

Small and Medium Enterprise Administration (SMEA), Ministry of Economic Affairs International Startup Campus Demonstration Program

Grant Program for International Accelerators and Entrepreneurship Development Organizations

APPLICATION GUIDE



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Small and Medium Enterprise Administration (SMEA), Ministry of Economic Affairs International Startup Campus Demonstration Program

Grant Program for International Accelerators and Entrepreneurship Development Organizations

APPLICATION GUIDE I. Program Overview

A. Basis of This Program

In 2016, the Executive Yuan promoted the Asia Silicon Valley Development Agency, which focused on innovation and R&D in the internet-of-things (IoT) industry and improving the innovation and entrepreneurship ecosystem, advancing industry transformation and upgrades, and boosting innovation and entrepreneurship to further drive economic growth. Therefore, the Small and Medium Enterprise Administration set out to transform the Universiade Athletes' Village in Linkou into an international startup campus with an objective of fusing together industry development, marketing communications, startup investment, and professional resources and guidance needed by entrepreneurs. Centered on the themes of "openness", "startups", and "going global", the program aims to attract international startups and R&D talent to Taiwan so as to have a sound local innovation and entrepreneurship ecosystem and realize a vision of "creating local startups and connecting with the world".

The Small and Medium Enterprise Administration ("SMEA") launched the Grant Program for International Accelerators and Entrepreneurship Development Organizations ("the Grant") in accordance with the "Grant Guidelines of the Ministry of Economic Affairs for Innovation and Incubation Industries", and established the Startup Terrace Project Office (hereinafter referred to as the Project Office) for handling applications of grants, subsidies, etc. and the related processes.

B. Purpose of this Program

International Accelerators	To encourage international and domestic accelerators to establish a presence at Startup Terrace for the purpose of providing guidance to and facilitating investments in promising startups as well as to foster a certain level of collaboration with enterprises in Taiwan. The R.O.C. government has arranged to provide grants and related measures to achieve these goals. (Startups which received the Startup Terrace 2018 Selection Award can also participate in an accelerator to engage in collaborative incubation.)
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Entrepreneurship Development Organizations	To encourage international and domestic talent development organizations to establish a presence at Startup Terrace to facilitate connections between training and development institutions which focus on talent development, startup investment, and guidance and consulting services at the global level and motivate training and development institutions to establish locations in Taiwan or collaborate with enterprises in Taiwan to a certain extent so as to help domestic and foreign incubation teams develop professional capabilities in innovative new technologies and market development and enable startups in the R.O.C. to develop on a more international scale.
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International Accelerators	A company which provides space, facilities, professional consulting, technology transfer, and business service management (BSM) services to	
	help recipients engage in innovative R&D and entrepreneurial	
	development.	
Entrepreneurship	Domestic and foreign entrepreneurial development institutions which	
Development	incubate startup teams that possess innovative new technologies or	
Organizations	market potential.	

C. Types of Grants Offered

D. Program Duration and Grant Budget Itemization Principles

- 1. The requested grant amount may not exceed 50% of the total expenditures of the program proposal or the amount of profit-seeking enterprise income tax payable in the current year.
- 2. The annual grant funds for each case shall not exceed the amount of NT\$10 million, and the execution schedule for the Program shall be limited to a period of one (1) year and a maximum of three (3) years. Starting from the second year of the implementation period, the program shall be separately executed by year and the funds for the program shall be approved year by year.
- 3. The maximum grant amount referred to in the preceding clause shall be progressively decreased in proportion according to the number of months of implementation specified in the schedule of the program proposal.
- 4. The total funds of the program proposal include government grants and the self-funding. The scope of the grant planning shall include personnel costs, travel expenses, consumptive equipment and raw material costs, equipment use and maintenance fees, intangible asset introduction fees, commissioned research or verification fees, marketing and promotion of business expenses, remunerations on a piecework or daily basis and other accounting items. (see Annex D- accounting titles and principles of accounting compilation).

