

Business Innovation Scheme

According to the European Union's Reports, Cyprus is in 14th place with regards to innovation, whether referring to products, services or processes. The aim set for the Republic of Cyprus is to reach 0.5% of the RES to be invested in research and innovation sectors, and the overall EU target is 3% of the RES to be invested in the relevant fields. For the faster attainment of the set targets as well as the restoration of the Republic's economy, the Ministry of Energy, Commerce, Industry and Tourism, has introduced the new Business Innovation Scheme, which aspires at providing financial assistance for newly incorporated and existing companies which invest in research and innovation for the development of innovative products, services or processes, and which will be put in the market.

For the purposes of the Scheme and based on the definition given by the EU and the Ministry, "innovation" is defined as:

"A new or upgraded product, service or process that has been developed or will be developed by the same company or in cooperation with other entities and which will provide a competitive advantage to the target market."

It is noted that, emphasis is given to developing products and services that can be protected by patents or industrial designs and which could be competitive at international level.

Eligible candidates are SMEs which:

- Are established in areas controlled by the Republic of Cyprus or in the EU and have a branch in areas controlled by the Republic of Cyprus.
- Plan to put the innovative product, service or process in the market

It is noted that the criteria for research and innovation must be met as defined and described in the Scheme Guide (eg business classification as 'Business Innovation' cooperation with enterprises classified as innovative enterprises etc.)

Percentage of Subsidy/Co-Financing:

- For ***newly incorporated companies (startups)***: The maximum amount of grant is €50.000 per company, which corresponds to an 80 % of the total eligible costs.
- For ***existing companies***: The maximum grant amount is €250.000 per company, which corresponds to 60 % of the total eligible costs. Note that the intensity may vary depending on the type of business.

Eligible costs:

- Staff remuneration



- Expenditure, equipment and instruments
- Other Services
- Copyright Protection
- Materials
- Participation in exhibitions and / or visits and / or other activities to promote the innovative product or service on the outside and / or inside the Republic of Cyprus
- Project Management Costs
- Overheads (flat rate)and other operating costs

The Scheme is currently closed for 2016 and therefore it is advised to keep informed on the new funding developments through our website and Social Media (Facebook, Twitter, LinkedIn).

We are at your disposal for any further information you may need!