



**Program Announcement
Technology Innovation Program (TIP)
Mini Grants Competition - 2014**

Deadline for Applications: November 6, 2014 (18:00 Tbilisi local time)

I. Competition Snapshot:

Competition Opens	October 6, 2014
Application Deadlines	November 6, 2014
How to Apply	Submit application to GITA in Georgian and English both electronically via e-mail (or on CD-R) and printed version.
General Program Purpose	To provide financial support for development and/or execution of an idea or start-up science and technology-based market-oriented product , research, or service with the clear potential to lead to new products, technology-oriented services, production processes, enhancement of existing products and processes with commercial application benefiting the Georgian economy and society.
Basic Eligibility to Apply	<ol style="list-style-type: none">1. Individuals, who are currently citizen of Georgia, including students, researchers, entrepreneurs, employees of private corporations, and others with creative innovative ideas;2. NGOs, research organizations, universities based in Georgia and eligible to receive public grants.
Award Amounts	Grants of up to 50 000 GEL per project
For More Details, see:	www.gita.gov.ge



II. Background

Georgia's Innovation and Technology Agency invites all interested and eligible innovators to apply to the Mini Grants Competition. GITA recognizes that many individual innovators, companies and researchers find it difficult to address the significant financial investments associated with the development cycle and the high cost of translating research into a commercially viable product. The Mini Grants Competition of the Technology Innovation Program is designed through its financial support to encourage students, researchers, innovators and technology entrepreneurs to engage in discovering new technologies and enhanced applications of existing technologies that can be used commercially or in building in Georgia new technology-based businesses in all fields and services.

The Applicant may raise additional resources from third party entity, whether an individual, organization or company. All funds provided under this program to the team must be used for the approved Project expenses.

III. Scope

The Technology Innovation Program is designed to support development and commercialization of innovative technologies in Georgia through funding support, and the Mini Grants Competition is designed to encourage wide-ranging and diverse applications to identify ideas with the best potential for success and impact on the Georgian economy. Applicants should demonstrate that successful completion of the project would likely result in either a technology being licensed to an existing company or spur the development of a startup company within 1-2 years.

The main goal of this Program is to enhance Georgia's technology based economic growth by:

- Accelerating innovation and creating a path for commercialization of new technologies and products;
- Establishing the basis for new Georgian companies and strengthening the capacity of existing enterprises through creation of relationships with research community;
- Identifying new solutions to problems critical to Georgia
- Fostering innovative and entrepreneurial culture
- Growing and nurturing an increasingly experienced pool of entrepreneurial and research talent
- Reduce the risk of pursuing entrepreneurial, innovation, and development activities in Georgia.

Projects proposed by Applicants for funding should be aimed at establishing and/or further developing the commercial viability of a market oriented new technology-based product, process or service and new applications of existing technologies.



Georgia's Innovation and Technology Agency

Program will support product, process or service innovation that is either new to the global market, the sector/region or market niche.

The project could be developed internally or with external consultants and research organizations.

Team represents synergy of academic researchers, entrepreneurs, business consultants and/or young innovators will be given preferences.

GITA will provide financial awards up to 50 000 GEL per project. **The Applicant may rise additional resources from third party entity, whether an individual, organization or company All funds provided by GITA and partner under this program must be used for the approved Project expenses.** The finalists will receive their grant awards in the form of GITA's grants and be subject to GITA's award and grant reporting requirements.

