

Annex 3: Eligibility Requirements on submitting a Local Subsidy for the clusters and associations, to support the digitalization of small and medium size enterprises in Georgia.

To ensure adherence to the local subsidy program's criteria, the following eligibility requirements must be met by participants:

- **Funding Limit:** The total amount of grants previously received by the participant should not exceed 50,000 euros from the time of establishment.
- **Registration and Operation:** The bidder must be a registered legal entity in Georgia and carry out its operations within the country.
- **Accounting Practices:** the bidders are required to maintain proper accounting practices and employ an accountant to handle financial records. It is expected that an electronic accounting system is utilized for efficient record-keeping.
- **Legal and Criminal Disputes:** the bidder organisation as well as its management body should not be involved in any ongoing legal or criminal disputes that may impede the smooth functioning and credibility of the organization and its management.
- **Focus:** The main activity of the applicants should be the support of Small and Medium sized Enterprises. The focus of the proposed program must have an effective influence on the: 1. increase of competitiveness of SMEs through digital solution, 2. Improvement of capacity of cluster/organizations/business networks and 3. Sustainable development of the sectors