

Fundo para o Desenvolvimento das Ciências e da Tecnologia

Funding Scheme for Enterprise Innovation and R&D

The Science and Technology Development Fund (hereinafter referred to as "FDCT") has formulated this Funding Scheme according to Articles 15 and 16 of the *Financial Aid Grant Regulation* as approved by the Chief Executive's Dispatch No. 64/2021.

I. Objectives

In line with the Macao SAR Government's policies, FDCT is committed to enhance innovation and R&D in Macao enterprises, create a research-friendly environment, and inspire enterprises to increase their R&D investment through providing financial support, so as to further promote the industry-university-research partnership, facilitate the transformation of scientific research achievements, cultivate emerging industries, and promote the moderately diversified development of related industries in Macao.

II. Types of Application

Funding applications are divided into three types base on applied amount:

- 1. Type A: not exceeding MOP 1,00,000;
- 2. Type B: exceeding MOP 1,000,000, but not exceeding MOP 3,000,000;
- 3. Type C: exceeding MOP 3,000,000, but not exceeding MOP 5,000,000.



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III. Applying Entities

- 1. Commercial enterprises that fulfill the following conditions are eligible to submit application:
 - 1.1 Enterprises registered in the Macao SAR for one year or more;
 - 1.2 The enterprise is not in arrears with tax and social security contributions (if any) in the Macao SAR.
- 2. In the case of applying for Type A, the applying entity shall fulfill the following conditions:
 - 2.1 50% or more shares of enterprises shall be held by Macao residents;
 - 2.2 No less than three full-time employees;
 - 2.3 In case of full-time employees less than three, the applying entity shall be recommended by a nation-level makerspace established in Macao.
- 3. In the case of applying for Types B or C, the applying entity shall fulfill the following conditions:
 - 3.1 No less than five full-time employees;
 - 3.2 The applying entity shall be an "enterprise engaged in scientific and technological innovation activities" accredited by the "Scientific and Technological Innovation Commercial Enterprise Accreditation Committee" according to law as stipulated in Article 6 of Law No. 1/2021 "Tax Preference System for Enterprises Engaged in Scientific and Technological Innovation Activities", or an enterprise previously



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funded by FDCT, without prejudice to the high-tech enterprise certification issued by other government departments.

IV. Application Requirements

- 1. The applying enterprise shall invest self-owned R&D funds in a supporting manner, and the amount of investment shall not be less than the amount applied from FDCT.
- 2. The expected project findings shall include software, hardware (prototype, mock-up), technical standards, formulas, new materials, new technologies, etc., and specify the economic or social benefits produced after the utilization of the project.
- 3. In terms of Types B or C, the research subject of project proposed shall align with the policy direction of the Macao SAR Government, current Five-Year Plan of Macao economic and social development, the Macao SAR Government's Policy Address, related planning and programs of Guangdong-Macao In-Depth Cooperation Zone in Hengqin, etc.
- 4. In terms of Type C, the applying enterprise shall propose a 5-year project plan and corresponding budget.

V. Cooperative Research



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FDCT encourages the applying entities to conduct cooperative research with higher education institutions or scientific research institutions inside or outside Macao.

VI. Funding Type

No repayment required.

VII. Eligible and Ineligible Spending

Please refer to Article 3 of the *Financial Aid Grant Regulation* as approved by the Chief Executive's Dispatch No. 64/2021.

VIII. Funding Amount and Project Duration

- 1. The total amount funded for this Scheme by FDCT per year shall not exceed MOP 100,000,000 (one hundred million patacas). The Administrative Committee will publish the total grant amount of the current year in the Application Guide according to the actual budget of each year.
- 2. Each project of Types A and B has a maximum funding duration of three years.
- 3. Each project of Type C has a maximum funding duration of three years, without prejudice to the application for continuous funding prescribed in Article XIV.

IX. Application Guideline

The FDCT's Administrative Committee will prepare the Application Guideline and specify all the details such as total



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amount of funding for each type, key support areas, assessment criteria, requirements for application proposal, and indicators for research findings.

X. Project Budget

The applying entity shall specify the budget of the project in the application proposal. The budget consists of two parts: the amount applied from FDCT and the self-owned funds invested by the applying enterprise. The spending listed in the two parts shall meet the conditions of "Eligible Spending" prescribed in Article VII.

XI. Application Period

The period designated by the FDCT's Administrative Committee.

XII. Application Documents

- 1. Completed application form provided by FDCT;
- 2. Commercial Registration Certificate issued in the recent 3 months;
- 3. The identification document of corporate representative;
- 4. Certificates proving that the applying entity is not in arrears with tax and social security contributions (if any) in the Macao SAR issued in the recent 3 months;
- 5. Letters of introduction or recommendation issued by reputable entities in the fields of science, technology and innovation;



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- 6. Certificates proving that the applying entity has conducted joint research in collaboration with higher education institutions or scientific research institutions inside or outside Macao (if any);
- 7. Other documents required in the Application Guidelines.

XIII. Applying Method

The applying entities shall submit all the application documents mentioned in the preceding article in the manner designated by FDCT prior to the deadline of application.

XIV. Continuous Funding

- 1. For Type C, the application for continuous funding for the fourth and fifth years should be submitted within six months following the completion of the first two years of project duration, FDCT will conduct the project review according to general procedures. Overdue application shall be deemed as abandonment of the application.
- 2. In addition to the required documents stated in paragraphs 1-4 of Article XII, the project progress report and budge performance report shall be submitted for project review.
- 3. Application for continuous funding will be reviewed based on the current project progress and its budge performance, with focus placed on the necessity of project continuity.

