

Cáipéis Tagartha - Terms of Reference

New Markets Validation Grant

Company Guideline

Ver.1 August. 2025

Cáipéis Tagartha - Terms of Reference

New Markets Validation Grant

Company Guidelines

Contents	1. Overview.....	2
	2. Eligible Companies.....	3
	3. Ineligible Companies.....	3
	4. Eligibility Criteria.....	4
	5. Project Starting Date.....	5
	6. Definition of a 'New Market' & 'New Product'.....	5
	7. Eligible Activities.....	7
	8. Ineligible Activities.....	7
	9. Eligible Cost.....	8
	10. Ineligible Costs.....	13
	11. HPSU's.....	13
	12. Financial Data Sheet (FDS).....	13
	13. Application Process.....	14
	14. Claim Process & Final Claim Date	14

1. Overview

The aim of the New Markets Validation Grant is to incentivise companies to validate the business opportunities in selected new geographical markets.

It provides support toward internal and external cost incurred to conduct market research to validate the selected target markets.

Support for New Markets Validation Grant applies when eligible companies are either looking at a new geographical market for an existing product/service or an existing geographic market for a new product/service.

Sales and Marketing activities cannot be supported. Support can be provided over a 12months (232 working days) period from project start date to project end date.

Support for New Markets Validation Grant applies when eligible companies are looking at either a new geographic market for an existing product/service or an existing geographic market for a new product/service.

Product / Market	Existing Products	New Products
New geographic market	Yes	Yes
Existing geographic market	No	Yes

The New Markets Validation Grant is available for all EI client companies with a minimum of 5 employee in Ireland at up to €150k grant. The grant rate is 50%.

Support may be approved against eligible expenditure across a range of categories including: Salaries, Overheads, Travel & Subsistence (Overseas), Consultancy, Business Accelerator, Trade Fairs, Reports, and Rent of Office Space.

Enterprise Ireland must be satisfied with the content and quality of these reports before payments are made.

Funding is by way of grant. The maximum level of grant support per project is up to €150,000 up to a maximum grant rate of 50%.

Interim and final reports will be required before grant payments commence setting out:

**2. Eligible
Companies**

The grant is open to all existing clients of Enterprise Ireland that meet the following criteria:

1. Manufacturing or eligible internationally traded services companies.
2. Have demonstrated the capacity to internationalise.
3. All companies must have a minimum of 5 Irish employees except HPSU.

**3. Ineligible
Companies**

- Local Enterprise Office (LEO).
- Client companies of the Local Enterprise Offices, Údarás na Gaeltachta or IDA Ireland should contact their agency advisor directly for relevant supports.
- Companies operating in the coal or steel sector.
- Companies active in the primary agricultural, fishery or aquaculture sectors.
- Companies involved in activities that Enterprise Ireland considers as ineligible or as involving an unacceptable reputational risk.
- Ineligible activities include activities relating to:
 - The gambling sector, including 'gaming' (as defined in the Gaming and Lotteries Act 1956).
 - Adult entertainment.
 - Tobacco and tobacco related products.
 - Cannabis-based products which are not authorised as medicines.

4. Eligibility Criteria

Projects are eligible based on the following matrix.

Product / Market	Existing Products	New Products
New geographic market	Yes	Yes
Existing geographic market	No	Yes

Limit of markets per application

One geographical market unless the selected two markets demonstrate synergy and can be considered a single entity are eligible per application.

Launch of Product/Service and Sales Thresholds

If a company with a turnover of **less than €10m** is planning a New Markets Validation Grant research project for an existing product in a new market and has cumulative sales **greater than €200K** for this product in the chosen market **in the previous 3 years**, it will **not** qualify for New Markets Validation Grant support.

If a company with a turnover **greater than €10M** is planning a New Market Validation Grant research project for an existing product in a new market and has cumulative sales **greater than €400K** for this product in the chosen market **in the previous 3 years**, it will **not** qualify for New Market Validation Grant support.

