



DIGITAL, INNOVATION, AND GREEN TECHNOLOGY PROJECT (DIGIT PROJECT)



REPUBLIC OF CROATIA
MINISTRY OF SCIENCE, EDUCATION AND YOUTH
Donje Svetice 38, Zagreb 10 000, Croatia

DIGITAL, INNOVATION, AND GREEN TECHNOLOGY PROJECT
(DIGIT PROJECT)

IBRD LOAN NO. 9558-HR

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GUIDELINES FOR APPLICANTS
CALL FOR PROPOSALS UNDER THE
“TECHNOLOGY SCOUTING PROGRAM”

CALL REFERENCE NUMBER: DIGIT.1.2.02

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Table of Contents

- Table of Contents..... 3
- Abbreviations and Acronyms 4
- Definitions 5
- 1 Context of the Call 7
- 2 Legal framework and governance 7
- 3 Objectives and focus of the Call..... 9
- 4 Evaluation of the Call..... 13
- 5 Eligible applicants 14
- 6 Number of applications 14
- 7 The role of technology scout 15
 - 7.1 Scout selection 15
 - 7.2 Project preparation phase..... 15
 - 7.3 Project implementation phase 16
- 8 Budget of the Call and the intensity of grant support 16
- 9 Project duration 17
- 10 Eligibility of projects, activities and costs 17
 - 10.1 Eligible projects 17
 - 10.2 Eligible activities 18
 - 10.3 Eligible and ineligible costs 19
- 11 Methodology for calculating personnel costs 21
 - 11.1 Calculation of the daily rate..... 21
 - 11.2 Budgeting and cost allocation..... 22
- 12 Instructions for the submission of project proposals 22
- 13 Timeline and deadlines 24
- 14 Grant award process 25
- 15 Other information 25
- 16 Data protection 25
- 17 Grievance Redress Mechanism 26
- 18 List of annexes 26

Abbreviations and Acronyms

DIGIT	Digital, Innovation, and Green Technology Project
EC	Evaluation Committee
ESCOP	Environmental and Social Code of Practice
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESSQ	Environmental and Social Screening Questionnaire
EU	European Union
EUR	Euro (currency)
FAQ	Frequently Asked Questions
GDPR	General Data Protection Regulation
GOM	Grants Operations Manual
GRM	Grievance Redress Mechanism
HAMAG-BICRO	Croatian Agency for SMEs, Innovation and Investments
IBRD	International Bank for Reconstruction and Development
IFC	International Finance Corporation
IP	Intellectual property
MSEY	Ministry of Science, Education and Youth
NDA	Non-disclosure agreement
PAD	Project Appraisal Document
R&D	Research and development
R&I	Research and innovation
RI	Research infrastructure
RO	Research organization
ToC	Theory of Change
TRL	Technology readiness level(s)
VAT	Value added tax
WB	World Bank

Definitions

In this document, the following terms and expressions should be interpreted as explained hereafter:

- «Applicant» is a legal entity that intends to submit or has submitted a project proposal to the funding program (in this case the Technology Scouting Program and this Call for Proposals) under a grant scheme.
- «Application» is a detailed project proposal submitted on this Call with comprehensive descriptions of objectives, timelines, resources, budget, and compliance with environmental, social, and ethical standards, aimed at demonstrating the project's excellence, potential, feasibility, and eligibility for funding.
- «Baseline survey» is a questionnaire conducted at the beginning of the application process to collect important baseline information about the applicant, project proposal and Call feedback. This data helps assess the current capabilities of the applicants, sets a reference point for future evaluations, and provides insights for the impact assessment of the Call.
- «Beneficiary» is the signatory to the Grant Agreement, which receives the funding, claims costs, and takes complete responsibility for the proper implementation of the proposed project.
- «Call for proposals» or «Call» is an invitation for project funding issued by the Ministry of Science, Education and Youth (MSEY) and represents a funding opportunity available through DIGIT Project. Direct financial contribution in the form of a grant is awarded to the beneficiaries through the Call to engage in activities that support the objectives of the DIGIT Project and policies related to digital transformation and green transition.
- «Contract research» refers to research and development activities carried out by a research organization on behalf of a company, based on a formal contract that defines the scope, objectives, deliverables, and financial terms of the work.
- «Double funding» means eligible expenditures have not been previously financed by grants from any public source (including from the EU) nor will they be financed more than once besides this Call.
- «Grant» refers to funding provided or proposed to be provided under the terms of a Grant Agreement, in accordance with the criteria and procedures outlined in the Grants Operations Manual (GOM) and the Call for proposals by MSEY, to an eligible Beneficiary for financing a project. This grant is financed out of the proceeds of the Loan.
- «Grant Agreement» means an agreement to be entered into between the MSEY, Croatian Agency for SMEs, Innovation and Investments (HAMAG BICRO) and a Beneficiary for financing and implementing a project.
- «Grant scheme» means, collectively, the scheme or programs for extending grants to beneficiaries under sub-components 1.1, 1.2, 2.1, and 2.2 of the DIGIT Project following the GOM.
- «Program» refers to the Technology Scouting Program under the DIGIT Project. This Call for proposals DIGIT.1.2.02 is published under this Program.
- «Project» means a project carried out by a Beneficiary using a grant under one of the Grant schemes (in this case Technology Scouting).
- «Research and knowledge-dissemination organization» or «research organization» means an entity (such as universities or research institutes, technology transfer agencies, innovation intermediaries, natural persons or virtual collaborative entities focused on research), irrespective of its legal status (organized under public or private law) or way of financing, whose primary goal is to independently conduct fundamental research, industrial research or experimental development or to widely disseminate the results of such activities by way of teaching,

publication or knowledge transfer.

- «Technology readiness levels (TRL)» are a type of measurement system used to assess the maturity level of a particular technology. Each technology project is evaluated against the parameters for each technology level and is then assigned a TRL rating based on the projects progress.
- «TRL 3 or Experimental Proof of Concept» means analytical and experimental critical function and/or characteristic proof of concept. Basic principles or key elements of a technology are validated through analytical and laboratory studies, moving beyond theoretical concepts to show that the technology is feasible.
- «TRL 4 or Technology Validated in Lab» means component and/or breadboard validation in laboratory environment. Individual components or subsystems are integrated and tested together to demonstrate that they function as expected in a laboratory environment. It involves testing of prototype that include several key components. Validation is performed against predefined performance metrics.