II. Program Application

A. Eligibility Requirements

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International Accelerators	 Sole proprietorships, partnerships, limited partnerships, companies or legal persons established or registered in accordance with the laws of the Republic of China, and foreign companies that have registered branches in accordance with the Company Act, which meet the following conditions: The distinction between an "international" accelerator and a "domestic" accelerator is determined based on where the Applicant's actual headquarters are located. Has the ability to accommodate both domestic and foreign cases. Has connections to global industry resource networks. Provides training on various knowledge domains including international law, patents, and finance. Has facilitated investments from international investors in 2 or more startups. If the applicant is a legal person, it must be an institution which is approved for establishment by the MOEA. If the applicant is a loreign company, it must incorporate a company in Taiwan after its application has been approved and prior to signing the Program Agreement. It is not allowed to repeatedly apply for grants of similar nature to the government agencies of our country with the same or similar programs. Once discovered, the Project Office may forthwith reject the application. If such a program has been approved, the approval obtained shall be revoked after being resolved by the Program Review Committee. Enterprises which receive a grant shall fulfill the following obligations: Completion of residing in the Startup Terrace. Residency Contract at the same time. The residency period shall be the total schedule of the program plus two (2) years. Granization of at least three (3) events in Startup Terrace exidency Contract at the same time. The residency period. When applying, the Applicant shall include its program expenses (inclusive of the grant and self-funding) or annual business income tax payable.<!--</td-->

	(A) Sole proprietorships, partnerships, limited partnerships, companies or legal
	persons established and registered in accordance with the laws of the
	Republic of China, and foreign companies that have registered branches in
	accordance with the Company Code, which have a track record of
	entrepreneurial talent cultivation services.
	(B) It is not allowed to repeatedly apply for grants of similar nature to the
	government agencies of our country with the same or similar programs. Once
	discovered, the Project Office may forthwith reject the application. If such a
	program has been approved, the approval obtained shall be revoked after
	being resolved by the Program Review Committee.
	(C) Enterprises which receive a grant shall fulfill the following obligations:
	1. Completion of residing in the Startup Terrace. When entering into the
	contract, the residing enterprise shall also sign the Startup Terrace
	Residency Contract at the same time. The residency period shall be the
	total schedule of the program plus two (2) years.
	2. Organization of at least three (3) events in Startup Terrace involving 50 or
Entrepreneurship	more people.
Development	3. Employment of at least two (2) or more employees of the nationality of our
Organizations	country within the specified period.
	4. When applying, the Applicant shall include its proposed program expenses
	(inclusive of the grant and self-funding).
	5. When the case is to be closed each year, the Review Committee shall
	conduct the review. After passing the review, the process for the
	appropriation of the final installment may be proceeded, and the grant
	funds of the following year shall be decided upon approval based on the
	review results.
	6. The evaluation criteria shall include the number of groups coached by the
	team, the detailedness and cost rationality of the operating items as well as
	expenses and funds planning, and the four (4) items of contents for scoring
	as follows:
	 (1) Planning of courses on emerging tech and extent of global outreach (2) Planning for seed teachers in Taiwan and networking with international instructors
	(3) Startups' satisfaction with training services (rating determined according to the level of satisfaction with the training, as reported by
	startups) (4) Extent of combining the training institution's services with other

networking resources (e.g., accelerators, venture capital funding, etc.)