Evidence of Company / Group turnover will be based on the last set of audited accounts

Examples

- Company RED wants to research the UK market for product A, of which it has achieved €150k sales in the UK over the past 3 years. The company sells other products into the UK which, including that of product A, amounts to €700k. Regardless of company's turnover size company RED is eligible for support.
- Company BLUE is targeting France and the US market for its one product X. Over the past 3 years it has achieved product X sales in France and the US of €180k and €350k respectively. If the company's total turnover is less than €10m, in this situation France **is eligible** for New Market Validation Grant support and the US **is ineligible** for support. However, if the company's total turnover is greater than €10m both markets would be eligible for support.
- Company GREEN wants to target the West coast of the USA with its two products Y and Z. Over the past 3 years the company has generated sales of €1.5 million in the North East and South territories of the US. In this case, regardless of the size of the company's total turnover, the company is eligible for New Market Validation Grant

support in targeting the West coast as this market is considered a new export market for the company.

Launched means that the company cannot previously have undertaken specific promotional/direct marketing or advertising campaigns in its chosen market.

Note that the following activities **do not count** as a product/service launch for the purposes of New Markets Validation Grant assistance:

1. Participation on EI Trade Missions.
2. Reference/Mention in an EI press release.
3. Participation in a single trade show in the market.
4. Development of technical documentation.

Note: In the Declaration section of the Application Form the New Market Validation Grant applicant has to confirm that: *“it has not, over any of the previous three calendar years, conducted a sales promotion campaign for the relevant product or service in the market whether through advertising, direct marketing or public relations in that market”*.

5. Project Starting Date

The project start date is the date the application is received by Grant Applications & Contracts.

6. Definition of a New Market & New Product

Applications for the New Market Validation Grant are assessed on the basis of a company entering a new market or bringing a new product to an existing market.

In order to comply with the definition of a **new market**, the New Market Validation Grant must be focused on researching:

- a new geographic market and/or
- internal divisions within large countries and/or
- a new sector and/or
- new distribution channels

New Market

The company needs to provide details as to how the “new market” differs from the company’s existing market(s). In order to comply with the definition of a new market, the New Markets Validation Grant must be focused on researching:

1. a new geographic market (generally a new internationally recognized country) **and/or**
2. internal divisions within large countries **and/or**

Any of the four parts of the USA where the company does not have a market would be considered a new geographic market. For this purpose, the USA is divided into four parts:

- The North East Coast¹

- The Midwest²
- The South³
- The West⁴

¹ *Maine, Vermont, New Hampshire, Massachusetts, New York, Pennsylvania, Rhode Island, Connecticut, New Jersey*

² *North Dakota, Minnesota, Wisconsin, Michigan, Ohio, Indiana, Illinois, Missouri, Kansas, Nebraska, Iowa, South Dakota.*

³ *Oklahoma, Texas, Arkansas, Louisiana, Tennessee, Kentucky, Alabama, Mississippi, Georgia, Florida, South Carolina, North Carolina, Virginia, West Virginia, Maryland and Delaware.*

⁴ *Washington, Oregon, California, Nevada, Idaho, Montana, Wyoming, Colorado, New Mexico, Utah, Arizona, Alaska and Hawaii*

Note that a revised definition of the UK market was agreed in May 2019.

For the purposes of the New Markets Validation Grant, **Northern Ireland** can be treated as **a distinct and separate geographic market** to the Republic of Ireland, England, Scotland and Wales.

New Sector

New Sectors and where the product/service intended to be sold into the new sector is significantly different from the product being sold into existing sector.

Example: A company is currently selling a software solution into the Financial Services Sector in Germany and has identified an opportunity in the Medical Device sector in Germany.

New Distribution Channels

In **exceptional cases** new distribution channels in a market may be deemed to justify the existence of a new market. Please contact your Client Adviser to discuss eligibility further.