1 Context of the Call

The Call for proposals under the Technology Scouting Program (hereafter: the Call) is financed by the Digital, Innovation, and Green Technology (DIGIT) Project, a EUR 106 million initiative, which aims to drive digital transformation and green transition across the economy, increase funding for applied research and experimental development, and support the Croatian government in strengthening institutional capacity for delivering research and innovation policies. Funded through a World Bank loan signed in June 2023, the DIGIT Project is scheduled for completion by December 2028.

This Call is designed to support innovative companies in identifying their needs and challenges and in validating innovative ideas through research. It aims to address common barriers in defining innovation priorities, to facilitate knowledge and technology transfer, and to foster collaboration between the private and public sectors. The support is especially important for companies working in digital and green technologies, where rapid advancements and complex challenges demand specialized expertise and collaborative approaches.

Projects funded under this Call should focus on demonstrating a Proof-of-Concept (PoC) (TRL 3) and/or technology validated in laboratory environment (TRL 4). This involves validating the feasibility of an innovative idea, testing its practical application, and assessing its market potential before moving into full-scale development. Contract research must be carried out by research organisations (ROs), ensuring access to the necessary scientific expertise and infrastructure. Project proposals must be clearly aligned with at least one priority area of the Smart Specialisation Strategy (S3), demonstrating its relevance to national innovation and development objectives.

The Call is implemented with the support of certified Technology Scout, who will play a key role in bridging the gap between enterprises and research organizations. Technology Scouts are trained professionals tasked with identifying innovation challenges within firms, validating business concepts, scouting of academic expertise and matching firms with research organizations, and facilitating the preparation and execution of projects.

To apply to the Call, applicants must prepare their project proposals in collaboration with a certified Technology Scout selected from the pre-approved list available on the DIGIT project website ([link](#)). Engaging a Technology Scout is mandatory and is a condition for grant eligibility. Further details on the role and responsibilities of Technology Scouts are provided in section 7.

Applicants are invited to read the Call documentation carefully. These documents provide clarifications and answers to questions on preparing project proposals.

2 Legal framework and governance

A grant within this Call will be awarded to the beneficiary in accordance with the conditions set forth in the:

- Project Appraisal Document (PAD) - Digital, Innovation, and Green Technology Project - P180755¹;
- Law on the confirmation of the Loan agreement between the Republic of Croatia and the International Bank for Reconstruction and Development for the Digital, Innovation, and Green

¹ Project Appraisal Document (PAD), [link](#)

- Technology Project (Official Gazette 9/23)²;
- Environmental and Social Management Framework (ESMF)³;
- Grants Operations Manual (GOM) and its amendments⁴;
- Grant Agreement⁵;

The following national legislation is relevant in the context of this Call:

- Law on higher education and scientific activity (OG 119/22);
- Bankruptcy Law (OG 71/15, 104/17, 36/22, 27/24);
- Law on Financial Operations and Pre-bankruptcy Settlement (OG 108/12, 144/12, 81/13, 112/13, 71/15, 78/15, 114/22);
- Companies Act (OG 111/93, 34/99, 121/99, 52/00, 118/03, 107/07, 146/08, 137/09, 111/12, 125/11, 68/13, 110/15, 40/19, 34/22, 114/22, 18/23, 130/23, 136/24);
- Corporate Income Tax Law (OG 177/04, 90/05, 57/06, 146/08, 80/10, 22/12, 148/13, 143/14, 50/16, 115/16, 106/18, 121/19, 32/20, 138/20, 114/22, 114/23, 152/24, 52/25);
- Criminal code (OG 125/11, 144/12, 56/15, 61/15, 101/17, 118/18, 126/19, 84/21, 114/22, 114/23, 36/24);
- Criminal code (OG 110/97, 27/98, 50/00, 129/00, 51/01, 111/03, 190/03, 105/04, 84/05, 71/06, 110/07, 152/08, 57/11, 77/11, 143/12);
- Law on prevention of money laundering and terrorist financing (OG 108/17, 39/19, 151/22)
- State Aid Act (OG 47/2014, 69/17);
- Industrial design act (OG 173/03, 54/05, 76/07, 30/09, 49/11, 46/18);
- Copyright and related rights act (OG 111/21);
- Patent act (OG 16/20);
- Trademark act (OG 14/19);
- Law on labor (OG 93/14, 127/17, 98/19, 151/22, 64/23);
- Law on the implementation of the General Data Protection Regulation (OG 42/18).

In addition to the previously established regulations, all delegated and implementing acts adopted based on them also apply. The regulations applicable to this Call are those in force at the time of its publication. This means that the Guidelines for Applicants and annexes, and any relationships arising from the Call are subject to current legislation, including any laws and regulations that come into force later, as well as any future amendments. It is the responsibility of the applicant to verify the applicable laws at the time of submitting their project proposal, as the regulations in force at the time of submission will apply to the applicant.

The Ministry of Science, Education and Youth (hereafter: MSEY) oversees the entire DIGIT Project, manages the grant scheme, and is responsible for the execution of this Call, selection process and preparation of grant agreements (and any addenda, if applicable), while the Croatian Agency for SMEs, Innovation and Investments (HAMAG-BICRO) provides support through implementation monitoring of selected projects.

² Law on the confirmation of the Loan agreement between the Republic of Croatia and the International Bank for Reconstruction and Development for the "Digital, Innovation, and Green Technology" project (Official Gazette 9/23), [link](#)

³ Environmental and Social Management Framework, [link](#)

⁴ Grants Operations Manual (GOM), [link](#)

