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## **SCHEME FOR THE ENHANCEMENT OF SMES COMPETITIVENESS IN THE MANUFACTURING SECTOR AND OTHER SPECIFIC ECONOMIC ACTIVITIES**

### **Eligible Applicants**

New or existing SMEs in the manufacturing sector that are established or to be established in areas controlled by the Cyprus Government.

**Manufacturing activities are the activities listed in Section C, included in the Statistical Codes of Economic Activities, 2008 (based on the Statistical Classification of Economic Activities in the European Community, NACE Rev. 2).**

Other new or existing SMEs that are eligible for the **below stated economic activities**:

1. Production of edible and non-edible ice (section D - 35.30.2)
2. Dismantling services of useless objects / machines (section E - 38.31.1)
3. Recycling of metal and non-metal waste and scrap (section E - 38.32.1)
4. Car paint producing (section G - 45.20.3)
5. Technological Testing and Analysis (section M - 71.20.9)

***Funding will cover only the below categories:***

- Laboratories of Food and Beverage
- Industrial Products Testing Workshops

6. Research and experimental development on natural sciences and engineering (section M - 72.19.9)

***Funding will cover only the below category:***

- Product design and preparation of novel (prototypes) for manufacturing purposes (section M - 72.19.9)

7. Fashion design related to textiles, clothing, footwear, jewelry, furniture (section M - 74.10.1)
8. Dry cleaning/Laundry services (section S - 96.01.1 & 96.01.2)
9. Motion picture, video films and television programs [TV series, documentaries] (section J – 59.11.1 & 59.11.2)

**Percentage and amount of enhancement: 50%** with the maximum amount of **€200,000** (De Minimis philosophy)

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## Eligible Costs

### ➤ **Buildings and Building Extensions and Premises**

- Construction and / or extension and / or general reconstruction, remodelling / layout of buildings and premises.
- Infrastructure for electromechanical and plumbing, fire safety measures, air conditioning and ventilation.

Infrastructure for the installation of environmental protection systems, reducing pollution and saving water and energy, and health and safety systems.

*It should be noted that the purchase / installation of photovoltaic systems is not an eligible expense.*

- Other costs associated with the category and at the judgement of the Commission considered necessary for business needs depending on the activity.

### ➤ **New Machinery/ Production Equipment**

- New modern machinery and other equipment serving the production, storage, distribution of products and the operation of the company (including management premises) provided they are within the plant area.
- Transportation vehicles of goods and raw materials in the production site-forklifts.
- New machinery and other information processing equipment such as computers, computer equipment, software etc.
- New automation systems such as media commodities and products, equipment storage areas, within the unit.
- Other costs associated with the category and at the judgement of the Commission considered necessary for business needs depending on the activity.

➤ **Transportation means**

- Purchase of new commercial vehicles necessary for the transportation of goods, products, etc. To be used exclusively for business purposes.

➤ **Promotion (maximum eligible cost €10.000)**

- Design and printing of information materials / brochures and other similar expenses
- Advertising in media (e.g. newspapers, magazines, etc.)

➤ **Cost of consultants**

- Market research and product development studies, etc. (maximum eligible cost €6.000)
- Feasibility studies for the purposes of the Scheme (maximum eligible cost €4.000)

**Important Notes**

- Expenditures that have been made prior to the submission of the application will not be considered as eligible.
- The submission of technical and economic study is necessary if the application is made **by new enterprises** and in cases where the amount of the proposed investment by existing firms is **higher than € 100.000**.
- For each requested expenditure one (1) offer should be attached.