New Products

(a) the new product cannot be substituted for the existing product; or

(b) the need for the new product and the sector it is targeted at is different from existing products.

Please note the following:

- A revised/updated version of a product is **not** considered a new product.
- Reconfigured/customised products/services are not considered new products
- Compliance with new legislation that requires changes to an existing product/service does not constitute a new product
- Replacing or competing with an existing product is not considered new

- The new product/service must be substantially different to products currently being sold in the market. The difference should be reflected in either the functionality or method of delivery.

7. Eligible Activities

The eligible activities supported under the New Market Validation Grant include:

- Primary and secondary market research.
- Establish market potential and barriers to entry.
- Identify, profile and contact potential customers in the context of primary research to determine their needs, requirements and validate pain points that are assumed to be addressed by the company's product/service.
 - Carry out research interviews/meetings with relevant companies
- Review of competitor landscape
 - Identify strengths and weaknesses of existing competitors.
 - Competitor product or service and competitor route to market (direct/distribution/ partner/digital) analysis.
- Assess route to market options
 - Identify, profile and contact potential Partners.
- Identify other relevant stakeholders in the market e.g. trade associations, industry groups/networks.
- Comparative pricing, research and modelling review of market regulations / legislation to inform potential product/service customization.
- Advice on the legal requirements of the market being researched.
- Time spent on developing a go-to-market strategy and plan.
- Participation at recognised Trade Fairs outside of Ireland (this includes entry fees, rental of exhibition stand/space, transport costs and travel and subsistence relating to the Trade Fair for up to a maximum of 5 employees). **Employee time spent preparing for and attending Trade Fairs is ineligible.**

8. Ineligible Activities

The following activities will not be considered for support.

- Research into expanding market activities in the Republic of Ireland
- Research into existing markets for existing products
- Activities relating to export aid, for example any support towards the setting up of an overseas office, the setting up of a distribution network or any costs which could subsidise the unit costs of the final product or

service.

In line with other grant supports, the following sales and marketing activities cannot be supported (this list is not exhaustive).

- Preparing for sales meetings.
- Closing the deal or order processing.
- Inside sales activities beyond Lead Generation i.e. lead qualification, outbound contact with qualified leads.
- Appointment of Partners/Agents.
- Promotional activities either online or in traditional media.
- Product advertisement.
- Update/improvement/redesign of company website.
- SEO (search engine optimisation) activities.
- Creating a company profile on LinkedIn, Facebook etc.
- Implement social media campaigns and email marketing.
- Implementing a CRM (customer relationship management) tool.
- Branding activities.

Other Activities that cannot be supported as part of the New Markets Validation Grant

- R&D / Product Development activities.
- Localisation of the product for the market.
- Certification / Qualification activities related to the product/service for the geographic market (with the exception of seeking consultancy advice on the requirements for the market).

9. Eligible Costs

Wages and Salary Support

The salary of personnel in the company to carry out any of the eligible activities listed above.

This resource can be:

- New employee based in Ireland and/or in the overseas market (please note that the wages and salaries of an overseas based employee must be paid from the Irish operation).
- Current employee assigned for a specific period of time to undertake the project.

Note: If any financial support has been provided by way of Employment Grant, Key Manager or domestic/international Graduate support to staff within the company, the staff member's costs will not qualify for additional support under the Wages & Salaries category of the New Market Validation Grant.

Wages and salary costs of personnel assigned to the project can be supported.

