

AI IN GOV'T

Introduction

We are seeking innovative solutions that can address specific challenges faced by government organisations using Artificial Intelligence (AI).

Funding Programme Overview

By participating in this programme, you may receive funding to build and test a prototype in a real-world environment and further develop it into a market-ready product, service, or solution. You will retain ownership of any intellectual property (IP) developed during the process, and the final innovation will be yours to commercialize.

List of Challenges: To be included as provided by competent departments/agencies.

Host Organisation: Small enterprises, including startups, medium or large enterprises legally established and active in territories under the control of the Republic of Cyprus.

Consortia: Universities, research organisations, and other types of organisations (excluding public and broader public sector organisations) can be part of the consortium. Universities and research organisations should license knowledge/technologies to the host organisation and grant rights to use IP that will be co-developed. This should be evidenced by supporting agreements and/or included in the relevant applicable consortium agreement.

Project Duration: Up to 36 months in 2 phases

Phase 1: Prototype Development

Duration: Up to 9 months

Funding: Up to €100,000

Objective: Develop a working prototype and demonstrate its technical and commercial viability. The prototype may be built using open data, synthetic data and/or dummy data that can be used to simulate real-life scenarios based on the description of the challenge.

Phase 2: Field Deployment and Development

Duration: Up to 27 months

Funding: Up to €400,000 (unless stated otherwise for specific challenges)

Objective: Deploy the working prototype, test it in the field, and further develop it into a fully functional product, service, or solution. This is expected to be an iterative development process and will also require engagement with the competent authority and/or depending on the challenge, access to proprietary data. Where applicable, accessing, securing, and anonymizing data should be ensured in line with relevant applicable regulation/legislation.

We are looking for innovative solutions:

To qualify as "innovative," the proposal must meet one or more of the following:

- **Novelty:** An invention, new technology, or new process that is not currently available in the marketplace.
- **Significant Modifications:** Major improvements to existing technologies, components, or processes that enable applications in settings or conditions where current solutions are not feasible.
- **Enhanced Performance:** Improvements in functionality, cost, or performance over existing technologies or processes that are considered state-of-the-art or industry best practice.

Eligible Activities

Phase 1: Industrial Research, Experimental Development, Feasibility Studies

Phase 2: Experimental Development, Feasibility Studies, Innovation Activities

For a detailed description of each of the abovementioned activities, please refer to the RESTART [Work Programme](#) Section III – 2 Types of Activities Eligible for Aid.

Aid Intensity Per Activity

For beneficiaries classified as "Research Organisations", the aid intensity amounts to 80% of the project's eligible costs.

The Maximum Aid Intensity for beneficiaries not classified as "Research Organisations", will depend on the size of the enterprise (Small, Medium, Large) as follows:

BASIC INTENSITY			
Type of Activities	Small Enterprise	Medium-sized Enterprise	Large Enterprise
Industrial Research Activities	70%	60%	50%
Experimental Development Activities	45%	35%	25%
Feasibility Studies	70%	60%	50%

A 15% increase may be added to the Basic Intensity (excluding Feasibility Studies) if the project meets certain special provisions. This applies if the project involves effective collaboration either between enterprises (including at least one SME, with no single entity covering more than 70% of eligible costs) or between an enterprise and research organisations (which must bear at least 10% of costs and retain publication rights). Alternatively, the increase also applies if the project results are widely available as open-source software.

The maximum permitted Aid Intensity for startups is equal to the maximum Aid Intensity corresponding to Small Enterprises.

The Maximum Aid Intensity for **Innovation Activities** is 50% for Small and Medium-sized Enterprises. Large Enterprises are excluded from this aid category.

De Minimis Aid may also be used, and aid intensity may reach up to 100% of the project's eligible costs. It cannot exceed the amount stipulated in EU Regulation 1407/2013 for De Minimis Aid (the De Minimis Aid Regulation will be applied to said aid) (replaced by the Commission's Regulation (EU) 2023/2831 of 13th December 2023).

Eligible Expenses

- Personnel cost
- Costs for Instruments and Equipment
- Cost for External Services (up to 30% of the budget in each phase)
- Consumables
- Overheads

Support from Competent Government Department/Agency

Staff from competent government departments will be allocated to support the successful project. Applicants will be required to state specific needs for support in their proposals.

Online Workshops

At least six weeks before the proposal submission deadline, the competent government department/agency for each challenge will host an online workshop. Interested parties will be invited to submit their questions at least two weeks before the workshop. During the workshop officers from the competent authority will address key questions submitted. A document addressing all submitted questions will be issued soon after the workshop. The workshop will be recorded and available to watch online.

Proposal Submission Deadline

The proposal submission deadline will be three (3) months from the Call Announcement date.

Proposal Evaluation & Selection

An Evaluation Committee will evaluate the proposals submitted for each challenge and prepare a Consensus Report. The RIF will fund one project per challenge.

Scientific Evaluation of Projects

Phase 1 Gate: Upon completion of phase one, projects will be evaluated by an expert and host organisations should be in position to demonstrate that the prototype is ready for deployment in the field in order to pass on to Phase 2. If not, corrective measures will be recommended for implementation without any additional budget awarded for Phase 1.

Completion of Phase 2: Upon completion of Phase 2, projects will be evaluated by an expert.

Obligation to Protect Intellectual Assets

The aim of the scheme is to fund the development of innovative solutions. The deliverables are: prototype for Phase 1 and product/service for Phase 2. The host organisation and its partners must ensure that new knowledge and technology are adequately protected before any publishing takes place. These will be included in the Project Contract as an obligatory deliverable.

Services of Central Knowledge Transfer Office (CKTO)

The host organisation may, if they wish, obtain the services of the CKTO under Path 2 but this is not mandatory.