IV. Competition timeline

Mini Grant Competition	Starts	Ends
Phase 1. Following Announcement of the Mini Grant Competition, GITA is available for consultations during the Application Period	October 6, 2014	November 6, 2014 – Final Submission to GITA
Phase 2. One-day Training on Proposal Writing and Business Modeling	October 16, 2014	October 16, 2014
Phase 3. Review (winners selection)	November, 2014	November, 2014
Phase 4. Preparation and signing of Grant Financing Agreements and start of the projects' implementation	December, 2014	December, 2014

V. Eligibility

Competition is open to all fields of technologies in which the proposed project fulfills the goals and funding priorities of the program. In order to be eligible for the Competition, Applicants must clearly demonstrate plans to advance their technology product/service



towards a commercial application. **Basic research projects will not be considered.** GITA encourages the participation of young scientists, innovators and entrepreneurs. **Projects that demonstrate potential to generate revenue during the project realization and/or attract additional sources of funding for further development of technology and creation of start-up businesses will be given priority consideration.**

Applicants must meet the following criteria to be eligible to participate:

1. Individuals must be citizens of Georgia, including students, researchers, technology entrepreneurs, employees of enterprises
2. NGOs and research organizations must be registered in Georgia
3. Team may consist of one or more persons or institutions. In case of the teams, Lead Applicant shall be indicated as grant recipient.
4. All projects must be technology-focused..

VI. Use of Funds

Majority of funds should be used for development activities, including proof of concept and prototyping activities, IP protection and business plan preparation for mobilization of initial capital. **Projects that focus on basic research are not eligible for grant funding under this Program.** Main activities that would be typically covered by the grant are:

- Prototype development and testing
- Engineering and product design
- Pilot Application
- Equipment for testing and production
- Market testing
- Market research
- Patenting (national, PCT and internationally) and IP protection strategy

Additionally would be covered:

- Development/Business consulting
- Legal support
- Cost of R&D experts/advisors
- Other costs related to development and/or commercialization of technology-based products, services and processes.

GITA recommends that the Applicants structure a project budget and organize expenses in the following manner:

- Salaries: maximum 30% of the total project budget (inclusive of social benefits for employees working on the project);
- Small equipment and R&D supplies: approximately 40% of the total project budget;



- Office and business support: approximately 5% of the total project budget;
- Prototype development costs (materials, R&D services, subcontracts, testing): approximately 40% of the total project budget. (*All agreements with third parties must contain provision that the Applicant retains ownership of all new IP and know-how that may be created during the implementation of the project*);
- Patent application and fees, certifications: approximately 30% of the total project budget.
- Business and legal services: approximately 40% of the total project budget.

All expenses/prices in budget plan table have to be calculated and presented as gross amounts (taxes, contributions, VAT etc. included).

Maximum Monthly Salary Rates:

<u>Position</u>	<u>Maximum Monthly Salary Rate</u>
Team members and Professional Staff	1200 GEL
Student	400 GEL
Administrative/Support Staff	400 GEL

Taking into account the uniqueness of every Application, the percentages shown above may be adjusted to reflect the Project Proposal goals and should be clearly justified in accordance with Project Proposal objectives.

Expenses that will not be considered for financing by the GITA include:

- Interest or debt owed to any party;
- Expenditures and provisions for possible future losses or debts;
- Items already financed through another framework, program or company/institution;
- Currency exchange losses, fees and penalties;
- Marketing, sales and distribution costs for promoting the technology, product or service;
- Entertainment and hospitality expenses;
- Recruitment, relocation or subscription costs;
- Purchase of land or buildings, including any renovation; Purchase of vehicle.

Awardees will ensure that the financing is used to buy only those goods, works and services necessary to carry out the project, listed in the project budget and that they are procured in the most economical and efficient and transparent manner. GITA will verify the proof of purchase through a review of invoices and contracts. All contract information and project related facilities shall be available to GITA's staff and auditors for their review.



VII. Application Instructions and Evaluation Criteria

In order to participate in the competition, an eligible applicant must submit an Application Form electronically to e-mail: minigrants@gita.gov.ge or on CD and in printed and signed version to GITA office: **Sulkhan Saba str. 9, Tbilisi**. Submission of the Application will be available starting October 6, 2014 and will close at **18:00 Tbilisi local time on November 6, 2014**.

