

KölnBusiness Wirtschaftsförderungs-GmbH

**Funding Programme for the Settlement of
International Startups and Companies**

'Soft Landing'

As of 1st January 2023

1. Funding Objective and Purpose

Cologne is a strong business location and an important European location for numerous international companies. Supporting international startups and companies with their establishment in Cologne is an important objective of KölnBusiness' umbrella strategy.

In recent years, a non-monetary package has been developed to make it easier for international startups and companies to settle in Cologne through the provision of knowledge, networking and support. The services offered include, for example, support in the search for real estate, startup advice and industry networking. In addition to the non-monetary services, concrete financial support is also intended to positively influence the decision to settle in Cologne.

Thus, the Soft Landing Programme completes the non-monetary package by providing supplementary financial support for startups and companies intending to settle in Cologne.

The Soft Landing Programme provides a grant of up to EUR 3,000.00 (gross) per company/startup as an additional incentive to settle in Cologne. As part of the funding, costs incurred in the settlement process by service providers (e.g. lawyers or notaries), commercial rental costs, staffing costs and material costs can be claimed.

The funding objective is programmatically aligned with the umbrella strategy of KölnBusiness. KölnBusiness has earmarked EUR 30,000.00 for the calendar year of 2024 to achieve the objective.

2. Subject of Funding

Recipients of the funding are international startups and companies. Projects for the purpose of settling in the Cologne City area are eligible for funding once in 2024.

The grant are to be used economically and sparingly.

The grant is limited to a maximum of 3,000 euros (gross) per application.

The grant is financed with funds from KölnBusiness.

The application period ends on

31st December 2023

In accordance with this programme, KölnBusiness grants funding for projects that show the following characteristics in particular:

- Innovative business model
- Scalability potential
- Positive effects for Cologne's economic ecosystem

3. Recipients of Funding

Only legal entities are eligible to apply. Applications from natural persons or sole traders cannot be considered.

The applicant must be able to provide evidence that the funding will be used for the intended purpose.

The funding is aimed at international startups and companies that intend to incorporate in Cologne.

The following applies:

- The company must be established in the Cologne City area and
- At the time of application, the commercial register entry must not date back more than 8 weeks, or
- The commercial register entry must be made within 6 months of the receipt of the grant.

4. Prerequisites for Funding

The funding is aimed at international startups and companies setting up business in Cologne. The following applies:

- The company must have a registered company in a country other than Germany.
- The company must be in sound financial condition.
- The company form in Germany must be a corporation: GmbH, AG or UG.
- The company must be officially registered in the Cologne city area.
- The company intends to grow in Cologne and will remain registered in Cologne for at least one year.
- The company partakes in a consultation with KölnBusiness.
- Funding will only be provided for projects initiated by the grant recipient.
- The applicant shall demonstrate the financial viability of the project. Funding is only provided if the overall financing of the project is secured and the applicant is economically, technically and organisationally suitable to carry out the project.

- During the implementation of the project, the grant recipient must adhere to the principles of economic efficiency, sustainability and cost-effectiveness.
- The same project may not be funded by several funding bodies of the City of Cologne and its affiliates so that the total amount of funding exceeds the costs of the project (prohibition of double funding).

It is permissible for the project to be supported by several funding bodies or funding programmes of the City of Cologne, provided that it is ensured that there is no overall overfunding and there is an agreement between the funding providers involved. The applicant must submit a self-declaration on received funding.

5. Type, Scope & Amount of Funding

- Funding is granted for a specific project with a limited scope and duration (project funding).
- The funding period is limited to a maximum of 6 months. It begins with the receipt of the grant through the grant agreement and ends with the submission of the final documentation by the grant recipient. Further details are regulated by the grant agreement.
- Funding is awarded as a non-repayable grant.
- KölnBusiness decides at its own discretion on the specific amount or sum of funding in each individual case, taking into account the available budget funds.
- The grant for a project amounts to a maximum of EUR 3,000.00 (gross).
- The assessment basis for the grant is the eligible project-related expenditure to achieve the purpose of the grant in accordance with Section 1 of the funding programme.
- Eligible costs for funding include costs incurred in the incorporation process, e.g. by notaries, lawyers or other service providers, commercial rental costs, staffing costs and material costs.
- The following expenses are not eligible for funding:
 - non-monetary expenses and costs (e.g. depreciation, formation of provisions, imputed interest),
 - donations to third parties,
 - costs incurred due to misconduct on the part of the grant recipient (e.g. late fines, fines).
- The recipient of the funding is obliged to inform KölnBusiness if there are significant changes in the funded project, for example:

- if the purpose of use, or other circumstances relevant to the awarding of the grant, have changed or no longer apply,
- if the funding is no longer needed,
- if the recipient ceases to operate,
- if the recipient has applied for or receives further grants for the same purpose from other public authorities after submitting the financing plan,
- if it turns out that the purpose of the grant cannot be achieved or cannot be achieved with the grant,
- if the amounts paid out cannot be used up by the recipient within 6 months of payment.