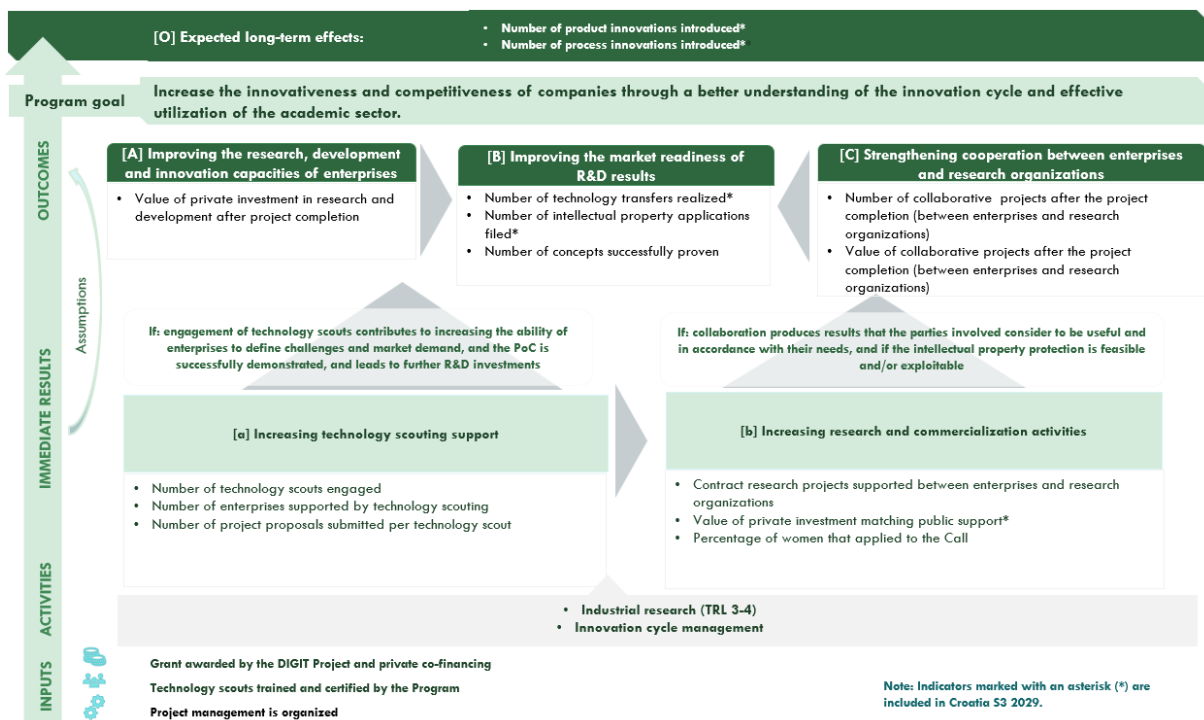
⁵ Template of a Grant Agreement is part of Annex I. Conditions for the preparation and implementation of projects within the DIGIT Project (Section 4.1.) of this Call for proposals

3 Objectives and focus of the Call

The objective of the Call is to *increase the innovativeness and competitiveness of companies through a better understanding of the innovation cycle and effective utilization of the academic sector.*

The main objective and expected outcomes are integrated into the Theory of Change (ToC), which serves as the logical framework for the Call, illustrated in Figure 1 below. The ToC outlines the expected immediate results, activities, and inputs required to achieve long-term effects. All project proposals must align with this ToC framework.

Figure 1. Theory of Change



For the purpose of monitoring Call results, Table 1. outlines framework with indicators based on the Theory of Change. Applicants are required to select or specify targeted values for the indicators within the application form. Data on outcome and impact indicators will be collected up to three years after project completion via post-implementation reports or surveys. By applying to the Call, the applicants consent to being contacted by MSEY after project completion.

As part of the monitoring and evaluation of project achievements, the uncertainty of achieving results will be taken into account at the assessment stage, given the type of projects to be financed under this Call.

Even if the outcome of the implemented project appears negative - for example, if the concept is not validated, or an intellectual property search report indicates the existence of strong IP rights and/or a high likelihood that the new project is not compatible with existing or planned products - this is still considered a clear and valuable result. Such an outcome justifies the use of grant funding.

Table 1: Results framework of the Call

Objective of the Call: Increase the innovativeness and competitiveness of companies through a better understanding of the innovation cycle and effective utilization of the academic sector.					
Indicator label	Level	Indicator	Measurement unit	Deadline for completion	Note regarding the selection of indicators
O1	Impact	Number of product innovations introduced	product	Three years after project completion	Applicants need to select at least one indicator (O1 and/or O2) and set a target value for it at the project level (mandatory) .
	<p>Description: The indicator measures the number of new innovative products introduced to the market as a result of project implementation. Innovative products are those that introduce new goods or services to the market, new or significantly improved existing ones in terms of their characteristics or purpose. This includes significant improvements in technical specifications, components and materials, embedded software, ease of use or other functional characteristics. Product innovations may use new knowledge or technologies or may be based on new applications or combinations of existing knowledge or technologies.</p> <p>Source of verification: report and/or survey during the post-implementation period.</p>				
O2	Impact	Number of process innovations introduced	process	Three years after project completion	Applicants need to select at least one indicator (O1 and/or O2) and set a target value for it at the project level (mandatory) .
	<p>Description: The indicator measures the number of new process innovations introduced to the market as a result of project implementation. Process innovation is the implementation of a new or significantly improved method of production or delivery. This includes significant changes in techniques, equipment and/or software. The goal of process innovation may be to reduce unit costs of production or delivery, to improve quality, or to produce or deliver new or significantly improved products.</p> <p>Source of verification: report and/or survey during the post-implementation period.</p>				

[A] Specific objective: Improving the research, development and innovation capacities of enterprises					
Indicator label	Level	Indicator	Measurement unit	Deadline for completion	Note regarding the selection of indicators
A1	Outcome	Value of private investment in research and development after project completion	EUR	Three year after project completion	Applicants can select the indicator and set a target value for it at the project level (not mandatory).
	<p>Description: The indicator measures the total value of private investment of supported enterprises in research and development after the completion of the supported project, excluding future grants.</p> <p>Source of verification: report and/or survey in the post-implementation period.</p>				