The documentation to be submitted in the Application is following (all documents must be presented both in Georgian and English):

1. Application Form in PDF and Word format
2. Project Budget
3. CVs of all team members

All Application forms **must be submitted in Georgian and English**. Applicants are required to use the electronic template (downloadable as a Word Document here: www.gita.gov.ge . After submitting all required materials, the Team Leader will receive a confirmation message from the GITA competition team. Please see the Application Form template in www.gita.gov.ge

Teams need to have a designated team leader.

Proposals are reviewed and ranked on a competitive basis by independent experts from and outside of Georgia based on the following criteria:

1. *Commercial Potential*: Will the results of the project have commercial value? Will the project serve as the basis for a new or improved technology? How clear is potential impact of the technology in future start-up formation? – 15%
2. *Type and Level of Innovation*: Is this technology feasible? Can it be applied to solving the problem? Is presented technology new to the sector on international, regional and national level or to the niche? Usefulness and uniqueness of the innovation. Clear IP position - 20%
3. *Understanding of Market, Customer Need and Competitive Landscape*: How does this technology or capability address a critical market need in Georgia and/or beyond? Do the applicants adequately describe the market? Do the applicants have a realistic understanding of the market and exciting competitors? – 20%
4. *Strategy*: Do the applicants have a realistic strategy/plan? How clearly are technical and business goals described? How clear is project execution plan presented? How clear are objectives, methodology, results and costs? How clear is presented potential for revenue/partnership with Georgian/foreign corporations within one to two (1-2) years after the project start? - 20%
5. *Budget*: How well-defined and appropriate is the proposed budget? How appropriate is level and type of co-financing (if any)? – 10%
6. *Capability of the team*: Do the team members have the technical and/or business expertise and/or past experience that is required to meet the technical and



commercialization goals of this project? Team's characteristics and experience in innovation and technology projects. – 15%

VIII. Selection Process

➤ Phase 1: Proposal Writing Training

October 16, 2014

Proposal Writing Training will be offered to all interested parties via invited expert(s). The Training will be held at 11:00-13:00 in **Radisson Blu Iveria Hotel** (address: Rose Revolution sq. 1).

➤ Phase 2: Submission

October 6 – November 6, 2014

Application forms, Project Budget and CVs of all team members must be submitted electronically in Word and PDF formats (in English and Georgian languages) by 18:00 Tbilisi local time on **November 6, 2014** to e-mail: info@gita.gov.ge to be eligible. All Applicants will be notified by email when their submission has been officially entered into the competition.

➤ Phase 3: Review

November, 2014

All Applications that are compliant with the eligibility criteria will go to the evaluation performed by the independent experts. Evaluation of the Application will be calculated on the average of the experts' evaluation scores.

➤ Phase 4: Winners selection and decision on financing

December, 2014

The final decision for financing under the MINI GRANTS Program is made by the GITA's Grant Council. GITA's Grant Council is responsible for selecting Awardees for financing based on the complete Application and the result of the peer review evaluation. Following the decision to award financing, the Applicant will be offered to sign the Financing Agreement.

VIII. Award Administration Terms and Conditions

Applicants may refer to GITA's website for guidance on GITA's policies and procedures relating to the financial and contractual management of GITA grants. Detailed information see on GITA's site: www.gita.gov.ge



IX. Definitive Version of this Announcement

GITA's Mini Grants Competition Announcement issued both in Georgian and English languages. In the event of the existence of such a translation, the Georgian language version shall serve as the definitive version determining the interpretation of any provision contained herein.

X. Intellectual Property

Any new IP and know-how, which may be created during the implementation of the project, belongs to the Applicant. The Applicant has to secure these IP- and know-how-rights in agreements concluded with any third party.

GITA makes no claim to intellectual property rights under any award under this Program.

XI. Additional Information and Support

Consultations for interested teams will be provided at GITA's office:

Address: Sulkhan Saba str. #9, Tbilisi

Days of consultations: Monday and Thursday, at 11:00-13:00 am.

Phone: +995 (32) 2922120

Contact persons:

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