XV. Preliminary Analysis



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- 1. FDCT will conduct a preliminary analysis of the application documents to verify that they are correct and complete, and to review whether the project proposed meets the requirements to be funded.
- 2. FDCT will require the applying entity to submit additional documents within 15 days as needed.

XVI. Assessment Methods

- 1. The assessment is performed by FDCT according to the *Financial Aid Grant Regulation* approved by the Chief Executive's Dispatch No. 64/2021.
- 2. Key considerations will be given to the followings:
 - 2.1 Advanced technical performance indicators;
 - 2.2 Actual or expected application scenarios;
 - 2.3 Economic or social benefits of research findings;
 - 2.4 The applying entity and its partner (if any) are competent to undertake the project; in case of cooperation with higher education institutions or scientific research institutions, considerations shall be given to the division of their tasks, their exclusive resources invested in the project and their corresponding engagement;
 - 2.5 Soundness of project plan and its budget.
- 3. FDCT may conduct site inspection to verify the research conditions of the applying entities, interview with the project team and partners (if any) as necessary.



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XVII. Funding Approval and Allocation

- 1. FDCT shall notify the applying entities of the approval result.
- 2. The funded applying entities shall sign the Funding Agreement with FDCT.
- 3. FDCT will release the funds in phases according to the actual investment amount of the enterprise.
- 4. The funds shall be reimbursed for the actual amount according to the conditions provided for in the Funding Agreement.

XVIII. Reports

- 1. The funded applying entities shall submit an annual report of their execution of the funded projects for interim assessment by FDCT.
- The funded applying entities shall submit a final report to FDCT within the period designated in Subparagraph 4, Paragraph 1, Article 14 of Administrative Regulation No.18/2022 – Public Financial Aid System of the Macao Special Administrative Region.
- 3. The annual and final reports shall consist of two parts: actual activities and financial execution, with supporting documents provided.
- 4. FDCT have the right to require the funded enterprises to provide third-party professional verification of their economic benefits.

XIX. Obligations of Funded Entities and Consequences of Violation



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- 1. The applying entity shall perform the following obligations:
 - 1.1 Provide valid and authentic documents and make a declaration:
 - 1.2 Use the funds exclusively for the designated purpose;
 - 1.3 Prudently and rationally plan and organize the funded project;
 - 1.4 Submit the report referred to in the above article on time, and if the report cannot be submitted on time due to force majeure or other reasons not attributable to the funded entity, FDCT shall be notified within seven working days from the date of occurrence of the relevant fact;
 - 1.5 Refund the funds that were not used for their intended purpose;
 - 1.6 Comply with the terms set out in the Funding Agreement signed with FDCT;
 - 1.7 Accept the supervision and cooperate with FDCT in monitoring the use of funds, including the inspection of relevant revenues and expenditures and financial conditions, and agree that FDCT has the right to record in writing, filming, photography and other forms throughout the project process, as well as the permanent free use right of all relevant outputs;
 - 1.8 In any publicity activities, press releases and promotional materials related to the project, indicate that the project is "supported by the Science and Technology Development Fund of Macao SAR" or "Support



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of Macao SAR", and report to FDCT for filing;

1.9 Agree that FDCT shall publish the basic data, project summary and publicly available research findings of the funded project on the website of FDCT and other public documents;

- 1.10 Ensure that the content of the funded project and the project implementation procedures do not violate the law, nor do they infringe any rights of others;
- 1.11 Cooperate with the relevant contents specified in Chapter V "Responsibility and Supervision" of the *Financial Aid Grant Regulation* as approved by the Chief Executive's Dispatch No. 64/2021.
- 2. If a funded entity fails to fulfill the obligations referred to in the preceding paragraph, or any of the circumstances referred to in paragraph 1, Article 17 of the *Financial Aid Grant Regulation* as approved by the Chief Executive's Dispatch No. 64/2021 occurs, FDCT may make the following decisions depending on the nature and severity of the violation of obligations by the funded entity:
 - 2.1 No funds shall be granted;
 - 2.2 For the funds that have been granted but not yet released, the release shall be suspended or appropriate restrictions shall be imposed when calculating the actual release amount;



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- 2.3 Cancel the funds already granted in whole or in part, and require the funded entity to refund the relevant funds;
- 2.4 Deny the funding application submitted by the relevant Principal Investigator or private enterprise within one year.
- 3. The consequences referred to in subparagraphs 2.3-2.4 of this article shall apply in particular in the following cases:
 - 3.1 The funded entity intentionally violates the obligations set forth in subparagraphs 1.1-1.2 of this article;
 - 3.2 The funded entity violates the obligations set forth in subparagraph 1.3 of this article and causes serious risks or damage to participants or public interests, especially public safety or social order.
- 4. If the funds are cancelled, the funded entity shall refund the funds received after deducting the amount repaid in installments.
- 5. Projects funded by FDCT shall not accept funding from other public funding schemes or programs.

XX. Supervision

Please refer to Article 19 of the *Financial Aid Grant Regulation* as approved by the Chief Executive's Dispatch No. 64/2021.

XXI. Right to Interpretation

FDCT reserves the right to offer the final interpretation of this Scheme.



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XXII. Governing Laws and Regulations

Any matter not covered in this Funding Scheme shall be governed by the current laws and regulations of the Macao SAR, especially the Administrative Regulation No. 14/2004 – the Statutes of the Fund for the Development of Science and Technology as amended by the Administrative Regulation No. 1/2021, Administrative Regulation No.18/2022 - Public Financial Aid System of the Macao Special Administrative Region, and the Financial Aid Grant Regulation as approved by the Chief Executive's Dispatch No. 64/2021.