[B] Specific objective: Improving the market readiness of research and development results					
Indicator label	Level	Indicator	Measurement unit	Deadline for completion	Note regarding the selection of indicators
B1	Outcome	Number of technology transfers realized	technology transfer	Three year after project completion	Applicants can select the indicator and set a target value for it at the project level (not mandatory).
	<p>Description: The indicator measures transfers of research results (knowledge and technology) connected to the project for the purpose of further development and/or use in the development and commercialization of new products (goods or services) or processes. The results of the projects can be transferred from research organizations to beneficiaries in the form of R&D agreements or intellectual property licensing agreements, or the establishment of new enterprises.</p> <p>Source of verification: report and/or survey in the post-implementation period.</p>				
B2	Outcome	Number of intellectual property applications filed	application	Three year after project completion	Applicants can select the indicator and set a target value for it at the project level (not mandatory).
	<p>Description: The indicator measures the number of applications for intellectual property, including patents, trademarks, industrial designs, etc., submitted by supported entities involved in the implementation of the project, which are the result of research activities carried out within the framework of the funded project.</p> <p>Source of verification: report and/or survey in the post-implementation period, document or link to a public source verifying the application status.</p>				
B3	Outcome	Number of concepts successfully proven	concept	Project completion	Applicants do not include the indicator in the project proposal. Program managers will monitor the indicator at the Call level.
	<p>Description: The indicator refers to the number of concepts which have been successfully proven as a result of the project implementation. At the end of the project implementation, it is assessed whether a concept is proven, partially proven, proven with additional unplanned results or not proven. Indicator achievement includes all projects in which the concept has been partially or completely successfully proven.</p> <p>“Concept successfully proven” means predefined technical and/or market-validation criteria are met.</p> <p>“Concept partially proven” means that the project has met some, but not all, predefined technical and/or market-validation criteria, and the project’s development can advance in the same or similar direction.</p> <p>“Concept successfully proven, with additional unplanned results” means that all predefined technical and/or market-validation criteria are met, and the project has also achieved unexpected but positive results that extend or enhance the original concept (e.g., identification of additional use cases, improved performance beyond expectations, or discovery of new commercial or technical opportunities).</p> <p>“Concept not proven” means one or more key validation criteria are not met, yielding a clear no-go decision.</p> <p>Source of verification: final implementation report</p>				

[C] Specific objective: Strengthening cooperation with research organizations					
Indicator label	Level	Indicator	Measurement unit	Deadline for completion	Note regarding the selection of indicators
C1	Outcome	Number of collaborative projects after project completion (between enterprises and research organizations)	Project	One year after project completion	Applicants can select the indicator and set a target value for it at the project level (not mandatory).
	<p>Description: The indicator refers to the number of new collaborative projects between enterprises and research organizations that include beneficiaries of the supported project and contracted RO, after the end of the implementation of the supported project. The beneficiary of the supported project is included either as the main beneficiary or as a partner in the implementation of new collaborative projects.</p> <p>Source of verification: report and/or survey in the post-implementation period.</p>				
C2	Outcome	Value of collaborative projects after project completion (between enterprises and research organizations)	EUR	One year after project completion	Applicants can select the indicator and set a target value for it at the project level (not mandatory).
	<p>Description: The indicator measures the total value of new collaborative research projects between enterprises and research organizations that include beneficiaries of the supported project and contracted RO, after the end of the implementation of the supported project. The beneficiary of the supported project is included either as the main beneficiary or as a partner in the implementation of new collaborative projects.</p> <p>Source of verification: report and/or survey in the post-implementation period.</p>				

[a] Output: Increasing technology scouting support					
Indicator label	Level	Indicator	Measurement unit	Deadline for completion	Note regarding the selection of indicators
a1	Output	Number of technology scouts engaged	Technology scout	Project completion	Applicants do not include indicators in the project proposal. Program managers will monitor the indicators at the Call level.
	<p>Description: The indicator tracks the total number of certified technology scouts actively engaged in supporting applicants under the grant scheme. Engagement is defined as participation in the application phase (assistance in connecting with research experts and project proposal development), and the implementation phase (where technology scouts may provide mentoring, business validation, and support in prototype development and demonstration activities).</p> <p>Source of verification: project proposal, implementation reports and final reports.</p>				
a2	Output	Number of enterprises supported by technology scouts	Enterprise	Project completion	Applicants do not include indicators in the project proposal. Program managers will monitor the indicators at the Call level.
	<p>Description: This indicator measures the total number of enterprises that have received support through technology scouting services under the grant scheme.</p>				

	Source of verification: project proposal, implementation reports and final reports.			
a3	Output	Number of project proposals submitted per technology scout	Project proposal	Project selection
	Description: This indicator tracks the number of project proposals developed and submitted in collaboration with each certified Technology Scout during the application phase of the grant scheme. Source of verification: project proposals submitted.			

[b] Output: Increasing collaborative research between research organizations and enterprises					
Indicator label	Level	Indicator	Measurement unit	Deadline for completion	Note regarding the selection of indicators
b1	Output	Contract research projects supported between enterprises and research organizations	project	Project completion	Applicants do not include indicators in the project proposal. Program managers will monitor the indicators at the Call level.
	Description: The indicator measures the number of contracts between SME's and research organizations concluded under this Call. Source of verification: Implementation reports, final report, contracts.				
b2	Output	Value of private investment matching public support	EUR	Project completion	Applicants do not include the indicator in the project proposal. Program managers will monitor the indicator at the Call level.
	Description: The indicator measures the total value of private contribution in supported projects in addition to the public funds received under the Call. The amount is calculated by deducting public funds (including the value of grants and other contributions from public sources, if applicable) from the total project value, which includes eligible and ineligible project costs. Source of verification: Beneficiary statement on invested own funds.				
b3	Output	Percentage of women that applied to the Call	Project	Project submission deadline	Applicants do not include the indicator in the project proposal. Program managers will monitor the indicator at the Call level.
	Description: This indicator measures the share of women entrepreneurs (owners, CEOs, research team lead) who applied for support under this Call. It reflects efforts to promote gender balance and inclusiveness within the national innovation ecosystem by encouraging women-led enterprises and researchers to participate in research and innovation activities. Source of verification: Application form				

4 Evaluation of the Call

By applying to this Call, the applicant consents to the use of the complete application documentation and data collected during the evaluation of project proposals for the purpose of conducting an impact evaluation of the Call, regardless of whether they receive support or not. Access to this data will enable the proper evaluation of the impact of the Call. This consent is given through the signed declaration by the applicant (Annex II. of this document).

Before submitting the project proposal, the applicant is required to complete a baseline survey.

Annex V. of this document provides the indicative content of the baseline survey solely to inform applicant about the information required in the baseline survey. The baseline survey must be completed exclusively via the link provided in Section 12. The applicant confirms in the declaration that they have fully completed the survey form.

This survey will collect data on the previous achievements of the applicant related to previous research and development activities. The responses gathered from the survey will be used to evaluate the impact of the Call. Survey responses will be used solely for program management, evaluation, and auditing, in line with GDPR principles of purpose limitation and data minimization. Only aggregated, non-identifying statistics will be published. Individual responses will not be disclosed outside authorized DIGIT Project personnel and evaluators.

