



**SUPPORT TO RESEARCH AND  
TECHNOLOGICAL DEVELOPMENT AND  
INNOVATION INITIATIVE AND  
STRATEGIES PROJECT**



**Programme Management Unit to the  
“Support to Research and Technological development & Innovation  
Initiative & Strategies in Jordan (SRTD)” Project**

## **Start Up Grant Scheme**

Guidelines  
for grant applicants

Reference: Call for proposals Start Up Grants

Deadline for submission of proposals: revolving till 04.05.2009



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# 1. START UP GRANT SCHEME

## 1.1 BACKGROUND

With the EU/Jordanian Association Agreement (AA) signed on the 1<sup>st</sup> of May 2002, a new possibility for cooperation in the political, economic and social spheres was opened in relations between the European Union and Jordan. The European Commission country strategy paper 2002-2006 for Jordan provides the strategic framework for EC assistance. The National Indicative Programme 2005-2006, with a total budget of 110M€, has identified among other priorities the development of a knowledge society. Out of the total budget, the NIP 2005-2006 provides 5M€ to help to develop the innovation and R&D sectors of the Jordanian economy, by funding the “Support to Research and Technological Development & Innovation Initiatives & Strategies in Jordan (SRTD)” Project.

Although the ratio of Jordanians with higher education is among the highest in the region, Jordan’s innovation and R&D potential is hindered. The most prominent problem in the Jordanian R&D and Innovation sector has been identified as the **little commercialisation potential of research community output**. One of the most important ways to foster the interaction between the research community and the private sector is to support business incubator activity and provide Start Up to the incubator tenants so that they can start the development activity of their innovative service and/or product. This will be fostered by launching of 30 projects from the 30<sup>th</sup> April 2008. Whenever possible, a balanced repartition of the funded projects shall be guaranteed between the different JICs in order to comply with the objectives of the Jordanian S&T policy.

The system proposed to finance the Start Up Grant Scheme is based on the actual EC and Jordanian Enterprise Development Corporation methodology and procedures. It consists of a co-financing for a maximum of 80% of the eligible costs by the SRTD programme, and 20% by the beneficiary’s own resources or other support.

## 1.2 OBJECTIVES OF THE PROGRAMME AND PRIORITY ISSUES

The objectives of this Call for proposals are to increase participation in innovation-based business activities, including commercialization of innovative ideas, and establishment of successful and profitable knowledge-based businesses.

The Business Incubators (BI), which will host the successful applicants of this Call for Proposal, are members of the Jordanian Innovation Centre Network, operating under supervision of the Jordan Upgrading Modernisation Programme (JUMP), within the Jordan Enterprise Development Cooperation (JE).

The specific objectives for each of the incubators are:

- Agro-Industry Business Incubator at the University of Jordan (Faculty of Agriculture): its activities cover all areas of agriculture.



- iPARK at the Higher Council of Science and Technology (HCST): its activities nurture Information & Communication Technologies start-up community.
- The JIC for Engineers & Industrial Enterprises at the Royal Scientific Society: its activities cover all areas of agriculture including animal and plant production, food processing, agricultural economics, plant production, and soil & water.
- JIC at El-Hassan Industrial Estate: its activities promote innovation in communication technologies, services to industries (e.g. textile), etc.
- JIC at the Philadelphia University: its activities cover all areas of engineering.
- Jordan Forum for Business & Professional Women: its activities will be focused on innovative services and products developed exclusively by women.
- Jordan Innovation Center established at Al Hussein Ben Abdullah II Industrial Estate/Karak by JIC at Al Hassan Industrial Estate/Prince Faisal Center for Dead Sea, Environmental and Energy Research (Mutah University): its activities will be mostly related to innovative services activities, for instance tourism and/or use/studies of dead-sea minerals innovative utilisations, etc.

### 1.3 FINANCIAL ALLOCATION PROVIDED BY THE CONTRACTING AUTHORITY

The overall indicative amount provided by the EC to the Programme Management Unit under this call for proposals is **EUR 300,000**.

The overall indicative amount provided by the Jordan Enterprise Development Corporation (JE) under this proposal is **EUR 150.000,00**

**In the framework of the JIC-network**, a minimum of 30 innovation projects on innovative specificities will be funded throughout the duration of the SRTD Project, and up to funds availability, by the Programme Management Unit. These innovative projects will be co-funded by the Jordan Enterprise Development Corporation, to reach the maximum total amount of 15.000 JD each.

