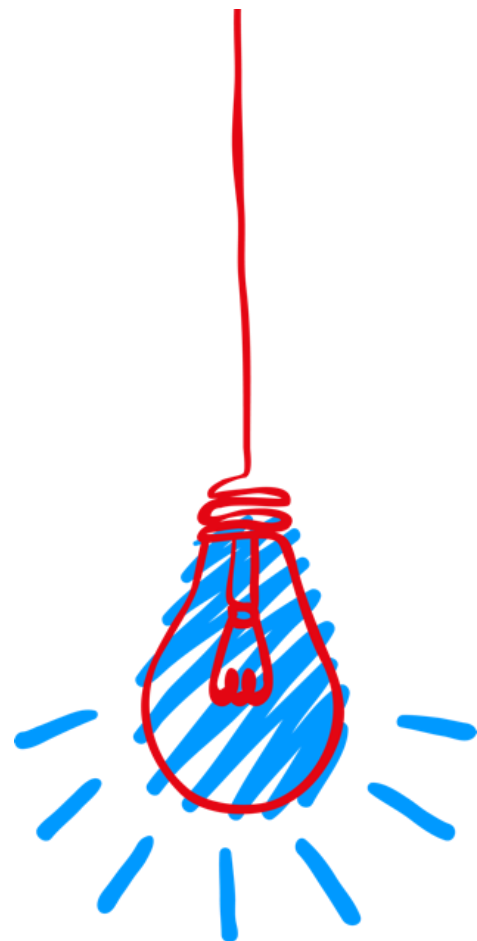


# Practical guide

LuxAid Challenge Fund  
Costa Rica



## LUXAID CHALLENGE FUND

### ACCELERATING IMPACT THROUGH INNOVATION

## PRACTICAL GUIDE

Apply before **30 March 2026** via the **application site**:  
<https://luxaidbusiness4impact.grantplatform.com/>

Are you an enterprise based in Costa Rica? Are you building a high-impact, market-ready solution in Agritech or Fintech? If funding is the missing piece to fast-track your innovation, this opportunity is for you. Secure up to EUR 120k in co-financing to bridge the pioneer gap and accelerate your growth.

Discover the **LuxAid Challenge Fund (LCF)**!

### What are the LuxAid private sector engagement funds?

LuxAid private sector engagement funds are an initiative from the Luxembourg Cooperation targeting pioneering commercial solutions that tackle development challenges. In Costa Rica we have currently one window open:

The **LuxAid Challenge Fund** is focusing on startup enterprises that have already tested their innovative product or service on the market with first customers and have therefore achieved commercial revenue. Co-financing from the LuxAid Challenge Fund will support enterprises to implement projects lasting 1-2 years with a demonstrable impact on the Sustainable Development Goals (SDGs) through increasing the customer base, matching the business model to the market, and/or preparing for a first external investment.

You are eligible to the LuxAid Challenge Fund if...

- your enterprise is a formal commercial or cooperative company legally registered in **Costa Rica** between **1 June 2021** – **1 June 2025** with proven sales revenue. Sole proprietorships/individual businesses, associations and NGOs are not eligible;
- your enterprise can demonstrate at least **2** individuals with legal employment contracts;
- your enterprise can demonstrate that it has not received more than EUR **300 000** in external funding (grants, equity, loans, etc.) within the three years preceding the submission deadline;
- your enterprise has a project proposal centered around an innovation in one of the following areas: **Agritech and Fintech**. The proposed solution represents the core business of your enterprise and the majority of the applicant's revenue comes from the innovation proposed in the submitted project;
- the innovative product/service you propose has been tested on the market and generated sales revenue for at least **3** months by **31 December 2025** and has a clear commercialisation plan including proof of customer interest;
- the business project you propose has a duration of 1 to 2 years and requires between EUR 50,000 (minimum co-financing) and EUR 120, 000 (maximum co-financing);
- your enterprise can co-finance at least 30% of the total project costs via external investments, founders' own funds, the enterprise's free cash flow in the beginning of the project and/or through sales.

Through this first call for proposals, approx. **3-4** Costa Rican enterprises offering an innovative solution will be able to benefit from co-financing of between EUR 50,000 and EUR 120,000.