If the MSEY decides to conduct an impact evaluation of the Call, surveys will be administered after project completion and in the following years, with the purpose of collecting data on the results achieved by the applicants in comparison to the baseline situation reported during project submission. By applying to this Call, the applicant commits to participating in these additional surveys, should the MSEY decide to conduct them, and consent to the use of collected data for impact evaluation purposes, regardless of whether they receive support or not. This consent is also provided through the signed Annex II. The MSEY will ensure that any future surveys do not create an undue administrative burden for respondents, ensuring also the adherence to the General Data Protection Regulation (GDPR) particularly with regards to purpose limitation and data minimization principles.

5 Eligible applicants

Eligible applicants are **micro, small, or medium-sized enterprises (SMEs)**, registered and operating in Croatia, that meet the definition set out in Annex I of Commission Regulation (EU) No 651/2014 – SME definition⁶.

The applicants must prove that at the time of application, they are not in any of the exclusion situations listed in Annex I. Conditions for the preparation and implementation of projects within the DIGIT Project.

The applicant is submitting the project proposal independently, without any partners.

The project application must be prepared with the support of a certified Technology Scout, as described in Section 7.

Aid (grant funding) cannot be awarded to an enterprise that does not have a registered branch or establishment in the Republic of Croatia at the time of the aid payment. If it is determined that the enterprise does not have such a legal presence in the Republic of Croatia at the moment of payment, the Grant Agreement will be terminated and the related Award decision on funding annulled.

6 Number of applications

Each applicant may submit a **maximum of two (2) project proposals** under this Call.

⁶ Annex I of Commission Regulation (EU) No 651/2014, [link](#)

7 The role of technology scout

MSEY has implemented a training program for technology scouts, through which candidates obtained a Technology Scout Certification. These certified scouts are listed on the official DIGIT project website ([link](#)), forming a pre-approved pool of experts eligible for selection. Applicants are required to engage a certified Technology Scout from the pre-approved list available on the DIGIT project website during the project preparation. During implementation phase their engagement is not mandatory, but it is highly recommended⁷.

Through five dedicated modules, scouts have been trained in topics:

1. **Innovation due diligence** – analyze innovation opportunities, identify company needs, and assess risks and resources.
2. **Business validation** – evaluate market viability of innovations, develop simplified financial models, and validate ideas through user feedback.
3. **Scouting of experts** – identify and engage university and research experts, assess their expertise, and match them with industrial needs.
4. **Setting up academia – business collaboration and legal matters** – establish effective partnerships between academia and business, prepare term sheets and contracts, and address intellectual property issues.
5. **R&D management (Managing the Proof of Concept)** – manage R&D projects, plan resources, set milestones, and monitor progress during the PoC phase.

7.1 Scout selection

Applicants need to select a certified Scout from the public list, contact them directly, and include the Scout's name in the Application form. The Scout must confirm their role in the Annex VIII. Declaration by the Technology Scout. Each Scout can participate in preparation and implementation of multiple project proposals in the Call.

Related fees for Scout engagement during preparation are eligible only under Activity 1. If a Scout is engaged during implementation, related fees are eligible only under Activity 3. Otherwise, such costs must be covered from the Applicant's own funds. If the Scout's contribution is not satisfactory at any time before submission, the Applicant may change the Scout, provided the new Scout confirms participation before submission.

7.2 Project preparation phase

The Technology Scout plays a key role in connecting companies with researchers by identifying innovation needs and matching them with relevant academic expertise. As a key facilitator between industry and academia, the Technology Scout supports the identification of innovation challenge and relevant research expertise, fosters collaboration, and helps structure effective project development and implementation. Their involvement strengthens the project's innovation potential and feasibility by

⁷ Applicants may, as needed, select a different technology scout or replace the previously engaged scout during the preparation and implementation of the project.

combining market-driven insights with research capabilities.

In the project preparation phase, the Technology Scout provides strategic and technical support to applicants in:

- 1. Identifying innovation needs and challenges relevant to the company;
- 2. Mapping research expertise, connecting companies, researchers, and industry partners to facilitate partnerships that strengthen the project proposal
- 3. Leading the identification of all key inputs for contract contributing to clear definition of collaboration scope, measurable outputs, role of both parties and timely management of risks
- 4. Supporting project funding preparation by providing key insights and data to enhance proposal competitiveness.

A Non-Disclosure Agreement (NDA) between enterprise and Technology Scout must be signed for the whole process.

7.3 Project implementation phase

The Technology Scout’s involvement in implementation is optional but highly recommended. The beneficiary may choose to work with a different Technology Scout than the one that was engaged in the application phase. The role of Technology Scouts in the implementation phase refers to:

- 1. Monitoring progress and adjusting strategies in response to market and technological developments.
- 2. Scouting for additional experts if new knowledge or resources are required during implementation.
- 3. Conducting market analysis, evaluating competition, demand, and opportunities for product/service placement.
- 4. Identifying new funding and development opportunities, including potential investors and collaboration prospects.

8 Budget of the Call and the intensity of grant support

The budget allocation planned for this Call is EUR 2 million with minimum and maximum grant amounts shown in the following table.

Table 2. Budget of the Call and grant range

Min. grant amount (in EUR)	Max. grant amount (in EUR)	Total Call allocation (in EUR)
30,000.00	70,000.00	2,000,000.00

Grants awarded to applicants that meet the definition of SME under this Call will be considered state aid. Such aid will be granted in accordance with the State Aid Program, which will be published on Call’s webpage. Applicants that meet the definition of SME may receive grants based on aid intensities for specific categories of aid, as outlined in the following table. Based on these categories, the corresponding aid intensity for each eligible cost in the project budget must be applied, as specified in Table 3.

Table 3. Intensity of grant

Enterprises	Aid for research and development (industrial research)	Innovation aid for SMEs
Croatian micro and small enterprises	up to 70%	up to 100%*
Croatian medium-sized enterprises	up to 60%	up to 100%*

*NOTE: In the particular case of aid for innovation advisory and support services, the aid intensity can be increased up to 100% of the eligible costs provided that the total amount of aid for innovation advisory and support services does not exceed EUR 220 000 per undertaking within any 3 year period. In case this condition is not fulfilled, the intensity shall not exceed 50% of the eligible costs.

The maximum aid intensity per enterprise **may not exceed 80%** of the total eligible project costs.

9 Project duration

For this Call, the maximum project duration is **12 months**. All project activities and payments must be completed by October 31, 2028.