#### Size of grants

Any grant awarded under this programme must fall between the following minimum and maximum amounts of contribution:

- minimum amount: JD 5.000
- maximum amount: JD 15.000

In addition, **no grant may exceed 80 % of the total eligible costs of the action** (see also section 2.1.4).

The balance must be financed from the applicant's or partners' own resources, or from sources other than the European Community budget.



## 2. RULES OF THIS CALL FOR PROPOSALS

### 2.1 ELIGIBILITY CRITERIA

#### 2.1.1 Eligibility of applicants: who may apply

(1) In order to be eligible for a grant, the applicant **must**:

- be a natural **or** a legal person  
**and**
- be resident/registered in Jordan **and**
- be directly responsible for the preparation and management of the project that must be implemented within one of the Business Incubators of the JIC network as per Art 1.2
- applicants may act individually or with partner entity/s, in such case the above criteria for partners is enlarged to all resident/registered in the EU-ENPI

(2) Potential applicants may not participate in calls for proposals or be awarded grants if they are in any of the situations which are listed in Section 2.3.3 of the Practical Guide to contract procedures for EC external actions (available from the following Internet address:

[http://ec.europa.eu/europeaid/work/procedures/index\\_en.htm](http://ec.europa.eu/europeaid/work/procedures/index_en.htm));

In the grant application, applicants must declare that they do not fall into any of the situations.

#### 2.1.2 Associates & Subcontractors of partners

##### Associates

Other organisations may be involved in the action. Such associates play a real role in the action but may not receive funding from the grant with the exception of per diem or travel costs. Associates do not have to meet the eligibility criteria referred to in section 2.1.1.

##### Subcontractors

The grant beneficiaries have the possibility to award contracts to subcontractors. Subcontractors are neither partners nor associates, and are subject to the procurement rules.

The applicant will act as the lead organisation and, if selected, as the contracting party (the "Beneficiary").

#### 2.1.3 Eligible actions: actions for which an application may be made

Definition: An action (or project) is composed of a set of activities for a start up of an innovative idea.

Duration: The initial planned duration of an action may not be lower than **12 months** nor exceed **30 months**, and in any case implementation must end before 31/12/2010.

Sectors or themes: Start Up grant scheme for development of innovative services and products as tenants in the Business Incubators, members of the Jordanian Innovation Centre Network.



The following sectors will be covered:

- All areas of agriculture, including animal and plant production, food processing, agricultural economics, and soil & water;
- Information & Communication Technologies, in particular for the start-up community;
- All areas of engineering, health, energy, environment, etc;
- Innovative activities (services and products) developed by women;
- Innovative services, especially in the tourism sector and for industries.

Location: Actions must take place in Jordan.

Types of action: Financing of Start Up for development projects, yielding the new, innovative services and products, in the interest of Jordanian economy and exports.

The JIC deliver specific services to the tenants:

- Logistical services: rental of office units within the JIC, which offer unlimited access to furniture and shared facilities (mainly shared equipment);
- Strategic support services: management support, strategy planning and market positioning, preparing business plans and feasibility studies, partner identification and assessment, product development and commercialisation, networking, etc.
- Operational support services: market research, public relations, accounting services, legal services, advertising, branding, training and educational programmes, etc.

Number of proposals and grants per applicant: An applicant may not submit more than 1 proposal under this revolving call for proposals (application to the R&D call for proposals is not considered as double participation). An applicant may however re-apply if the first proposal has not been accepted.

#### *2.1.4 Eligibility of costs: costs which may be taken into consideration for the grant*

Only "eligible costs" can be taken into account for a grant. The budget is therefore both a cost estimate and a ceiling for "eligible costs". Note that the eligible costs must be based on real costs based on supporting documents.

Recommendations to award a grant are always subject to the condition that the checking process which precedes the signing of the contract does not reveal problems requiring changes to the budget (for instance arithmetical errors, inaccuracies or unrealistic costs and other ineligible costs). The checks may give rise to requests for clarification and may lead the Contracting Authority to impose modifications or reductions to address such mistakes or inaccuracies. The amount of the grant and the percentage of co-financing as a result of these corrections may not be increased in any case.

It is therefore in the applicant's interest to provide a **realistic and cost-effective budget**.



### Eligible direct costs

To be eligible under the call for proposals, costs must respect the provisions of article 11 of the General Conditions to the Standard Grant Contract (see Annex A). The award of a Start Up Grant includes a place as a tenant for up to 30 months in the chosen JIC. In case of Applicants which can prove availability of other incubation needs in case of different abled people, the CA and the JIC network may consider a different incubation facility.

### Contributions in kind

Any contributions in kind do not represent actual expenditure and are not eligible costs. The contributions in kind may not be treated as co-financing by the Beneficiary.