B. Overview of the Application Process

- (A) The application for the grant should be made by means of personal delivery, registered mail, courier or e-mail. When the budget quota for the grant is exhausted, the application will no longer be accepted.
- (B) The following information must be submitted when applying for the program:
 - 1. Basic Company Information Form (must be completed through the online application system).
 - 2. A single report in PDF or PPT format of the Overall Business Plan and 1st Year Program Plan
 - 3. Scanned photocopies (in PDF or JPG format)(must be submitted through the online application system) of the company registration sheet or business registration, factory registration approval letter, and other relevant documents (all documents must be affixed with the Applicant's official company seal and signature of the responsible person) (must be submitted through the online application system). Foreign companies must provide scanned photocopies (in PDF or JPG format) of documentary proof of incorporation bearing relevant authentication (e.g., official company seal and signature of responsible person).
 - 4. Documents to demonstrate the operating performance of the international accelerator.
 - 5. Original copy of the "Personal Information Collection Notice and Personal Information Agreement" must be signed and submitted (signed by relevant persons participating in this Program including the (1) company's responsible person, (2) project lead, (3) program contact person, and (4) CPA (5) consultant).
 - 6. Except for foreign companies that may send applications by e-mail, domestic companies should deliver their applications by paper materials only. Please provide Document No. 1 in MS Word (.docx) format; Document No. 2 shall be provided in PowerPoint format (.pptx); and Document Nos. 3 and 4 shall be provided as scanned copies (.pdf or .jpg). The subject header of all e-mail submissions must be written exactly as follows:
- (C) Application Checklist:
 - 1. When conducting its preliminary review of a submitted application, if the Program Office discovers an omission or other error, the issue must be resolved within one (1) week after the Applicant has been notified of such omission or error. If this deadline is not met, the application will be rejected.
 - 2. The Applicant shall submit all application documents necessary for applying for this Program in accordance with these Application Guide. After a submission has been verified

by the Program Office to be free of error, a notification e-mail and letter shall be issued to notify the Applicant of the official date of receipt.

- 3. All information submitted to apply for this program will be saved for reference purposes and shall not be returned, irrespective of whether the Applicant passes the review process or whether the Applicant withdraws its application on its own accord.
- (D) Contact person for receiving applications and providing services:

	Unit	Address	Telephone number
Contact Person	Business Development Division Project Office of Startup Terrace of the Administration	Mailing address: 19F, No.502, Sec. 2, Ren'ai Rd., Linkou Dist., New Taipei City 24449 24449 E-mail: hello@startupterrace.tw	(02) 2369- 2358

III. Program Review Process

A. Review Procedure

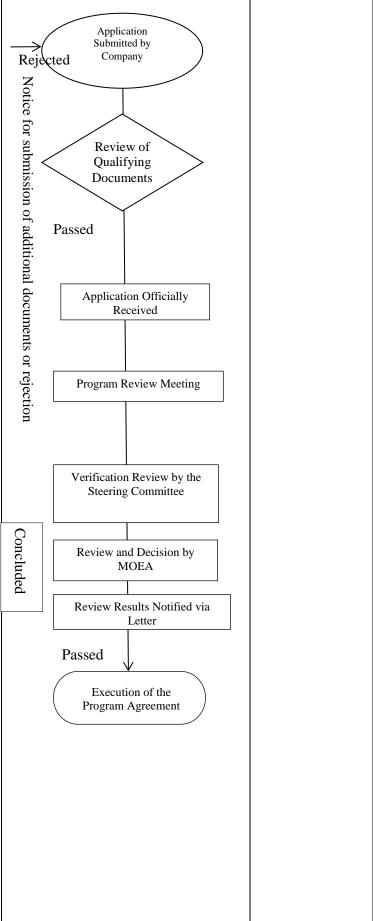
Application Review Procedure	Flowchart	Claims Review
		Procedure

- An eligible company shall prepare information required to be submitted for the application, ensure that itemized expenditures comply with the Accounting Categories and Budget Itemization Principles, and mail the application documents to ST@cpc.org.tw
- When conducting its preliminary review of a submitted application, if the Program Office discovers an omission or other error, the issue must be resolved with one (1) week after the Applicant has been notified of such omission or error. If this deadline is not met, the application will be rejected.
- After having prepared the required materials and confirmed on their correctness, a notice will be sent by e-mail of the official receipt date.
- The company shall prepare data for its report along with additional information as needed (see note below) and shall then present the report at the Program Review Meeting. For foreign companies, reviews and presentations can be done by video conferencing.

Note: Additional information will not be accepted after

the Program Review Meeting has been concluded.