10 Eligibility of projects, activities and costs

This section defines the eligibility requirements for the projects, including the types of eligible projects, activities that can be funded, and the specific costs that qualify for funding under the Call.

10.1 Eligible projects

The general eligibility criteria for projects are the following:

- The project must be in accordance with the objective of the Call and must contribute to the results framework of the Call;
- The project must be prepared and submitted in collaboration with a certified Technology Scout;
- The project must demonstrate its contribution to achieving one of the transformational goals defined within S3 2029 Thematic Priority Areas;
- The project is implemented in an acceptable geographical area, on the territory of the Republic of Croatia;
- At the time of submitting the project proposal, the project is not physically or financially completed, nor will it be completed before the signing of the Grant Agreement;
- The project is ready to commence the activities, with an anticipated duration of up to 12 months, ensuring that all activities and payments are completed by October 31, 2028;
- The project includes eligible activities and costs;
- The project activities are not listed on the International Finance Corporation (IFC) exclusion list of activities, nor are they otherwise excluded by the Environmental and Social Management Framework (ESMF) as described in Annex I. Conditions for the preparation and implementation of projects within the DIGIT Project;
- The amount of requested grant is within the prescribed allowable amount of grant funds;

- The project respects the principle of non-cumulativeness, i.e. it does not represent double financing;
- The project is in accordance with Horizontal principles and Ethics as described in Annex I. Conditions for the preparation and implementation of projects within the DIGIT Project;
- The project can be classified as having no more than moderate risk for environmental and social impacts, based on the World Bank's environmental and social policies criteria and the ESMF (Section 2.3 Risk Classification Guidelines), as described in Annex I. Conditions for the preparation and implementation of projects within the DIGIT Project.

10.2 Eligible activities

Eligible activities are as follows:

A. Activity 1: Project preparation

During the project preparation phase, applicants are required to engage a Technology Scout who will support them in defining the innovation challenge and translating it into a concrete project concept. Activities in this phase include identifying innovation needs and challenges relevant to companies and potential solutions, mapping research expertise, conducting preliminary feasibility and market assessments, and aligning the project idea with the applicant's strategic priorities. Together with the Scout, applicants should establish cooperation with relevant experts or research organizations, clarify technical, organizational and legal requirements, and ensure that the proposed Proof-of-Concept is realistic, clearly structured, and aligned with the objectives of the Call.

B. Activity 2: Industrial research (TRL 3-4) including contract research

This activity covers prototype development and demonstration of technical feasibility in laboratory environment, in line with one of the transformational goals defined within S3 2029 Thematic Priority Areas. The activity should focus on validating the technological concept and demonstrating its feasibility through analytical, experimental, and laboratory work. This includes designing and conducting research to test the critical functions or characteristics of the proposed solution, developing and refining models or prototypes, and integrating key components or subsystems for validation in a controlled laboratory environment. Applicants should use this phase to generate experimental data, verify that the technology performs as intended, and confirm that it can progress from theoretical or conceptual stages toward practical laboratory validation. Activities may also include defining performance metrics, testing methodologies, and documenting results to support further development or demonstration.

C. Activity 3: Innovation cycle management

This activity includes the following:

- technology scouting services, such as: business validation and analysis related to the target use, users and the market for the potential product or services, scouting of additional experts, managing of contracts, monitoring of progress and development of strategies as well as identifying new finding opportunities;
- other external services: related to market analysis, feasibility studies, and product development strategies; consulting related to the management and protection of intellectual property and a preliminary search of patent databases; and development of a commercialization plan.

D. Activity 4: Project management, promotion and visibility

This activity covers all aspects required for effective implementation and dissemination of project results, including:

- **Project management:** including planning, coordination, monitoring, reporting and procurement necessary for successful project execution;
- **Promotion and visibility:** Activities aimed at raising awareness of the project and its outcomes among stakeholders and the public. This includes marketing, organizing events, and other promotional activities to highlight the project's impact and relevance.

Important: All activities are mandatory and must be included in each project.

10.3 Eligible and ineligible costs

The project must not represent double funding. All the costs⁸ must meet the following criteria:

- They are incurred from the date of project proposal submission and no later than October 31, 2028;
- They are connected with the project and comply with the rules set in the Call documentation;
- They are identifiable and verifiable, in particular through being recorded in the accounting records of the applicant and determined according to the applicable accounting standards and generally accepted accounting principles; and
- They comply with the requirements of applicable tax and social legislation.

Important: Non-refundable VAT is considered an eligible cost. Applicants must increase each cost item in the budget by the amount of non-refundable VAT, where applicable.

The main sets of eligible costs are as follows:

Activities	Eligible costs	Aid category
Activity 1: Project preparation	<ul style="list-style-type: none">• Cost of Technology Scout – up to 2,500.00 EUR brutto per project, exclusively for project preparation phase. <p>Note: Technology Scout can be engaged through any contractual arrangements, such as service contracts (<i>ugovor o djelu</i>), contracts for work (<i>autorski ugovor</i>), etc. The scout may also be engaged through another legal entity (e.g. a consulting company or research organization) for which the scout works or provides services.</p>	Innovation aid for SMEs

⁸ Applicants must provide a budget plan (within Application form) with costs that are fully in compliance with the eligibility criteria.

<p>Activity 2: Industrial research (TRL 3-4) including contract research</p>	<ul style="list-style-type: none"> • Personnel cost (salaries expenses): researchers, technicians and other supporting staff to the extent employed on the project, • Costs of materials and small inventory for the needs of the project (e.g. chemicals, reagents, plastic accessories, samples) if they are directly related to the implementation of the research activities. • Costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project (it is mandatory that at least 20% of the total eligible costs are allocated for this type of cost; contracts can be concluded with more than one RO, if necessary). <p>NOTE: When defining the conditions of the contract with the RO, applicants must follow the Guidelines for contract research given in Annex VI. All contracts between applicants and ROs must be signed by the end of first reporting period (3 months from the Grant Agreement signing, at latest).</p>	<p>Aid for research and development</p>
<p>Activity 3: Innovation cycle management</p>	<ul style="list-style-type: none"> • Costs for innovation advisory and support services, including those services provided by research and knowledge dissemination organizations, research infrastructures, testing and experimentation infrastructures or innovation clusters; • Costs for innovation advisory and support services, including those services provided by technology scouts during project implementation, such as monitoring and strategy adjustment services, expert scouting services, market analysis services, business development services, etc. • Costs for innovation advisory and support services, including other external services for, e.g., market analysis or feasibility study preparation, preparation of a study or plan for commercialization, etc. • Costs for obtaining, validating and defending patents and other intangible assets. 	<p>Innovation aid for SMEs</p>
<p>Activity 4: Project management, promotion and visibility</p>	<p>Flat rate - 7% of the total eligible costs planned for Activity 2 (Aid for research and development), include:</p> <ul style="list-style-type: none"> • Project management costs, • Publicity and visibility costs, • Other administrative costs related to management, accounting, cleaning, telephone, water or electricity services and other similar costs. 	<p>Aid for research and development</p>