## Geographical focus of co-financed projects

### Costa Rica

## Thematic areas and axes

### 1. Innovations in the Agritech sector

Please find below some examples of categories (non-exhaustive):

- Agricultural production & field operations
- Automation & robotics
- Sensors, IoT & monitoring
- Data, AI & decision support
- Water & irrigation management
- Inputs & biotechnology
- Post-harvest, storage & processing
- Supply chain & traceability
- Sustainability & climate solutions

A clear focus on **impact measurement** (new users of the co-financed product/service & people experiencing improvements in their lives and/or livelihoods as a result of accessing and using the co-financed product or service in Costa Rica) **is foreseen**.

### 2. Innovations in the Fintech sector

It refers to a new financial industry that applies technology to improve financial activities (source: Journal of Innovation Management, 2016).

Please find below some examples of categories (non-exhaustive):

- Payments & money movement
- Digital banking & neobanks
- Lending & credit
- Wealth management & investing
- Insurance technology (InsurTech)
- Financial infrastructure & APIs
- Risk, compliance & RegTech
- Digital assets
- Personal finance & financial management
- Embedded finance & B2B FinTech

A clear focus on **impact measurement** (new users of the co-financed product/service & people experiencing improvements in their lives and/or livelihoods as a result of accessing and using the co-financed product or service in Costa Rica) is foreseen. For

instance, LCF is looking for projects that demonstrate a clear impact on financial inclusion or Fintech with a clear impact on the SDGs.

## **Innovation and Impact measurement**

**An innovation** is therefore a new solution with the transformative capacity to accelerate impact. Innovation involves creating, finding, adapting, and applying new ideas, approaches, products, services, or methods to solve existing problems or address unmet needs. It is not limited to the creation of something completely new (more details in FAQ).

Innovation needs to be linked to:

- positive impact on users;
- targeting SDGs;
- “Do no harm” approach.

**Impact measurement:** To assess the change brought by an innovative project, the LCF will expect the applicants to elaborate a results matrix ([download the template here](#)). For the top 10 companies that will be preselected for due diligence, this matrix will be discussed and validated as monitoring and disbursement indicators. The implementation of a results matrix enables the company to set tangible and achievable indicators.

Thus, based on the baseline situation (before the LCF co-financing), the objective of this results matrix will be to forecast objectives by indicators to demonstrate the aspects of innovation and performance that the company wants to achieve and discuss how to achieve them. This will then serve as a guide for the company and the LCF team to measure performance and the achievement of objectives throughout the implementation process.

It should be noted that several indicators in the provided results matrix are obligatory (and are clearly marked as such), meaning that companies need to report on those indicators, and cannot elect not to. These indicators are obligatory because they are collected by the Luxembourg Development Cooperation Agency across all its co-financed projects through the LCF. Special consideration will be given to the first two indicators mentioned below (they are considered the most important indicators):

- number of additional people experiencing improvements in their lives and/or livelihoods as a result of accessing and using the co-financed product or service;
- number of additional people accessing and using the co-financed product or service.

Other mandatory indicators may include (the full list can be found in the results matrix template):

- growth in additional direct jobs created;
- Responsible Business Conduct (RBC) indicators.

There will be some room for company-specific indicators, which are up to the company to propose. Please find below some examples of such indicators:

- quantity of products sold;
- user retention;
- quantity of raw material processed;

- financial transactions supported;
- access to financial products;
- number of people trained.

With regards to the mandatory indicators and keeping in mind the thematic priorities of Fintech and Agritech solutions, below are some suggestions on how to start thinking of defining the mandatory indicators. Much more detailed instructions are provided in the results matrix. The focus here is on the aforementioned most important indicators.

Definitions and explanations for the other mandatory indicators can be found in the results matrix template.

- Number of additional people experiencing improvements in their lives and/or livelihoods as a result of accessing and using the co-financed product or service.
  - *The focus with this indicator is on showing how your product or service has positively changed or is changing the lives of the people using them. Notice that it speaks of additional people, which means that it has to be about the number of people who improved their livelihoods with your product or service after co-financing starts. An indicator definition for this indicator could be, for instance, about showing that users (e.g., smallholder farmers, micro-entrepreneurs, other economic actors) are saving or earning more through the use of a given solution.*
- Number of additional people accessing and using the co-financed product or service.
  - *This indicator is just about showing how many new people are using a given product or service following the co-financing. If your product gives access to credit, insurance, online banking, etc. to an underserved population, then the number of people getting access to a credit, or insurance, or who open a bank account would be the value required for this indicator.*

### **What are the benefits?**

Enterprises selected through the call for proposals will be able to benefit from co-financing of the project between EUR **50,000 and 120,000 (non-refundable grant)**, representing a maximum of **70%** of the total costs of the project, including costs dedicated to technical assistance (such as consultancy services /sector expertise, certifications, *business plan development*, etc).