- The final recommendation made at the Program Review Meeting is provided to the Steering Committee for verification.
- The application is re-reviewed according to the resolution reached by the Steering Committee during its verification review.
- After being verified, the results are sent to the MOEA for review and decision.
- After the MOEA has reviewed the application and made a decision, an official notice will be sent to the company with the result of the review. For foreign companies, result of the review will otherwise be notified via E-mail.
- Companies which have passed the review and decision stage are



asked to proceed with executing the Program Agreement in accordance with "IV: Execution and Implementation of the Program Agreement".	
B. Content to Undergo Review:	

B. Content to Undergo Review:

After it is determined that the information submitted by the Applicant complies with the "Review of Qualifying Documents", the application will undergo a two-stage review process consisting of a "Program Review" and a "Program Review and Decision", as explained below:

(A) "Program Review":

1. Key Parts of the Program Review:

International Accelerators	 (1) Operations system and independent profitability (2) Track record of providing guidance and plan for expected benefits (3) Conditions of industry funding and resource investment (4) Pool of high-quality cases and screening mechanism
Entrepreneurship Development Organizations	 (1) Comprehensiveness and extent of global outreach of training courses (2) Professional capabilities of members and guidance experience of instructors (3) Capacity to provide training and development services (4) Modes of collaboration with companies in Taiwan (5) Long-term business operations plan

2. Content of Report for Program Review:

1. Description of what makes the program innovative.
2. Method for implementing the program (including steps and method for achieving
program milestones, intellectual property rights search and management, etc.)
3. Framework for delegating authority during program implementation (including a
description of outsourced work, where applicable).
4. Estimated progress and inspection points for each calendar year of the program.
5. Overview of necessary investments of resources (e.g., personnel, time, expenditures,
etc.) for each calendar year of the program.
6. Anticipated benefits / value-added applications for the industry.
7. Reply to the Written Review Opinion.

	 A maximum of three representatives may attend the meeting (only one person from an outsourced vendor, consulting agency, or outside consultant is permitted to attend). In principle, the report shall be presented by the project lead or the responsible person of the company; if deemed necessary, R&D personnel participating in the program may present the report. If an outsourced vendor, consulting agency, or consultant is needed to provide additional explanations during the Q&A session,
Importance	 approval from the chairman must first be obtained. 3. Report to Describe the Program: The report does not need to be delivered in any specific format, but it should last no longer than 30 minutes. Please ensure that the page/slide count is kept to a reasonable length to accommodate this time limit. Four identical printouts of the "Report" and "Summary of the Written Review Opinion" shall be provided on the
Notice	 day of the meeting. 4. Personnel participating in the meeting must show relevant identification and documents proving they are a full-time employee of the company (an identity document and employee insurance policy datasheet or employee pension calculation sheet shall suffice). 5. Please bring a laptop on the day of the meeting and arrive 15 minutes early. 6. Please do not exchange business cards on the day of the meeting. 7. Please present the meeting notice upon entering the location of the meeting. 8. To avoid interruptions while the meeting is in progress, please do not take any photographs, video, or audio recordings. In addition, mobile phones must be turned off or switched to silent mode. 9. To accommodate the government's policy of reducing the use of disposable eating
	utensils, meeting attendees are asked to bring their own utensils and cups.

(B) "Program Review and Decision":

The program review recommendation compiled by the Program Office is sent to the MOEA's

Steering Committee for verification. After the MOEA has conducted its review and made a

decision, the company will be notified of the review results.

The MOEA's Steering Committee review covers the following key points:

- 1. Implementation of the overall program objective.
- 2. Extent to which the program accommodates the aims of government policies.
- 3. Reasonableness of how resources are allocated as a whole.
- 4. Reasonableness of performance indicators such as anticipated results, effects, associated benefits to industry, etc.
- 5. Confirmation of the reasonableness of grant expenditure amounts and related rights and interests.

IV. Execution and Implementation of the Program Agreement

A. Execution of the Program Agreement

(A) The commencement date of the program can begin from the date on which the program

documents are submitted; however, the date of submission may not be later than the program commencement date. Where a program is extended into a new calendar year as a result of the review process, the effective date of the Program Agreement may not be dated back to the prior year.