The following costs are not eligible:

- Costs incurred before the date of Call publication and after October 31, 2028;
- Purchase, rent, or leasing of land and existing buildings;
- Costs of construction works and following services;
- Cost of work and personal vehicles, as well as the cost of vessels used for commercial purposes;
- Second-hand equipment and instruments;
- Interest on debt, debt service charges and late payment charges;
- Bank charges, costs of guarantees and similar charges;
- Credits to third parties;
- Provisions for losses or potential future liabilities;
- Exchange losses;
- Refundable VAT;
- Fines, penalties and costs of litigation, except where litigation is an integral and necessary component for achieving the outcomes of the project; and
- Excessive or reckless expenditure.

11 Methodology for calculating personnel costs

The personnel costs for the project will be calculated using a unit cost per day-equivalent, ensuring consistency and transparency in budgeting and reporting. The methodology applies to both existing employees and newly hired staff working on the project.

The maximum number of eligible working days per person per year is 215 days.

11.1 Calculation of the daily rate

The daily rate for personnel costs is calculated using the following formula:

$$\text{Daily rate} = \frac{\text{Total staff costs of the organization in the last closed full financial year} \times 1.2}{\text{Annual work units in the last closed full financial year}} \div 215$$

where:

- **Total staff costs:** The total employer cost for all staff members employed by the applicant in the last closed financial year, increased by 20% to account for projected staff expenditure growth in the coming years. This includes gross salary level 2, which encompasses the total employee costs for the organization, including all contributions and taxes that the employer must cover to ensure the net amount is paid to the employee, including transport allowances and non-taxable costs, as reflected in the annual financial statements of the organization.
- **Annual work units (AWU):** The total number of full-time equivalent (FTE) employees working at the organization during the last closed financial year. One AWU corresponds to one full-time employee working the entire year, while part-time employees and those working for only part of the year are counted as fractions of an AWU.
- **215 days:** The standard maximum number of eligible working days per full-time employee per year.

The calculation of the daily rate is subject to cost eligibility verification and budget cleaning, during which applicants will be requested to provide supporting documentation used as the basis for the calculation.

11.2 Budgeting and cost allocation

Personnel costs in the project budget must be allocated collectively for all individuals working on a specific activity and per applicant, not per individual employee. Each personnel cost item in the budget must specify the total number of daily rates required, without detailing the number of working days on the project for each individual staff member in cases where multiple individuals are working on the same activity. The engagement of each person in the project activity must be specified and described in the application form.

Personnel costs will be reported based on timesheets, which record the hours worked on the project which are converted into working days. Timesheets must be maintained for each employee working on the project and must be signed monthly by both the employee and the project manager. In case of project manager, time sheet must be signed by director. The total number of reported working days per person cannot exceed 215 per year.

12 Instructions for the submission of project proposals

Project proposals must be written and submitted in English only via the eDIGIT application portal available on the website <https://digit.mzom.hr/>. E-mail or paper submissions will not be accepted. Be aware that information provided in the project proposal application must be complete and accurate. The MSEY may request additional information if needed. Please follow these instructions carefully to ensure your project proposal is properly submitted and considered:

1. **Access the application portal eDIGIT:** Applicants, either the authorized representative or the project manager, must create a user account on the application portal eDIGIT, if not already registered. This account will be used throughout the application process.
2. **Complete the baseline survey:** Applicants must complete the baseline survey which can be accessed at the following link:
https://croatiasurvey.qualtrics.com/jfe/form/SV_79Z6wGIUBMpPHUy.
The content of the Baseline survey is listed in the Annex V. of this document. However, please note that the survey is filled exclusively online, using the above link. The completion of the survey is mandatory before submitting the application. Please note that it is not necessary to upload a .pdf version of the completed surveys, but you may keep one for your own records. All information disclosed in survey is strictly confidential and will be used only as described in Section 4.
3. **Complete the Application form:** Log in to eDIGIT and accurately fill out the Application form. The content of the Application form is listed in the Annex III. of this document.
4. **Upload required documents and information:** Log in to eDIGIT and upload the required documents as listed in the table below.

Table 4. Submission of supporting documents

Document	Mandatory (yes/no)	Notes and document format
Declaration by the Applicant (Annex II)	Yes	Completed by the applicant, signed, and stamped (.pdf) (English)
Group Statement (Annex IV)	Yes	Completed by the applicant, signed, and stamped (.pdf) (English)
CVs of team members	Yes	Completed for each team member employed by the applicant (.pdf or .zip format (if multiple documents are required)) (English)
Environmental and Social Screening Questionnaire (ESSQ) (Annex VII)	Yes	Completed Environmental and Social Screening Questionnaire (ESSQ) (Annex VII. of the Guidelines for Applicants), prepared by the applicant (.doc, or .docx format). If the ESSQ results indicate the need for specific Environmental and Social (E&S) instruments, the applicant will be responsible for preparing the required documentation (such as the ESCOP, ESMP Checklist or ESMP) before publishing any tender documentation (English)
Declaration by the Technology Scout (Annex VIII)	Yes	Completed and signed by the technology scout involved in project preparation (.pdf) (English)

Before adopting an Award decision on funding and signing the Grant Agreement, applicants that meet the minimum requirements and are within the allocated Call for proposals budget need to prepare and submit documents as listed in the table below.