6. Procedure - Application and Approval

- Applications for funding can be submitted by eligible applicants until **1st December 2024** via the digital application form on the KölnBusiness website: [Application Form Soft Landing Programme KölnBusiness](#)
Additional attachments mentioned in the application form must be sent to the following email address: softlanding@koeln.business
- The application must contain the following information:
 - Company name and address
 - Name of the applicant including contact details
 - Confirmation of the applicant's authorization to represent the company
 - Legal form of the company to be established in Germany
 - Description of the project (including background information on the applicant, objectives, target groups, planned activities, timeframe)
 - Information on funding applied for or granted by third parties (this also includes funding granted by the City of Cologne): de-minimis declaration
 - Proof of the economic stability of the company
 - Consent that KölnBusiness is entitled to publish information as part of the funding report.
- Applications will generally be considered in the order in which they are received.
- The applications are examined by KölnBusiness for their basic eligibility. The projects are evaluated on the basis of the following criteria:
 - Degree of innovation of the business model
 - Scalability
 - Expected positive effects for Cologne's economic ecosystem
- On the basis of the evaluation, KölnBusiness selects the projects that appear suitable for funding. The decision on this is at the discretion of KölnBusiness.

- Upon successful examination of the funding application, KölnBusiness will award the grant in the form of a grant agreement, which is concluded in writing with the recipient of the grant. This grant agreement specifies the maximum amount of the grant awarded.
- The funding approved on the basis of the grant agreement will be made available to the grant recipient by means of a corresponding transfer to the account specified in the application.
- Companies that have already benefited from the funding program in the past, are not eligible to apply again.

7. Criminality of Subsidy Fraud

The grant awarded under this funding programme may be a subsidy within the meaning of § 264 of the German Criminal Code (StGB). Some of the information to be provided in the application procedure is therefore relevant to subsidy within the meaning of § 264 StGB in conjunction with § 2 of the Subsidy Act. The recipient of the grant is therefore informed of the criminality of subsidy fraud according to § 264 StGB:

Accordingly, anyone who provides incorrect or incomplete information about facts under subsidy law that are beneficial to him or the other, or uses an object or a monetary benefit, the use of which is limited by legislation or by the subsidy provider with regard to a subsidy, contrary to the restriction of use, or leaves the subsidy provider in ignorance of facts relevant to the subsidy contrary to the legislation on the award of subsidies, or in a subsidy procedure Certificate of eligibility for a subsidy or of facts relevant to the subsidy.

8. Proof of Use

After completion of the project, the recipient is obliged to submit a factual report and numerical proof of the costs and revenues to KölnBusiness within six months.

The factual report must describe the implementation of the measures of the project and the use of the funding, and it must be clear whether and to what extent the objective and purpose of the grant have been achieved.

The numerical proof must contain the sum of the costs incurred separately according to the specified cost ranges. For this purpose, a signed declaration with the sum of the costs incurred and the confirmation of the appropriate use, including copies of the supporting documents, must be submitted for examination. If the proven costs are lower than the previously estimated and provided costs or if funds are not used in accordance with the application, the grant will be reduced accordingly. KölnBusiness will make a corresponding recovery, which must be paid immediately. A subsequent increase in the subsidy in case of exceeding the estimated costs is excluded.

The recipient of the grant undertakes to keep all documents and evidence for 5 years and to submit them to KölnBusiness or the City of Cologne, as the main shareholder of KölnBusiness, for review by publishers at any time.

9. Refunding of the Grant

The grant is to be refunded if

- the funds were used contrary to the information in the application,
- the startup/company does not remain registered in Cologne for at least one year (according to the commercial register entry),
- circumstances arise after the implementation of the project that would have ruled out funding from the beginning,
- the funds have not been used in accordance with the purpose of the grant,
- essential provisions of the funding are violated.

The grant is to be refunded immediately by the recipient of the grant if the grant agreement is terminated or otherwise becomes invalid.

Unused funds or surplus grants due to other financing or funding are to be repaid to KölnBusiness.

At the request of KölnBusiness, the funding must be repaid with interest within one month if the grant was obtained by incorrect or incomplete information.

10. Legal Entitlement

There is no legal entitlement to receiving the grant. KölnBusiness decides on the basis of its own discretion within the framework of the available funds (voluntary services of the City of Cologne). The available funds are one-time, voluntary benefits.

At no time can a conclusion be drawn about future funding from grants granted.

11. Notice of Funding

The grant recipient undertakes to draw attention to the support provided by KölnBusiness and the City of Cologne in an appropriate form. This applies in particular to publications (e.g. in speeches, press releases, brochures, posters, radio, television and online media). Any communication regarding the grant must be discussed with and approved by KölnBusiness in advance.

12. De Minimis Declaration

The recipient of the grant submits a de minimis declaration before the grant is granted. In this declaration, the recipient must indicate whether and, if applicable, how many grants or de

minimis grants he has received in the past three tax years. The limit of 200,000 euros for three tax years may not be exceeded per company.

13. Right to Audit

The recipient of the grant undertakes, upon request, to immediately submit their entire accounting records, together with all necessary documents, to the representatives of KölnBusiness and the City of Cologne as well as the examination office at any time for the purpose of verification and to provide information in this regard.

14. Entry into Force and Period of Validity

The funding program comes into force upon publication and is valid until **31st December 2024**.