### **Expected results of co-financed projects**

The ideal results of a project co-financed by LuxAid Challenge Fund will ultimately consist of:

- a proven and cost-effective solution that delivers direct and measurable commercial, financial, social, and/or environmental results;
- a strengthened business model ready to be accelerated/scaled and therefore expand its impact on the target;
- other capital (ideally private) mobilised to enable the expansion of the solution within two years of the end of the project.

The project leader is solely responsible for the proper execution of the project. For any project that has not been implemented, LuxDev may request reimbursement for its co-financing.

## **Selection criteria**

The Selection Committee will prioritise systemic development solutions that target root causes rather than symptoms of structural problems. The LuxAid Challenge Fund aims to strengthen innovative and inclusive economic models that act on the vicious circle of poverty/access to basic socio-economic goods and services. The fund uses a “do no harm” selection approach.

Projects will be evaluated according to the following selection criteria:

1. Innovation and (cost-) effectiveness
2. Societal impact, scaling potential, and futureproof
3. Project viability and financial sustainability
4. Execution capacity
5. Additionality

## **Calendar**

### **Pre-selection stage - April 2026**

Following receipt of applications, the pre-selection phase begins. Once the eligibility and exclusion criteria have been analysed, the applications will be evaluated based on the selection criteria. The result of the preselection consists in identifying the top 10 LCF applications and inviting them to the next phase of the selection process due diligence phase.

### **Due diligence stage - May 2026**

**10 candidates** will continue into the **next phase of due diligence** which will include field visits and, if needed, the revision or provision of information and personalised coaching sessions.

### **Pitch Days – June 2026**

Each preselected candidate will have the opportunity to pitch his project (innovation, impact, additionality...) in front of the Selection Committee.

### **Selection Committee decision – July 2026**

The Selection Committee will deliberate based on the due diligence reports and the pitch session. The Selection Committee will award and co-finance 3-4 LCF projects.

### **Award Ceremony & Contractualisation – July 2026**

Following the notification of the candidates by Embassy of the Grand Duchy of Luxembourg in San Jose, LuxDev will engage in contract negotiations with the selected enterprises. Finally, an Award Ceremony will be organised to celebrate and put the spotlight on the selected companies.

## FAQs

### ELIGIBILITY

#### 1) Which enterprises are eligible for the LuxAid Challenge Fund?

All commercial enterprises recognised as such by the law of the country of application are eligible. Associations, sole proprietorship, NGOs, etc. are not eligible.

#### 2) What do you mean by registration date?

(to be defined as per local context i.e. define where they should be registered)

At the time of application, it will be necessary to provide at least :

1. the Tax Identification Number (Número de Identificación Tributaria (NIT)) from the Ministry of Finance
2. the publication extract of the constitution in “La Gaceta” (official gazette)

#### 3) Are there other admissibility or exclusion criteria?

Yes. As outlined in the application form, in order to be considered for LuxAid co-financing, the applicant must confirm on behalf of the enterprise he represents, the following:

- the enterprise is neither responsible for nor involved in environmental degradation, human rights violations, forced labor, or child labor;
- the enterprise and the solution do not present any significant risks to people or the land;
- the enterprise is not subject to any ongoing criminal proceedings related to fraud, corruption, money laundering, terrorism, human trafficking or any other legal obligations, and does not engage in discrimination based on race, color, age, sex, gender identity and expression, ethnic or national origin, disability, pregnancy, religion, political affiliation, union membership, veteran status, protected genetic information, or marital status in hiring and employment practices, including wages, promotions, rewards, and access to training;
- the enterprise is not subject to sanctions by the European Union (EU) and its representatives (owners or executives) are not listed on the EU sanctions list;
- the enterprise has fulfilled their obligations relating to the payment of taxes and social security contribution in accordance with the legal provisions of the country in which it is established;
- the enterprise complies with the United Nations Guiding Principles on Business and Human Rights and with the OECD Guiding Principles on Human rights (chapter IV) for itself and the whole value chain of which it is part;
- the enterprise is not bankrupt, insolvent, is not being wound up, has not ceased operations, is not having its affairs administered by the courts, has not entered into an arrangement with creditors and is not in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
- the proposed project does not imply operations in the following sectors: weapons, mining, alcohol, gambling, tobacco, pornography, extractive industries, and non-renewable energy.

