

# Co-financed grants for technological extension - Phase 1: Diagnostics and Improvement Plan and Place 2: Implementation and Improvement Plan

## General info

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### Economy name

North Macedonia

### ID

N37

### Incentive name

Co-financed grants for technological extension - Phase 1: Diagnostics and Improvement Plan and Place 2: Implementation and Improvement Plan

### Brief description

Co-financed grants of up to 50% for technological extension of SMEs - Phase 1: Diagnostics and Improvement Plan and Place 2: Implementation and Improvement Plan

## Legal reference

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### Legal reference name

Rulebook for Amending the Rulebook for the Instrument for Support - Co-financed grants for technological extension from 04.07.2019 based on Article 25.4 from the Law on Innovation (Official Gazette of North Macedonia No. 79/2013, 137.2013, 41/2014, 44/2015, 6/2016, 53/2016, 190/2016 and 64/2018)

### Legal reference (Law section / article)

Article 3

The purpose of the Instrument is to improve the adoption and adaptation of innovative, advanced technologies, know-how and technological processes in small and medium enterprises. The aim is to improve the technological capabilities of existing industries and businesses by bridging the gap between existing knowledge already available globally and local industries. The Instrument is expected to have a sectoral impact and a long-term positive contribution to increasing competitiveness.

The funding provided through this Instrument is intended to support the adoption and adaptation of innovative and advanced technologies and the improvement of business processes in SMEs of North Macedonia. The technological extension should be aimed at a group of SMEs in order to improve their productivity and competitiveness and to achieve sectoral influence.

Support can be provided for two phases of the technology extension: Phase 1 Diagnostics and Improvement Plan; and Phase 2 – Implementation of an Improvement Plan. In case there is already a Diagnostics and Improvement Plan, the applicant can only apply for Phase 2.

Through this Instrument, the Fund for Innovation and Technological Development provides financing up to 50% (fifty percent) of the total project budget in the maximum amount of 500,000.00 Euros (five hundred thousand Euros) together for the two phases.

The remaining amount of the total project budget should be provided by the applicant. Funds received from the Fund on any other basis or other form of state aid are not eligible as co-financing from the

applicant.

For projects consisting only of Phase 2 - Implementation of the Improvement Plan, the upper limits of the budget and co-financing set forth in paragraph 1 of this Article shall apply for the entire duration of the project.

For projects consisting of Phase 1 - Diagnostics and Improvement Plan; and Phase 2 Implementation of the Improvement Plan, the implementation budget of Phase 1 may be fully covered by the Fund. The financial contribution of the Fund for Phase 1 must not exceed 10% of the total allowed co-financing by the Fund for the entire project, ie. must not exceed a maximum amount of 50,000.00 euros (fifty thousand euros). Any additional costs under Phase 1 will be borne by the user.

For projects consisting of two phases, the financing of Phase 2 is subject to prior approval by the Investment Approval Committee (hereinafter: "KOI") of the submitted Diagnostics and Improvement Plan and the Implementation Report of Phase 1.

The co-financing by the Fund for the total project budget (cumulatively for Phase and Phase 2) may not exceed the co-financing limits set in paragraph 1 of this Article.

The co-financing by the Fund intended for the implementation of the Improvement Plan must not exceed 200,000.00 Euros (two hundred thousand Euros) per individual end user (SME).

## **Incentive design**

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### **Incentive group**

Financial

### **Incentive category**

Grant

### **Economy-wide/Sector-specific**

Economy-wide

### **Sector (Simplified)**

All sectors

### **Sector (NACE)**

N/A

### **Size of firm that can use incentive**

Micro (1-9) & SMEs (10-249)

### **Level at which incentive is available**

Economy-wide

### **Ownership of firm that can use incentive**

Domestic

### **Incentive location**

General

### **Main objective of the incentive**

Technological advancement

**In case of grant, share of grant in investment (in %)**  
0,6

## **Access to information**

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### **Contact Info**

ul. GTC local 6, D.E 220, 1000 Skopje North Macedonia, info@fitr.mk  
02 314 5258

### **Weblink to Incentive information in English**

### **Weblink to Incentive information in local language**

## **Eligibility criteria**

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### **Eligibility criteria (description)**

"The eligibility criteria that the applicant must meet are:

to be a legal entity registered in the Central Register of Macedonia;  
to be a legal entity established in accordance with the Law on Associations and Foundations or established in accordance with the Law on Trade Companies or established in accordance with the Law on Chambers of Commerce which should act as a cluster, business interest community or business association;  
to have at least 50.1% of North Macedonia founders / owners.

The eligibility criteria that the applicant's implementation team must meet are:

Project Manager:

Experience in managing large projects with a budget over 200,000.00 euros (two hundred thousand euros);

Experience in managing projects involving the private sector.

Project team:

For Phase 1 (if applicable):

At least one team member to have experience in conducting a minimum of Z (three) diagnostics for technological extension (in accordance with the provisions of Article Z of this Rulebook), of which at least 1 (one) to refer to several SMEs in the specific area most relevant for the project proposal. for Phase Q:  
At least one team member to have at least 5 (five) years of professional experience in providing services in a specific area in the private sector;

At least one team member to have professional experience in providing services in a specific area to at least 5 (five) SMEs.

End-user eligibility criteria (end-users)

All sectors are eligible for funding through this Instrument.

The end users are SMEs for which the technology extension is intended.

The eligibility criteria for each end user are:

to be a company established in accordance with the Law on Trade Companies and registered in the Central Register of Macedonia, to be a micro, small or medium enterprise (up to 250 employees), to have a predominantly of North Macedonia ownership structure (of 50.1% or more ),  
be owned by a natural person (s) and / or micro, small or medium enterprise (with of North Macedonia

ownership structure of 50.1% or more) and / or higher education (s) , ie scientific research institution (s) (up to 2094 ownership in the end user),  
not to have accumulated more than 200,000.00 Euros (two hundred thousand Euros) of minor assistance in the last three fiscal years, including the amount requested from the Fund in accordance with the Law on State Aid and the Regulation on the conditions and procedures for granting assistance of minimal importance (de minimis),  
not to have accumulated more than 100,000.00 Euros (one hundred thousand Euros) of minor assistance in a period of three years, including the amount requested by the Fund, if the company is active in the road transport sector, in accordance with the Law on State Aid and the Decree on the conditions and procedure for granting de minimis assistance,  
no difficulty in operation (a company is in difficulty when it is unable to meet its obligations from its own funds or from funds it may receive from the owner / partners or creditors to cover losses that without external intervention of aid providers very likely Will lead to short-term and long-term cessation of operation of the enterprise),  
not to engage in coal production"

### **Eligibility criteria (weblink)**

## **Incentive administration**

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### **Awarding Authority (Name)**

Fund for Innovation and Technological Development

### **Application procedure + Weblink (where available)**

To submit a project proposal in connection with the public call, applicants need to fill out a Project Application and Project Budget, together with other documentation specified in the Management Regulations and in the public call.

For projects involving only Phase 2 - Implementation of the Improvement Plan, in addition to the documentation specified in the Management Regulations, applicants should also submit:

A separate document for the conducted Diagnostics and Improvement Plan that are in accordance with the provisions of Article Z of this Rulebook. The diagnostics should also include a results-based monitoring and evaluation framework for the implementation of the Improvement Plan;  
Statement of Compliance.

### **Implementing Authority (Name)**

Fund for Innovation and Technological Development