Table 5. Submission of supporting documents before adopting an Award decision on funding and signing the Grant Agreement

Document	Mandatory (yes/no)	Notes and document format
Documents related to the calculation of personnel costs for applicants	Yes	Documents (.pdf or .zip format (if multiple documents are necessary)) related to the calculation of personnel costs for applicants: <ul style="list-style-type: none"> Documents (acts) that determine the gross salary level 2 amount – Salary decision (signed and stamped) based on the Section 9. of GfA, or equivalent, which clearly states the basis for salary calculation and the average monthly amount, based on the number of months person will be employed (.pdf) (English) Salary calculation methodology that clearly shows the method of determining the total cost of salary (.xls or .xlsx format) (Croatian)
Proof of secured own funds for project co-financing	Yes	Acceptable forms of proof for the applicant must follow one of the three options below: <ul style="list-style-type: none"> Option 1: A bank statement showing an amount equal to at least 15% of the total project costs (including eligible and ineligible costs after budget cleaning (if applicable), and excluding VAT), or Option 2: A loan agreement confirming secured financing for the applicant’s share of project costs. The loan amount must cover the difference between the total project costs of the applicant (including eligible and ineligible costs, excluding VAT) and the requested grant amount for the applicant, or

		<ul style="list-style-type: none"> • Option 3: A combination of own funds and a loan may also be used to demonstrate secured financing. In this case, the supporting documents must include: <ul style="list-style-type: none"> - A bank statement showing an amount equal to at least 15% of the difference between the total project costs attributed to the applicant (including eligible and ineligible costs, excluding VAT) and the loan amount, and - A loan agreement confirming secured financing for the applicant's share of project costs. The loan amount must cover the difference between the total project costs (including eligible and ineligible costs after budget cleaning (if applicable) and excluding VAT), the amount of own funds, and the requested grant amount for the applicant. <p>Note: The applicant must provide proof of secured co-financing within 20 days from the Award decision on funding. The required document(s) must be provided in .pdf format (English or Croatian).</p>
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Important notes:

- Submission deadline: Project applications submitted after the deadline will not be accepted. It is advisable to complete the submission process well in advance of the deadline.
- Electronic submission only: All submissions must be made through the designated portal. E-mail or paper submissions are not accepted.
- Completeness and accuracy: The information provided in the application form must be complete and accurate. The MSEY or HAMAG BICRO may request additional information if needed.

13 Timeline and deadlines

This Call is a permanently open call, meaning project proposals can be submitted continuously from **May 21, 2026**, at 09:00:00 (start date), until **December 31, 2026**, at 16:00:00 (end date), or until all available funds are allocated, whichever occurs first⁹. Project proposals submitted after the deadline will not be accepted.

Table 6. Indicative timetable and deadlines

Indicative timetable and deadlines	
Call publication:	April 21, 2026
Start date for project proposal submission	May 21, 2026 – 09:00:00 (start date)
Deadline for project proposal submission	December 31, 2026 – 16:00:00 (end date)
Project proposal evaluation results	Max. 60 days after project proposal submission

⁹ In case all available funds are allocated before the Call deadline, the MSEY will inform all potential applicants through the DIGIT Project website.

14 Grant award process

For this Call, funding will be provided to the projects that pass administrative, eligibility and quality criteria meeting minimum score required for the succession to the next phase. The process from the submission of project proposal to the signing of the Grant Agreement is shown in the following chart.



Figure 2. Grant award process

After the submission of project proposals and before adopting an Award decision on funding, applicants must prepare and submit documents as listed in Table 5.

Stages in the grant award process for this Call are explained in the Section 2. of the Annex I., and applicants are strongly encouraged to review it thoroughly.

15 Other information

Any questions regarding the Call must be submitted via the eDIGIT application portal where potential applicants will be able to select the relevant Call (DIGIT.1.2.02) to submit their inquiries. The MSEY will respond to these questions through a Frequently Asked Questions (FAQ) section, which will be published on the DIGIT Project website.

16 Data protection

The protection of personal data is based on the provisions of the Law on the Implementation of the General Data Protection Regulation (Official Gazette 42/18). Personal data collected includes details of the applicant or authorized representative (name, surname, OIB, email, phone number). During the grant award process, personal information is kept confidential. Data related to stakeholders (name, surname, OIB, salary, etc.) involved in project implementation may also be collected. These data are processed for project preparation, evaluation, implementation, and auditing.

Personal data may be shared within bodies implementing and monitoring the DIGIT Project and with individuals authorized by the above bodies to fulfill specific services.

Access to personal data is restricted to persons who require it in order to carry out their designated responsibilities.

Applicants and beneficiaries have the following rights regarding the protection of personal data:

- The right to access their personal data, i.e., the right to request confirmation of whether data are being processed and, if so, to request access and information on the processing as well as a copy of the processed personal data;
- The right to rectify inaccurate data and to supplement incomplete data;

- The right to erase personal data if such data are no longer necessary for the purposes for which they were collected, if they have been unlawfully processed, or after the expiry of the data retention period;
- The right to restrict the processing of personal data;
- The right to object to the processing of personal data;
- The right to file a complaint with the Croatian Personal Data Protection Agency.

Personal data will be stored as long as there is a purpose for it, and at most five years after the closure of the DIGIT Project.

Contact: Data Protection Officer: SzZOP@mzom.hr, Donje Svetice 38, 10000 Zagreb, tel: +385 1 4594 294.

17 Grievance Redress Mechanism

The MSEY is responsible for establishing the Grievance Redress Mechanism (GRM) to receive and facilitate the resolution of complaints and concerns presented by applicants, beneficiaries, and any individuals, groups, or communities who feel affected or interested, or feel that they may be affected or interested in the activities of the projects and the DIGIT Project.

The GRM is also intended to prevent and mitigate the risk of corruption, limit the risk of conflict between the beneficiary, contracted subjects (services or goods), and the community, mitigate environmental and social risks and impacts, and allow stakeholders to provide practical suggestions and opinions to ensure that the Call remains accountable and transparent to the beneficiaries. The GRM is prepared to capture complaints and refer them to the relevant sectors to obtain solutions within reasonable time frames.

Contact details:

- MSEY GRM: a) e-mail address: grmdigit@mzom.hr; b) post address: Ministarstvo znanosti, obrazovanja i mladih, Uprava za znanost i tehnologiju, Sektor za programe i projekte Europske Unije, [Donje Svetice 38, 10000 Zagreb](#).

18 List of annexes

- 1) Annex I. Conditions for the preparation and implementation of projects within the DIGIT Project
- 2) Annex II. Declaration by the Applicant
- 3) Annex III. Application form
- 4) Annex IV. Group Statement
- 5) Annex V. Indicative content of the baseline survey
- 6) Annex VI. Guidelines for contract research
- 7) Annex VII. Environmental and social screening questionnaire
- 8) Annex VIII. Declaration by the Technology Scout