#### 4) Is it possible to create a consortium of enterprises to apply?

The applicant for LuxAid Challenge Fund must meet all eligibility criteria. That being said, proposals involving multiple partners and/or a consortium are permitted.

**5) Is an enterprise registered before June 1, 2021 but whose activities related to **Agtech and Fintech** started between June 1, 2021 and June 1, 2025 eligible?**

**For LuxAid Challenge Fund:** If the business was legally registered before June 1, 2021, it will not be eligible.

**6) Is an enterprise created after June 1, 2025, or in the process of being established, eligible?**

No, LuxAid Challenge Fund targets enterprises registered between June 1, 2021, and June 1, 2025.

**7) BtoB model eligible (activity targeting other enterprises or government structures as clients, for example)?**

Yes, if the application meets all other eligibility criteria.

**8) Is a service provider and general trade enterprise eligible?**

Yes, applications from all commercial enterprises that also meet all the other eligibility criteria are welcome to submit their projects.

**9) Are R&D projects eligible?**

The solution proposed by the enterprise must have been tested in the market, generating commercial revenue for the enterprise for at least the **last 3 months** (for LCF). If the project meets this and other criteria, it will be eligible. In other terms, If the project is still at the proof-of-concept stage or at the prototype stage and not yet commercialized, it is not eligible. (see question 14 for more details).

**10) Is an enterprise established outside (country), but which also offers activities in the country, eligible?**

If the enterprise has not been officially registered in **Costa Rica** between June 1, 2021, and June 1, 2025, it will not be eligible.

**11) Is a project implemented outside Costa Rica eligible?**

While the enterprise might have business operations in other countries, the project submitted for co-financing must be implemented and have a measurable impact in Costa Rica.

**12) Is an enterprise with employees under service contracts eligible?**

The enterprise must have at least **2** employees for LCF with an employment contract. Contracts for specific tasks and duties are eligible as long as they are compliant with the local law. However, if the enterprise obtains LCF co-financing it must commit to supporting stable employment and will therefore strive to formalize its collaborators with employment contracts for fixed or indefinite periods as soon as possible, following the principles of Responsible Business Conduct (RBC). In general, enterprises need to prove that all employees are official and registered.

**13) Do employment contracts have to be drawn up in writing? Are employment contracts concluded orally accepted?**

To count as an employee of the enterprise, it is necessary to prove the legal existence of an employment contract under national legislation, therefore a written contract is mandatory.

#### **14) Why this target for LuxAid Challenge Fund?**

The LCF targets the “missing middle” or the “pioneer gap”. These are innovative start-up enterprises with a validated MVP (*minimum viable product*) and first commercial revenues, whose financing needs are too large for microfinance institutions, but too small and risky for other types of private investors. In some markets, the investment ecosystem (venture capital market) is simply not mature enough, leaving a void in the entrepreneurial landscape and hindering the development and growth of enterprises with high-impact potential, creating thus a vicious circle.

The intervention of the LuxAid Challenge Fund in this specific segment responds to the central role of development cooperation by providing strong additionality: without this support, the project would not have been able to obtain these results, not on this scale, or not so quickly.

Businesses will likely not be profitable for 2-3 years, but they must have a clear business and financial plan to achieve some viability. Additionally, they must have or be willing to have a clear theory of change and a monitoring framework for their solution and work to improve their responsible business conduct.

### **SELECTION**

#### **15) How do you define innovation? Does the product or service have to be innovative?**

An innovation is a new solution with the transformative capacity to accelerate impact. Innovation involves creating, finding, adapting, and applying new ideas, approaches, products, services, or methods to solve existing problems or address unmet needs. It is not limited to the creation of something completely new, it also encompasses the significant and creative modification of what already exists in another sector. Also, innovation can provide a solution that had no local demand because it was not known, but which meets a real need in terms of impact.

To be considered "innovative", the solution must be sufficiently distinct from other products, services, or approaches already on the market in the country in question. This may result in distinctions in product/service design features to better meet needs, distribution model, customer segment (i.e. offering new products or services to populations previously poorly served), the economic model (who pays and who benefits, the price), the resilience of the product or service (anticipation of future developments).

