

## Purpose

The **4th Edition of Call INNOV-ID** aims at promoting access to venture capital financing for **science and technology-based projects**, through a venture capital fund managed by Portugal Ventures, in partnership with ANI - National Innovation Agency.

These investments aim to finance companies that are starting out, so that they have the runway to reach more developed stages that enable them to raise additional rounds of capital.

This Call is designed for **projects or companies in the pre-seed, seed or early stage, with developed technology**, but that are still in the **prototype, proof of concept, product (MVP) or product-market-fit validation phase**, with growth and scalability potential in the global market.

The **projects and their solutions must contribute directly or indirectly to** one of the following:

- **decarbonisation of the economy;**
- **process, product and material sustainability;**
- **energy efficiency and sustainability;**
- **circular economy.**

Portugal Ventures is willing to invest up to **€100,000 per project**.

## Eligibility

### Sectors:

- Digital & Technology;
- Industry & Technology, preferably in the energy efficiency, decarbonisation, sustainability and circular economy sectors;
- Health & Technology;
- Tourism Tech.

**Basic requirements:**

1. **Incorporated companies** that fulfil the following criteria are eligible:
  - a) Directly or indirectly contribute to the decarbonisation of the economy, process, product and material sustainability, greater energy efficiency and sustainability or to a circular economy **(mandatory)**;
  - b) Technology-based companies that are the result of proven technology transfer processes of entities in the national scientific and technological system **that fulfil at least one of the following criteria:**
    - i) they are result of a scientific, technology or academic research and development programme carried out within higher education institutions or Technology Interface Centres (including, in particular, technology centres, science and technology parks, tech-based incubators or incubators linked to higher education institutions, or to Technology Interface Centres);
    - ii) they have obtained recognition of suitability in the practice of R&D activities, by ANI;
    - iii) they are beneficiaries of incentives managed by ANI;
    - iv) they are promoted by or employ highly qualified human resources;
  - c) Companies that have not been invested in by other venture capitalists **(mandatory)**;
  - d) Companies founded less than 8 years ago **(mandatory)**;
  - a) Companies with registered offices and the majority of their operations in Portugal **(mandatory)**;
  - b) Companies that have no debts outstanding to the Tax Authority and Social Security at the date of application **(mandatory)**;
  - c) Public limited liability companies or private limited liability companies **(mandatory)**;
  - d) Companies that are not directly or indirectly owned or controlled by large companies **(mandatory)**;
2. **Companies not yet incorporated** must comply with the provisions set out under paragraphs 1(a) and 1(b).

### Characteristics of the target companies

Companies, incorporated or to be incorporated, that have one or more of the following characteristics must mandatorily fulfil criterion 1:

1. Technology-based companies that are the result of proven technology transfer processes of entities in the national scientific and technological system, or from scientific, technological or academic research and development programmes carried out within higher education institutions or technology interface centres, or are incubated in tech-based incubators or incubators that are linked to higher education institutions or technology interface centres, or are recognised as [technology companies](#) by ANI, or that are beneficiaries of the incentives managed by ANI, or are promoted by or employ highly skilled human resources or will maintain or create highly qualified employment, and that directly or indirectly contribute to the decarbonisation of the economy, energy efficiency and sustainability, process, product and material sustainability, or to the circular economy;
2. Companies focusing on tradable goods or services that are part of international value chains;
3. Companies with a clear strategy to protect and enhance intellectual property;
4. Companies that plan to develop proof of concept, irrespective of the scientific area of the technologies, and/or a functional prototype, or that have already developed them (TRL equal to or greater than 2);
5. Companies with a structured work plan to complete the development of their proof of concept, prototype, product (MVP), solution or service within 12 to 18 months;
6. Companies with funding needs in the 12 to 18 months following approval of the application, until achieving the product and/or commercial development metrics required to raise a new round of capital investment, committing to the submission of quarterly development reports;
7. Companies that commit to allocating funds to developing proof of concept, a prototype, product (MVP), solution or service. Funds may not be used to repay financial debt to shareholders or directors.

## Judgment Criteria

The assessment of each project will take into account the following criteria:

- 1. Management Team** (technical skills and management capabilities of the team)
- 2. Link to the scientific and technological system** (of any team member that is part of the project or company, or the project seeking funding);
- 3. Transition to a resource-efficient economy** (evidence of how the project or product is linked to any of the topics indicated in paragraph 1(b) of the Basic Requirements, and the associated value proposition).
- 4. Solution and value proposition** (level of innovation of the solution and how it will stand out in the market);
- 5. Competition** (main competitors, current and potential);
- 6. Competitive advantages** (competitive advantages and how the technology or product differs from that available on the market);
- 7. Level of project development planning** (project development plan, identifying the main steps up to the achievement of the proposed objective);
- 8. Target market and characterisation** (size of the current and potential market, including characterisation of the target market and the company's positioning in the global value chain);
- 9. Business model** (revenue model and business strategy);
- 10. Traction** (indicators: users/customers/acquisition cost, among others);
- 11. The company's ability to raise a new round of investment after the 12 to 18 month deadline** (likelihood of achieving the prototype or product development (MVP) or business metrics acknowledged as necessary to raise a new round of investment);
- 12. Exit** (potential to attract buyers interested in acquiring the company and/or licensing the technology).

## Applications

1. The application must be submitted, **exclusively**, through one of the entities that are part of Portugal Ventures' [Ignition Partners Network](#);
2. Portugal Ventures' Ignition Partners must send an e-mail requesting access to [submissions@portugalventures.pt](mailto:submissions@portugalventures.pt), indicating the e-mail address to confirm the submission of applications. After receiving the confirmation e-mail from Portugal Ventures, the Ignition Partner should complete registration. **Where the Ignition Partner has already submitted projects in the 3rd Edition of Call INNOV-ID, their data will remain valid;**
3. The application form available on the Portugal Ventures website must be completed in Portuguese or English;
4. The deadline for submission and the dates relevant to the process are available on the Portugal Ventures website;
5. Any questions or requests for additional information should be sent by e-mail to: [submissions@portugalventures.pt](mailto:submissions@portugalventures.pt);
6. If applicable, the application form must be accompanied by all documents requested in the "Attachments" section of the form.

## Project Assessment

Applications are submitted after the Portugal Ventures Ignition Partner has confirmed eligibility (pre-screening).

Applications are then forwarded to an assessment panel (which includes representatives from ANI – National Innovation Agency, and Startup Portugal), which will make a non-binding recommendation to Portugal Ventures.

If the recommendation is a favourable one, the founders will make a final pitch to Portugal Ventures' Board of Directors.

After the investment is approved, the founders and Portugal Ventures will sign either a Term Sheet with the terms and conditions for investment or a direct Investment Agreement and Shareholders' Agreement.

Investment documents to be signed by the companies and founders are standard documents and are non-negotiable. These terms and conditions will be disclosed in advance on the Portugal Ventures website and should be consulted by the founders and partners before submitting an application.

The venture capital funds managed by Portugal Ventures must fulfil certain legal requirements before the investment is made. For this to happen in an expeditious manner, founders must readily provide Portugal Ventures with all the information it requests.

### **Confidentiality**

Portugal Ventures shall keep all information submitted under Call INNOV-ID strictly confidential, as well as any other information it receives, for a period of 12 (twelve) months.

### **Changes to eligibility requirements**

Portugal Ventures reserves the right to change the eligibility requirements as it deems fit and at any time.