- (B) The schedule of the Program shall be determined by the application unit itself, with a period of one (1) year and a maximum of three (3) years. If the period of implementation is one (1) year, it shall be implemented separately by year and the funds for the Program shall be approved year by year. The funds for the Program of each year are in principle to be appropriated in three (3) installments. After the contract is completed with signing, the first installment will be appropriated; the second installment and the third installment will be processed according to the provisions of the grant agreement. If the implementation progress of the annual scheduled work for the Program does not reach 100%, it shall be processed in accordance with the relevant provisions of the contract and shall be included as the important reference basis for the grant funds to be approved in the following year. The applicant shall prepare properly the revised briefing and related attachments in accordance with the review resolution, the contract that has been sealed by the applicant together with a grant certificate issued, and send a formal letter to the Project Office for proceeding with signing the contract and requesting payments.
- (C) The signatory company shall execute the agreement within the allotted time specified in the Notice of Review and Decision; if it is unable to execute the agreement by the deadline, the company shall submit a written explanation of the reason for applying for an extension; after approval, the deadline for executing the agreement may be extended (an extension may be no longer than 1 month); if the company still cannot meet this deadline, it will be deemed to have forfeited its right to receive the grant.
- B. Allocation of Grant Funds
- (a) If applicant applies for the grant with "Proposal-based Program Funds", the annual program funds shall be paid in three installments. The 15% of the total grant funds shall be retained as the final installment of the Program, and the payments of the rest of the grant funds together with the self-funding of the applicant shall be based on the number of months of the schedule with each period of one (1) year from the effective date of the contract. If the last period is three (3) months or less, it will be merged into the previous period for the periodical work results report. The appropriations for each period shall be reviewed and approved by the Review Committee, and the appropriation of the grant funds for the following period shall only be approved if the cumulative utilization rate reaches 75% or more.
- (b) Where "annual business income tax payable" is used as the basis for applying for the grant, the grant will be allocated after the annual business income tax payable for the first year has actually been declared; however, the allocation amount is limited to the "annual profit-

seeking enterprise income tax payable" which has already been reviewed and approved; if the "annual profit-seeking enterprise income tax payable actually declared" does not meet the amount of "annual profit-seeking enterprise income tax payable which has been reviewed and approved", the amount of the shortage shall be deducted from the grant or otherwise recovered.

- (c) The grant shall be deposited into an earmarked account under exclusive management, and any cash surplus and all gross interest accrued before tax must be returned to the national treasury.
- (d) The Project Office may forthwith notify the applicant of the adjusted grant amount and the appropriation date of the grant funds in the event of the special reason of the budget review on the Ministry of Economic Affairs by the Legislative Yuan.
- (e) The funding of the Program shall be approved annually. If there is any change in the funding of the Program for the following year after the resolution of the Review Committee's meeting, the approved funding after the change shall prevail.
- C. Program Management and Evaluation
- (a) The contracting enterprise shall submit a copy of the contract, a report of the work results and a voucher (receipt or invoice) with its amount consistent with the requested funds prior to requesting for the second and third installments according to the contract. The Program funding shall also be actually reimbursed in proportion to the grant. However, the grant may be deducted at its own discretion depending on the circumstances of the actual implementation for those that do not meet the original goal of the Program.
- (b) If the contracting enterprise violates this Guide, the contract and other relevant requirements, which is verified to be true by the Project Office and such violations fail to be improved within the time limit, the contract shall be terminated or cancelled depending on the circumstances in violation.
- (c) Pursuant to the provisions set out in the agreement, the signatory company's work progress and spending circumstances may be subject to periodic inspection, and the signatory company shall cooperate on matters relating to tracking the effects of the program and participate in related presentations and exhibits of results and similar activities for a period of five (5) years after the program is concluded.
- (d) All source documents (including documents relating to self-funding and government grants or donations) retained by the signatory company (recipient of the grant or donation) must be affixed with the official seal of the commissioning agency and bear the name of the program.Where funds are apportioned over multiple programs, the documents shall be submitted along

with a Budget Apportionment Table.

V. Other Important Information and Notices

- A. The R & D personnel participating in the Program must be full-time employees of the company (with the labor insurance status in the company). For those who are not eligible to participate in the labor insurance (already eligible for seniority or retirement), or for the company that has five (5) or fewer employees, the relevant supporting documents (such as occupational disaster insurance, employment insurance, etc.) must be attached.
- B. In order to comply with the provisions of the Personal Data Protection Act, the responsible

person of the company, the Principal Investigator of the Program, the contact person of the Program, the accountant and the consultant must all attach the "Personal Information Collection Notification and Letter of Consent to Provide Personal Information".