It should also be noted that the LCF is a fund offered as part of the Grand Duchy of Luxembourg's development cooperation support. Innovation that has positive impact on users and/or targeting SDG's goals are considered an asset, which is also why the indicator on the number of additional people improving their livelihoods as a result of accessing and using an innovative co-financed solution is mandatory in the results matrix.

### **16) How do you define additionality?**

Additionality marks a positive contribution that would not have happened without co-financing and generally characterizes projects taking bold risks to deliver innovative and impactful solutions. To assess additionality, the selection committees will analyse:

- The extent to which the enterprise cannot self-finance the project (within a reasonable time frame) or access equivalent support from a commercial investor;
- The extent to which the project results would not have occurred without the co-financing, are larger in scale, of better quality, or occur more quickly;
- The potential of the project to stimulate model replication or systemic change in that market or industry.

### **17) How do you define the *futureproof criterion*?**

The *futureproof criterion* refers to the degree of adaptation of the company to future risks and trends, such as climate change and land degradation, changes in consumption patterns, and Industry 4.0.

Looking at the overall potential impact of the project (positive and negative, short and long term), is the project economically, socially, and environmentally sustainable and forward-looking concerning risks, threats, and major global trends? For example, depending on the objectives of each action, does the project include in its analysis the risks and impacts as well as the opportunities that megatrends such as climate change and the fourth industrial revolution (among others) could have on its analysis of profitability?

### **18) Who is part of the selection committees?**

Applications will be evaluated by a selection committee composed of 3 or 5 members representing the LuxDev office and the Luxembourg Embassy in the country, an investment/private sector expert, and thematic/sector experts.

Other non-voting members and observers may be invited to attend the *pitch sessions* and the discussions of the committee. The selection committee reserve the right to delegate the analysis of applications to LuxDev and/or to an external supplier with a view to pre-selecting the best applications, organizing field visits, and conducting due diligence on each shortlisted project and enterprise. Anyone involved in or having access to documents provided by the enterprises will sign a confidentiality declaration. The members of the selection committee will also sign a declaration of impartiality and absence of conflict of interest.

## **CO-FINANCING AND PERSONAL CONTRIBUTION**

### **19) Is the amount ranging from 50,000 EUR to 120,000 to be shared between the beneficiaries or is only one winner selected for this competition? Is there a national envelope? How many projects will be selected in each country?**

LuxAid Challenge Fund has an envelope of 450,000 EUR to share between the best projects in **Costa Rica** (around 3-4), for co-financing ranging from **50,000 EUR to 120,000 EUR** per enterprise.

### **20) Will the co-financing have to be repaid?**

The financial support granted is non-refundable co-financing.

### **21) In what currency will the co-financing be paid?**

The selected enterprises will sign a co-financing agreement with LuxDev specifying the amount of the subsidy in euros and payments will be made in EUR. An official currency converter is available on the European Commission's website ([https://ec.europa.eu/info/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate-infoeuro\\_en](https://ec.europa.eu/info/funding-tenders/procedures-guidelines-tenders/information-contractors-and-beneficiaries/exchange-rate-infoeuro_en)).

### **22) Under the LCF for personal contributions, does the limit of 300,000 EUR of cumulative financing also apply to a subsidiary?**

The limit of cumulative funding applies to the legal entity / commercial enterprise applying.

### **23) If my project is selected, when can I expect to receive the co-financing?**

The co-financing will be paid in three tranches: a first tranche of up to 50% for LCF upon signature of the contract (after lifting any suspensive conditions), a second tranche of up to 30% for LCF, upon validation of the first results and expenditure report and a third tranche of up to 20% for LCF **after** the project finishes, upon validation of the final financial and technical/results report. The final tranche will be capped to balance the total expenses incurred. If necessary, for LCF projects the distribution of the co-financing in the three tranches can be adapted.

### **24) My enterprise took out a loan for the construction of our factory. Is this loan part of the cumulative financing in the eligibility criteria?**

The cumulative financing includes credits, so this loan is indeed part of the cumulative financing.

### **25) What is co-financing and are there any rules to follow?**

Co-financing<sup>1</sup> is a direct financial contribution by way of donation or in the form of payment of a non-commercial nature to encourage enterprises to propose initiatives that aim to achieve specific impact results following the objectives set within the framework of the call for projects. The use of co-financing is only possible when the initiative comes from the private sector and the results of the financed action are the property of the beneficiary of the co-financing.