Nevertheless, the cost of staff assigned to the Project **is not a contribution in kind and may be considered as co-financing** in the Budget of the Project when paid by the Beneficiary or his partners.

## **2.2 HOW TO APPLY, AND THE PROCEDURES TO FOLLOW**

### *2.2.1 Application form*

Applications must be submitted using the application form attached in Annex A and available in electronic format on <http://www.hcst.gov.jo> and <http://www.jic.jo>

The applicant must apply in **English**.

Please complete the application form carefully and as clearly as possible so that it can be assessed properly.

### *2.2.2 Where and how to send the applications*

Applications must be received in a sealed envelope by registered mail, private courier service or by hand-delivery at the address below:

#### Postal address

Programme Management Unit of the SRTD Project at the Higher Council for Science and Technology  
P.O. Box 36  
Jubaiha - 11941  
JORDAN

### *2.2.3 Deadline for submission of Applications*

As this is a revolving local call for proposals, the applications could be submitted any time after its publication. They will be accepted till the exhaustion of the available funds or on the latest deadline of 04 May 2009.



The deadlines for submission of this revolving Call for proposal is as follows;

1. First deadline is set on Monday 10<sup>th</sup> of July 2008 at 12.00 o'clock,
2. Second deadline is set on Monday 1<sup>st</sup> of September 2008 at 12.00 o'clock,
3. Third deadline is set on the Monday 3<sup>rd</sup> of November 2008 at 12.00 o'clock,
4. Fourth deadline is set on the Monday 5<sup>th</sup> of January 2009 at 12.00 o'clock,
5. Fifth deadline is set on the Monday 2<sup>nd</sup> of March 2009 at 12.00 o'clock,
6. Sixth and final deadline is set on the Monday 4<sup>th</sup> of May 2009 at 12.00 o'clock.

#### 2.2.4 Further information for Applications

The PMU will provide for FAQ session on the "Start Up Grant Scheme" on the website of the Higher Council for Science and Technology, at; <http://www.hcst.gov.jo>.

Info days will take place in different locations through out Jordan, the first set of Info Days are foreseen June 12<sup>th</sup>, 2008 @ 14:00 hrs at the PMU of the SRTD Project at the Higher Council for Science and Technology. Exact dates will be published on the HCST website and through the JIC network.

### 2.3 EVALUATION AND SELECTION OF APPLICATIONS

The evaluation will follow four stages:

- Proposals will be opened by the PMU, verified for administrative compliance and distributed to the selected JIC. The Contracting Authority reserves the right to propose to the Applicant different JIC in case the selected one does not have sufficient capacity to receive additional projects.
- The Selection Committee of the appointed JIC first evaluates the technical merit of the proposals and, if successful, applicants are invited to discuss a pre-feasibility business plan and fill the JICs Incubatee Admission Application forms.
- The Selection Committee then evaluates the project proposal as a whole.
- The proposals accepted by the JIC's Selection Committee will be passed on to a Final Selection Panel of the SRTD Project PMU, which meets bi-monthly, for its definitive approval and awarding.

The applied Evaluation will be according to the following criteria

	Max score
Qualification of Tenants/ Partners	35
Business Value of the Project	30
Project description ((Project scope, Project Methodology	15
Action Plan with Time schedule	10
Costs/effectiveness of proposed budget	10



The proposals with excellent technical potential, but that could need some more research to mature to the service/product development phase, may be passed on to the Research Grant Scheme.

## **2.4 NOTIFICATION OF THE DECISION**

### *2.4.1 Content of the decision*

Applicants will be informed in writing of the Contracting Authority's decision concerning their application and the reasons for the decision.

### *2.4.2 Conditions applicable to implementation of the action following the contracting authority's decision to award a grant*

Following the approval by the Selection Panel, the Beneficiary will be offered a tri-partite contract (Annex A) that he will sign with the JE and the PMU. By signing the Contract applicant becomes the tenant in his chosen JIC.

By signing the Application form, the applicant declares the acceptance of the Contractual conditions as laid down in the Standard Contract.



### 3. LIST OF ANNEXES DOCUMENTS

- Annex A: Grant Application Form
- Annex B: Tri-partite Contract for the Start Up Grants (+ Annex II of contract General Conditions)
- Annex C: Budget for the Project

Additional information related to the JICs methodology can be found on the website of the Higher Council for Science and Technology, at; <http://www.hcst.gov.jo> and <http://www.jic.jo> which include the Incubator Operations Manual and the Incubatee Admission Application