- The maximum eligible salary is €150,000 per annum per employee exclusive of employer's PRSI and bonuses.
- Total salaries and overheads are capped at 80% of total project costs, which is based on the combined number of days for all employees listed in the salary section.
- It is recommended that the number of salary days per **individual employee** should not exceed 30 - 40% of the total project duration. If this threshold is exceeded, additional justification will be required.
- Only time spent on the proposed project by the applicant/employees of the applicant can be applied for.
- Salary support is available to all companies including HPSUs, SMEs and Large companies.
- Support for external consultants must be applied for in the Consultancy Fees section.
- Employee time spent preparing for and attending Trade Fairs is ineligible.
- The CEO/MD's salary costs are not eligible if the CEO relocates to the market.
- An employee's salary can only be paid by the approved, grantee company. Salaries and overhead paid by a subsidiary of the grantee are not eligible.
- A New Markets Validation Grant research project can last up to 18 months from project start date.
- **CEO / MD** can claim their salary for **the actual number of** days they work on the project at the following levels:
 - **max 20%** of the project time for **small company**, whichever lesser
 - **max 10%** for **medium and large** companies, whichever lesser.
- On this program, 232 is the officially approved no. of working days for 12 months.

No salaries or wages may be claimed for employees whose salary or wages during the same time period are eligible costs under another grant to the company from Enterprise Ireland;

Note: New permanent full-time salaried employees or existing employees will be eligible for wages and salary support. It should be noted that part-time/contract staff are eligible for support and will be treated as staff and not consultants i.e. paid at their daily wage rate.

Overheads

Overheads are eligible up to a maximum of 30% of wages and salaries.

Foreign Travel

Travel and Subsistence costs for overseas trips related to the proposed project by employees of the company are supported. The purpose of the trip must **not be for sales and/or marketing meetings**.

- Only Travel and Subsistence costs for overseas trips related to the proposed project are allowed.
- Travel and Subsistence costs are not supportable for time spent in the Republic of Ireland.
- Foreign Travel and Subsistence costs must be for company Irish based employees.
- Subsistence rate to cover all out of pocket expenses including **hotels, meals, local transportation fares, incidentals**.
- If foreign Travel and Subsistence is for Trade Fairs, it is limited to 5 employees.

Eligible Travel Costs

- Economy Air/Ferry or Rail Fares.

Eligible Subsistence Rates

- Overnight Rate - 24 hour period, €200 per day overseas.
- Day rate, < 24 hours €60 overseas.

Consultancy

The funding of third-party expertise to develop and validate the company's market plan is eligible. Support for consultants is only available **in advance of launching** the product(s)/service(s). A consultant is permitted to undertake any of the eligible activities supported under the New Market Validation Grant.

Note: The New Market Validation Grant allows for expenditure for consultancy to assist in the research to identify costs for the market entry plan e.g. costs of localising the company's online presence **but precludes** any grant support for either the development or implementation work (as that could be considered post launch).

- Costs of hiring a consultant(s)/consultancy firm to input or undertake the proposed project are set at a maximum of €900 per day.
- Consultancy costs (excluding Business Accelerator costs) are capped at 80% of total project costs.
- Where more than one consultant is being used from the same firm the daily rates will apply to the firm.
- The daily rate is to be inclusive of consultant's time and all associated travel, subsistence and out of pocket expenses.
- Shareholders of the company cannot act as consultants to the project.
- Appointment of a consultant(s) is subject to Enterprise Ireland being satisfied that the consultant is suitably qualified.

Business Accelerator

A Business Accelerator is an Enterprise Ireland appointed in-market industry expert within a specific sector and market, with the experience, knowledge and contacts to support a company's expansion and development into an export market.

- Only Enterprise Ireland overseas Market Advisor appointed, or approved Business Accelerators are eligible under this category of expenditure.
- Only one Business Accelerator per geographic market.
- Maximum Daily Rate of €1,500 per day for a maximum of 25 days, inclusive of consultant's time and all associated travel, subsistence and out of pocket expenses.