Co-financing is subject to the rule of non-profit/non-profit purpose of the project. That is to say that on the one hand, the co-financing cannot have the object or effect of generating a profit within the framework of the project and on the other hand the creation of reserves is not authorized through the project. The profit margins obtained following the implementation of the co-financed project and collected during the execution of the project must be reinvested in the execution of the project.

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<sup>1</sup> While the terms "co-financing" and "subsidies" or "subsidies" are often used interchangeably, according to the European Union, subsidies/subsidies refer to current payments made by a public entity to resident producers who are not required to be reimbursed. The main purpose of subsidies is to influence production levels or prices, or to compensate producers for production costs. **They are not subject to the non-profit rule.** On the other hand, co-financing is intended to finance activities whose results support specific objectives such as social inclusion, access to healthcare, innovation in food systems, job creation, etc.

Double financing of project costs and expenditure for actions that took place before the signing of a co-financing agreement is not authorized (principle of non-cumulative allocation and absence of double financing and the principle of non-retroactivity).

### **26) What are the ineligible expenses?**

Ineligible expenses are costs spent outside the project duration indicated in the co-financing agreement, as well as dividends paid by the enterprise, debt charges, interest rates, bank charges, and exchange losses, and costs related to the development of the project.

Expenses that cannot be tracked and monitored (meaning without justifying proof of use, transfer such as bills, banking documents etc.) could be refused and considered non eligible.

### **27) What types of expenses are eligible?**

To be eligible and covered by co-financing, expenses must meet all of the following criteria (without being exhaustive):

- Be necessary for carrying out the action (economic activity), directly attributable to the latter, resulting directly from its implementation;
- Be borne by the enterprise, that is to say, that they represent real expenses truly and effectively borne by the project leader;
- Be reasonable, justified, and consistent with the principle of sound financial management, as well as being consistent with the usual practices of the project leader, regardless of the source of financing. Procurement contracts must follow standard purchasing practices, provided that the contract is awarded to the offer offering the best value for money and any conflict of interest is avoided;
- Be due during the implementation period of the co-financed project, consistent with the scope and timetable of the activities;
- Be identifiable and supported by supporting documents, more particularly determined and recorded by the usual accounting practices of the productive project leader;
- Comply with the provisions of applicable tax and social legislation, considering the privileges and other advantages granted to the project leader.

Examples of expenses that can be eligible for LCF co-financing:

- **General operating costs** which are used to finance any activity linked to production and sales, such as: cost of goods sold (CPV), salaries, overhead (for example we ask all applicants to include the cost of an audit of the project-related expenses).
- **Capital expenditure (CAPEX)** - investments that enable a strengthening of production capacity, productivity, competitiveness, diversification, and quality, such as expenditure for the acquisition of infrastructure - creation, rehabilitation, extension, equipment - acquisition, installation, and commissioning or intangible assets – acquisition or subscription to databases, software, and search algorithms, certification fees, studies etc. If co-financing is used for acquisitions, it is prohibited to resell them within 3 years following the closure of the co-financed project.
- **Technical assistance expenses** that enhance the “proper implementation” of the activity, its competitiveness, and its sustainability, such as: training costs (accounting, finance, marketing etc.), acquiring consulting and advisory services e.g. consultancy/sector expertise, market access, and pricing strategy, relating to

certifications, licenses, and standards, development of business plans, financial management, digitalisation, human resources management and training, development of a strategy and results/impact management plan etc.

**28) Is it possible to combine a grant from Luxembourg cooperation with co-financing from the LuxAid Challenge Fund?**

It is not possible to combine another grant from the Luxembourg Cooperation in the budget of the proposed project. However, grants from other cooperations on the same project can be included in the other resources (personal contribution), if it respects the limitation of not exceeding 300 000€ in the last three years.

**29) Can the minimum contribution of 30% for LCF consist of fixed assets (land, installations already built, etc.) or is it only a cash contribution?**

Fixed assets made before the project start (as per the contract signed with LuxDev) cannot be considered in the personal contribution. On the other hand, if the entrepreneur makes a personal donation in the form of a building or equipment that is necessary for the implementation of the project, this represents a new resource invested and therefore can count in the other resourced/ personal contribution.

## **APPLICATION**

**30) Is there any support offered in completing the application form? Is it possible to discuss my application with LuxDev before submitting it?**

We offer information sessions on the call for proposals, in the form of webinars. Dates and links to register will be available when the call is open (<https://www.luxaidbusiness4impact.lu/en/opencall-lcf-costarica>).

