for StartUp	90.000,00 €					40.00 %	36.000,00 €				
PA1- ORG-TypeA1 (1)		12.000,00 €	0,00 €	0,00 €	0,00 €	0,00 €		4.800,00 €		0,00 €	0,00 €	0,00 €
PA1- ORG-TypeA1	Experimental Development	12.000,00 €					40.00 %	4.800,00 €				
PA2- Org-TypeD3 (1)		8.000,00 €	0,00 €	0,00 €	0,00 €	0,00 €		3.200,00 €		0,00 €	0,00 €	0,00 €
PA2- Org-TypeD3	Experimental Development	8.000,00 €					40.00 %	3.200,00 €				
Totals		110.000,00 €	0,00 €	0,00 €	0,00 €	0,00 €					0,00 €	0,00 €

Q33. What are the selection criteria for the startups to be funded?

The evaluation criteria are described in detail in the Call for Proposals Document ([EL](#), [EN](#)) and the [Guide for Evaluators](#) which are available in RIF's IRIS Portal.

Q34. Is it possible to apply for the entire budget needed to start the business? Are there any limitations regarding the use of the funding?

Eligible activities and costs are described in detail in the Call for Proposals Document. Since the calculation of the Proposal Budget will be based on the simplified cost method «Personnel Costs» plus 40% on Personnel Costs for covering the rest of the Project costs, only the expenses of the Personnel Costs category should be included in the budget and declared in the Project's Payment Requests. However, beneficiaries should still comply to the RESTART 2016-2020 Work Programme and the Call rules regarding the eligibility of costs, the basic principles for project management, the preservation of evidence, and the compliance with National and EU Legislation.

Q35. Are there any specific guidelines to follow for the submission of a Proposal?

*Applicants are strongly advised to read thoroughly the Call for Proposals Document ([GR](#), [EN](#)) and the [Guide for Evaluators](#), as well as the guidelines of the [Proposal Template – Part B](#) (checklist for support purposes during proposal submission, **instructions** regarding proposal preparation), prior to their Proposal preparation and submission. Furthermore, in the RIF's IRIS Portal*

[\(<https://iris.research.org.cy/#!/documentlibrary>\)](https://iris.research.org.cy/#!/documentlibrary) specific guidelines are available regarding the registration of individuals and organisations in the Portal, and the preparation and submission of Proposals through the Portal.

Q36. When is ethical approval required for projects under this call?

*In the frame of the Proposal evaluation independent evaluators provide their expert opinion regarding any parts of the Proposal under evaluation (e.g. methodology, Work Packages and activities, expected results, products etc.) which require to undergo an Ethics Review (bioethical assessment by the Cyprus National Bioethics Committee, permit to be issued by the Veterinary Services regarding the conduction of experiments in animals). If applicable, the review(s) should be completed **prior to the Contract Signing** between the RIF and the beneficiary company.*

Q37. Is a company that have previously received funding by the Ministry of Energy, Commerce, and Industry's Funding Scheme for Young Entrepreneurs allowed to participate in the present Programme?

Yes, provided that the company has not already received funding for the same activities to be funded by the RIF Project under the Programme. In general, RIF funding must not result to double funding, namely funding of the same expenditure and/or activity from more than one sources.

Q38. Can a startup company be supported by the Programme to commercialise research results emerged through a previously RIF funded research project implemented by research institute?

Yes, this is in fact highly desirable. Kindly note that, according to the Call for Proposals, in the case where the enterprise exploits research results of third parties should, within two (2) months from Contract signing date at the latest, to ensure (at a minimum) the licencing of Intellectual Property Rights.

Q39. Can a single organisation apply for the PRE-SEED call (as the host organisation), or is a consortium of partners required?

Single organisations (startups) may participate as Host Organisations. The participation of Partner Organisations is not mandatory.

Q40. Is it possible for one person to Co-Ordinate and implement the Project?

Yes, there are not any restrictions regarding the size of the startup team. However, kindly note that the team member(s) are expected to have the appropriate technical, scientific, business and managerial knowledge and skills and to demonstrate their commitment to the operation and development of the company and the implementation of the proposed plan. Please also see Q12 and Q13 above. Further information about the expected requirements for the participating

individuals are described in the Call for Proposals Document – Evaluation Criteria (more specifically under «Implementation» Criterion).

Q41. Is it possible, at the proposal submission phase, just one person to be namely involved in the company and other team members to join upon ensuring funding by the RIF?

It is possible provided that their expected personnel cost will be calculated at the proposal stage. Please also see Q40 and Q13 above.

Q42. Can individuals not employed by company participate in the Project as associates?

*All individuals participating in the Project must be employed by the participating organisations **during their participation period in the Project**. Please also see Q12 above. The participation of third parties (e.g. subcontractors) to provide skills / technical knowledge that is not available within the team, is possible (External Services).*

Q43. Is it possible for a founder that has previously registered an organisation in IRIS, to register a new startup for the purposes of the present Programme?

Yes, an existing IRIS user may register a new startup to participate in the present Programme. There are no restrictions regarding the number of organisations a user may register as Legal Representative. Kindly note that, eligible companies are startups that fulfil the conditions described Q1.

Q44. At the time of proposal submission, I have identified but have not onboarded the team members. How do I fill in the relevant sections in Part B?

If at the time of proposal submission, you have identified but not onboarded individuals that form your core team, please include them in the relevant section B4.3.2 and B.4.3.3 of Part B and also include their CV in Annex I.

In case you have not identified the individuals that will form your core team, but you have identified the required skills please describe in the relevant section B.4.3.2 the profile of these individuals.