«BOOST» Programme (BOOST/1224) – Frequently Asked Questions (FAQs)

Q1. What's considered to be a private investment?

For the purposes of this Call, as per the Call Documents, any **direct investment in equity** e.g. venture capital funds, business angels, individual investors, crowdfunding platforms, etc. is considered to be eligible. Convertible equity is only eligible if converted into equity.

Q2. Is one of the existing shareholders (or family members) allowed to be that private investor in the company?

For the BOOST Call, any direct investment in equity e.g. venture capital funds, business angels, individual investors, crowdfunding platforms, etc. is considered to be eligible. This includes investments from existing shareholders or family members based on the condition that the company's Nominal Share Capital is being increased if it is permitted in the Articles of Association of the Company and is made in accordance with The Companies Law.

Q3. How can I calculate the maximum requested funding?

The maximum requested funding can be up to 50% of the private equity investment, with a maximum limit of €300,000.

Here are some examples of how to calculate the maximum requested funding:

Example 1:

- *Private Investment: €250,000*
- *Maximum Funding Requested: €125,000*

Example 2:

- *Private Investment: €400,000*
- *Maximum Funding Requested : €200,000 (50% of Private Investment)*

Example 3:

- *Private Investment: €600,000*
- *Maximum Funding Requested: €300,000 (50% of Private Investment)*

Example 4:

- *Private Investment: €1,000,000*
- *Maximum Funding Requested: €300,000 (The maximum funding cap is €300,000, even though 50% of €1,000,000 is €500,000)*

Q4. What is the minimum requested funding for each project?

The minimum requested funding should be at least €100,000 for the minimum required direct investment of €200,000.

Q5. What is the rationale behind the minimum investment of €200,000 requirement? I am a startup that has raised €100,000, am I not eligible to apply?

The €200,000 minimum investment requirement reflects insights from the relevant market sounding conducted before the programme's announcement, which indicated that typical investment tickets are above this threshold. If your startup has raised €100,000, you may not yet meet the criteria but could explore raising additional funding or alternative RIF programmes that do not require investment (e.g. PRE-SEED, SEED).

Q6. Why is it not allowed to create a new enterprise under the BOOST Programme?

There are other RIF Programmes that support this, e.g. the PRE-SEED Programme supports 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, and allows the establishment of new enterprises.

Q7. Our total funding need is €1.5 million. Why is there a limit of €300,000 for the grant?

While your total funding need is €1.5 M, the BOOST Programme is intended to complement other sources of investment rather than cover the full amount, encouraging startups to secure additional funding from private or other public sources. However, through the «DISRUPT» Programme, enterprises with mature cutting-edge ideas and a signed binding agreement with an investment fund (VC Fund) for an equity capital investment of at least € 1 M, are supported with up to €1.5 M by RIF.

Q8. Are there other programs that do not require investors?

Yes there are other innovation programs that do not require investors, for example PRE-SEED, SEED and INNOVATE however the maturity requirements differs for each one and is described in the relevant Call for Proposals.

Q9. How can I get an innovation certificate?

Applications for the Innovative Enterprises Certificate should be submitted to the Deputy Ministry of Research, Innovation, and Digital Policy. Applications should be sent via email at the following address: innovative.companies@dmrid.gov.cy or submitted through the Ignite platform. More information at https://www.gov.cy/en/service/apply-for-an-innovative-enterprises-certificate/

Q10. Are dissemination activities eligible?

Dissemination activities are not eligible in the framework of the specific Catrlll.

Q11. Can you provide specific guidance about the definitions of TRL levels in specific areas, as TRLs vary from industry to industry?

You may find the TRL definitions in the Call for Proposals document. Eligible TRLs are ≥6.

Q12. Are there restrictions on where the investor can be located?

There are no restrictions on the geographic location of the investor, except for countries subject to sanctions imposed by the Republic of Cyprus.

Q13. What is the investment window?