- C. To ensure the impartiality and confidentiality of the review process, all members of this Program Office, the Review Committee, and all other relevant personnel have signed confidentiality agreements and comply with the principles of confidentiality and avoidance of conflicts of interest. All review results shall be formally notified by the Program Office.
- D. All the information provided, filled in and submitted by applicants shall be consistent with the current situation and facts of the applicant, and shall not infringe intellectual property rights such as patents, copyrights, trademark rights or business secrets of others, otherwise they shall bear all the liabilities by themselves and pay all the damages incurred therefrom. In such a case, if after reporting to the Program Review Committee for review and confirmation, the Project Office shall forthwith cancel or revoke the eligibility to receive the grant, and the grant funds that have been obtained must also be returned in full.
- E. Applicants must explain clearly in the briefing the main points, implementation results and the relevance to this case of the program that had received the government's related program grant, and provide the contents such as innovation content, items for the milestone, and the list of participants of the program in the previous case.
- F. If any duties are assigned to an outsourced unit during the course of implementing the program, the official agreement entered into with the aforesaid outsourced vendor must be submitted upon executing the Program Agreement (the outsourcing contract must specify the program's implementation period, content, inspection indicators, and itemization and utilization of funds).
- G. In the case of R&D activities carried out during the course of implementing the program which involve "concerted action" as set out in the Fair Trade Act, the Applicant shall separately apply to the Executive Yuan's Fair Trade Commission (FTC) for a permit in accordance with regulations.
- H. If the Program proposed by the contracting enterprise has been verified to have obtained other government grants, in addition to the cancellation of the contract and recovery of the grant according to the circumstances, the enterprise shall not apply for the grant of this Program within one (1) to five (5) years from the date of the contract cancellation.
- I. Beginning from the date of submission of its application, the Applicant may not engage in

anyimproper association or inappropriate promotions in connection with application activities, grant programs, and grant amounts nor engage in other conduct intended to mislead or misrepresent.

- J. The company may not, as a result of applying for a grant under this Program, exaggerate the results of any research and development activities such that a third party or the general public misconstrues the MOEA as having guaranteed the results of such research and development or the quality, safety, or functionality of any product manufactured in connection therewith.
- K. In the event that litigation involving the company arises due to a dispute or other reason which results in a circumstance where a court or administrative enforcement agency issues an enforcement order, relevant action may be taken in conjunction with this Program including discontinuing the performance of the agreement or ceasing allocation of the grant.
- L. By accepting a grant pursuant to these Application Guide, the Applicant affirms that it shall protect the rights and interests of its employees, realize gender equality, and promote and guarantee employment opportunities for women. The standard for formulating salaries shall be based on academic experience, and there may not be any disparity in such specifications due to gender or physical or mental disability.
- M. In the event that an Applicant's program proposal is reviewed and approved to receive a grant and a circumstance is discovered involving a violation of the Program Service Agreement to which the Applicant is a signatory, or where a discrepancy is found in documentary proof used to pass the eligibility review process, the Applicant's eligibility to receive the grant shall be immediately revoked.
- N. The implementation progress and the grant funds utilization rate of the Program of the contracting enterprise shall be used as the evaluation items for the approved appropriation or adjustments of the current year and the eligibility of application for the following year.
- O. The contracting enterprise shall physically reside in the Startup Terrace to fulfill its residency obligations, which shall include completing the business registration and assigning full-time personnel to engage in the business, research and development or other activities that meet the purpose of the grant applied. If it is obviously underused or does not meet the purpose of the grant, and it still fails to be improved after being advised, the qualification for the grant may be revoked after being reviewed and approved by the Program Review Committee.
- P. When the contracting enterprise collect, process or use personal data, it shall abide by the

provisions of the Personal Data Protection Act of our country. If it collects, processes and uses personal data in the name of SMEA in order to fulfill this contract, it must also abide by the relevant regulations such as the Guidelines for personal data protection and management of the Ministry of Economic Affairs and its affiliates.