Trade Fair Costs

- The cost of a company's first and second-time participation in any recognised Trade Fair outside Ireland may be eligible for assistance. This includes the costs incurred for renting, setting up and running the stand at a trade show.
- Attendance at conferences, summits, forums, symposiums, stand-alone company events, demonstrations or meetings are not eligible for support.
- Attendance and exhibition at virtual trade fairs are eligible for support.
- Large companies are not eligible for Trade Fair support.
- The maximum financial assistance available for Trade Fair participation is €75K (expenditure).
- Total costs of a virtual fair cannot exceed twice exhibition costs.
- A company can participate at the same Trade Fair on two occasions (maximum) irrespective of location.
- A maximum of two Trade Fairs taking place within a 12-month period can be applied for in one single application. The company cannot have launched their product/service at the time of application.
- If a company is seeking assistance at a virtual fair which was delivered physically, and the company had availed of New Market Validation Grant support for attendance and exhibition in the physical one twice, this would have to be reapproved under Delegated Power.
- Wages and Salary costs of company employees preparing and attending a Trade Fair are not eligible for support.
- Entrance/attendance fees to the Trade Fair for the company employees are eligible for max of 5 employees.

Rental of Temporary Office Space

Where a presence in the market is required to carry out market or target customer research, the cost of renting office accommodation **during the renting period when the office maybe in use** will also be covered. The Client Adviser must be satisfied that the office is not being used for sales or distribution activities.

Up to a maximum of €17,000 expenditure for office rent in the new market for a maximum duration of 12 months. The office is to be used for the purposes of the new market assessment only.

There must be a commercial lease in the name of either the employee or the company. A lease for an apartment/domestic residence will not be eligible for support.

Market Research Report

Report: The cost of purchasing reports and databases is eligible for support. The name, nature and cost of the report/database to be provided at application stage.

Cost to validate the market plan to include;

- Purchase of information from specialist market research companies
- Translation costs

Note: In advance of purchasing reports, companies have to contact Enterprise Ireland's Market Research Centre to establish if the report is already available free of charge to clients.

10. Ineligible Costs

- Relocation costs.
- Legal costs (with the exception of seeking consultancy advice on the legal requirements of the market being researched).
- Recruitment/HR costs.
- Visa and other documentation costs.
- Renting an office in an existing market.
- Any costs related to the establishment of a distribution or sales network.
- Organise / running events / workshop / demonstration for training purpose.

11. HPSU

HPSU including Non-financial HPSU are eligible for the New-Market Validation Grant. Pre-HPSU companies are not applicable.

12. Financial Data Sheet (FDS)

If cumulative EI funding to a company exceeds **€150K** in a **12-month** period, an Financial Data Sheet (FDS) will be required.

If a company has submitted an FDS as part of a larger funding package within the last 12 months, an updated FDS will be required for a new application of **>€35K**.

Please talk to your Client Advisor for advice on the above.

13. Application Process

All **draft** applications must be shared with the Client Adviser to allow consultation and input from a Market Adviser in the target market. An application will not be

accepted without prior consultation with a relevant Market Advisor.

New Markets Validation Grant proposals are managed/administered using the Online Application System (OAP System). The Start date of the project is the date of receipt of a completed and valid online application by Enterprise Ireland. Any costs incurred by the company prior to this date will be deemed ineligible.

- For grant approvals in excess of €5,000, the P&L and Balance Sheet from the Annual audited accounts (less than 2 years old) and Management accounts (less than 6 months old) must be submitted to the company's Client Adviser. Draft accounts are not acceptable. Management accounts are not required when the audited accounts are less than 6 months old.
- The proposal will be suspended if the required financial information is missing.
- If the company is currently availing of Audit exemption, the abridged Balance Sheet (as submitted to the CRO) must be appended to the proposal.

A copy of the Group structure should be appended to the proposal if applicable.

Companies must return their acceptance of the letter of offer within 60 days or the offer will lapse.

14. Claims Process & Final Claim Date

- Projects should commence within 6 months of approval and be completed within 12-months of project commencement.
- The Final Claim Date is as stated in the Letter of Offer when issued.

Details of the claims process can be found on the Corporate Site

Payslips with individual names (addresses not required) and details of company bank transfers for employees where salaries are being claimed must be submitted. This request is GDPR compliant, and is not a reason for non-provision.

The Client Adviser is satisfied with the content and quality of these reports before payments are made.