Due to the large number of applications, we receive, we will not be able to provide feedback on the suitability of your application. If you have a question about the application process or the criteria applied, before writing, we recommend that you read this FAQ carefully to check if the answer to your question already exists. If this is not the case, you can send your questions to [lcf@luxdev.lu](mailto:lcf@luxdev.lu). Any response shared will then be included in this FAQ section.

Shortlisted candidates for the LCF will be contacted by LuxDev or an external supplier to discuss their application. In the different pre-selection phases, the top 10 shortlisted candidates for LCF will be offered free *coaching* sessions aimed at preparing the *pitch*, or other aspects depending on the needs identified, such as a review of the *business plan*, and improvement of the results chain, etc.

**31) Who to contact in the event of a technical problem on the application platform?**

For any technical issues, you can contact [lcf@luxdev.lu](mailto:lcf@luxdev.lu)

**32) In what language should I submit the application form?**

Applications must be written in English (preferred language). However, in the case the candidate cannot apply in English, Spanish is accepted.

**33) What is the recommended duration of projects?**

The recommended duration of projects is 12 to 24 months, from the start of the co-financing contract.

**34) What policy applies regarding intellectual property?**

The enterprise receiving co-financing retains full ownership of its innovation, given that LuxDev acts under Public Development Assistance. As part of the impact evaluations carried out on interventions benefiting from co-financing, LuxDev requires the publication of the results and encourages the opening and making available of the data collected and the analysis scripts underlying the evaluation.

**35) What do you mean with official financial statement?**

Financial statements are accounting documents that provide information about the financial position of an enterprise at a specific point in time: They include the balance sheet, the income statement, the cash flow statement, and the retained earnings statement. statement of changes in equity.

**36) Should we distinguish the enterprise team from the enterprise founders?**

Not necessarily. Enterprise founders may also be current team members of the enterprise. Please specify the role of each team member, who is also a (co-) founder.

**37) Can an enterprise that was not selected in this competition apply again in the future?**

Calls for projects will be launched in different countries where Luxembourg Cooperation is active and in different sectors. A candidate not selected during this competition can apply for future calls for projects.

## CALENDAR

**38) I need more time to complete the application form – can I submit it later?**

In the interest of fairness, no applications will be considered outside of this process and timeline.

Applications must be submitted on time via the online portal: before **30 March** 2026.

**39) What is the response time after applying to the LuxAid Challenge Fund?**

As indicated previously, LuxDev undertakes to keep you informed of the decision taken within 6 months from the application deadline.

## MISCELLANEOUS

**40) What is the "Do no harm" selection approach?**

To enable LuxDev on the one hand to identify the potential risks of implementing a solution, and on the other hand to develop, in collaboration with the selected enterprises, mitigation strategies, the pre-selected projects will be analysed using the following warning criteria:

- Modification of habitats/ecosystems/forests (reduction, degradation, change) as well as any change in aquatic resources;
- Introduction of invasive species;
- Land degradation;
- Value chains related to livestock, cocoa, coffee, palm oil, soy, wood, rubber, charcoal and paper products;
- Increased environmental pollution, particularly hazardous waste, energy needs, and use of water resources;
- Change in land rights/access and community protection.

**41) If my project is selected, what should I expect in terms of monitoring and reporting?**

Enterprises benefiting from co-financing will be required to provide LuxDev with half-yearly technical and financial reports. These reports will focus on the results indicators and targets proposed by the enterprises in their application and contract negotiation process, agreed with LuxDev, and mentioned in the annexes to the co-financing contract. The achievement of certain results will trigger the co-financing payment instalments. Projects are expected to report against indicators two years after project end.

Following each report (semi-annual or final), the enterprise will be invited to participate in a brief meeting (virtual or *on-site*) with the LuxDev team and the Luxembourg Embassy in the country. To evaluate the results of selected projects and improve learning, LuxDev reserves the right to request on-site visits, carried out by its staff, as well as external evaluations.

Depending on the progress observed, LuxDev will select certain projects for which an external impact assessment will be carried out.

**42) Is there an advantage for gender-sensitive enterprises?**

Proposals including a solution clearly targeting gender issues will be prioritised.

**43) How does Good Grants platform process the data I share on the application platform?**

Good Grants platform complies with the European General Data Protection Regulation (GDPR).

**44) Is there a complaints mechanism in place?**

LuxDev complaints mechanism for issues around transparency and fair treatment can be found at

<https://luxdev.lu/en/contact/complaint>