As per Call documents, the investment must be made **between the Call announcement date and the end of the RIF-funded project**. It is acceptable for part of the investment to be made before the project is approved, provided it falls within this timeframe. Specifically:

- At least **30% of the required investment** must be completed before the contract with RIF is signed.
- The remaining amount must be completed by the end of the RIF-funded project.

Investments made outside this timeframe are not eligible.

Q14: Can there be more than one private investor joining in to make a total investment of at least €200,000?

Yes, multiple private investors can collectively contribute to the €200,000 minimum investment. However, the investment must be formalized under **a single, legally binding agreement** between the enterprise and all participating investors.

Q15. Can the agreement between the enterprise and the investment fund state that the investment fund is legally obliged to invest only if the enterprise secures funding from the RIF BOOST Programme?

Yes, provided that this the only condition set.

Q16. What happens if I make an exit before the end of the RIF funded project?

So long the purchase of equity for cash has been made by the date specified in the Call, RIF has no restrictions on how investor exit is addressed in the investment agreement.

Q17. Is there a template for the binding agreement with the investor?

The agreement between the enterprise and a private investor is solely for the two parties to negotiate and agree. The RIF cannot provide any advice on that. You may wish to obtain services of experts to support you in negotiating and/or drafting such a deal.

The only requirement the BOOST Call places on terms of the agreement is that it is a direct investment in exchange for equity of at least €200.000 EUR and that the investment is made within this timeframe:

- At least **30% of the required investment** must be completed before the contract with RIF is signed.
- The remaining amount must be completed by the end of the RIF-funded project.

Furthermore, please note that the the agreement between the enterprise and the investment fund can state that the investment fund is legally obliged to invest only if the enterprise secures funding from the RIF BOOST Programme, provided that this the only condition set.

Q18. Is it possible to replace the Investor before the Contract signing or during the Project duration?

No. The investor declared in the Proposal cannot be replaced at any stage after the proposal submission.

Q19. What should the product's phase ideation be?

The Call sets a minimum requirement that the enterprises should have a Minimum Viable Product (MVP), or for innovations in the field of biomedicine, it is expected that at least the in-vitro testing stage has been completed. The technology should have achieved a Technology Readiness Level (TRL) of 6, indicating that it has been demonstrated in a relevant environment and is ready for further development towards market readiness.

Q20. What can I use the funding for?

RIF funding should be used for Experimental Development activities and Feasibility Studies activities.

Q21. Can enterprises funded by other RIF programs apply?

Enterprises that on the day of proposal submission to RIF participate as Host Organisations (HO) in any of RIF's Innovation Programmes (Pre-Seed, Seed, Innovate, Disrupt) are not eligible to participate in the BOOST Call. This also applies for enterprises that are under contract signing phase with RIF for the Innovation Programmes mentioned above.

However, there is no restriction for enterprises participating as HO in other RIF Programmes.

Q22. Can enterprises implement a BOOST and a RIF Innovation project (PRE-SEED, SEED, INNOVATE, and DISRUPT) at the same period?

Enterprises cannot implement a BOOST and a RIF Innovation project (PRE-SEED, SEED, INNOVATE, and DISRUPT) at the same period.

Q23. Does the company need to be in Cyprus?

A: Yes, the company must have **operations in Cyprus** as specified by the RESTART regulations. Please see the definition of eligible companies in the Call Documents and also refer to relevant clauses in the RESTART Framework Programme.

Q24. Can Foreign Research Organisation or Research Organisations in Cyprus be hired as part of the activities?

Research Organisations in Cyprus and Foreign Research Organisation may participate as subcontractors (Costs for External Services) under Experimental Development and Feasibility Studies as described in the Call for Proposals.

Q25. Is there a template for Part B- Technical Annex?

The template for Part B -Technical Annex for this Call can be found on the IRIS Portal, under the relevant Call for Proposals (Call Documents). The template provided for this Call must be submitted without any alterations.