

FAROS ACCELERATOR PROGRAM GUIDELINES

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1. Faros Accelerator Program

Faros is an Accelerator promoted by CDP Venture Capital SGR, with Autorità di Sistema Portuale del Mar Ionio – Porto di Taranto and managed by a|cube with the support of Technical and Corporate Partners with the aim of supporting and empowering startups in the field of blue economy and blue growth.

Autorità di Sistema Portuale del Mar Ionio – Porto di Taranto: institutional and territorial partner oriented to the global promotion of the Ionian port, as well as to the relaunch of the industrial-logistic and tourist system of Taranto.

a|cube is an Italian certified incubator and accelerator focused on environmentally and socially impactful startups that will be managing and leading the programme for its entire duration.

Port XL, the world's first maritime accelerator is a Technical Partner that will provide expertise, tools and know-how in order to support the selected startups in enhancing their business models, as well as to optimize selected startups' development strategies and business plans



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Corporate Partners are leading Italian companies that support the selected startups with the aim of scaling and speeding-up processes for the development of tailor-made solutions, including pilots for their businesses.

2. Introduction

According to the European Commission, Blue Economy is a rapidly growing sector which contributes over € 180 billion to the gross value added (GVA) in Europe.

In 2018, the sector directly employed close to 4.5 million people and generated around €650 billion in turnover and €176 billion in gross value added. Emerging activities such as ocean energy, marine biotechnology and robotics are developing quickly and will play an important role in the EU's transition towards a carbon-neutral, circular and biodiverse economy. Lastly, through UN Sustainable Development Goal 14, it aims to “conserve and sustainably use the oceans, seas and marine resources.”

The blue economy sector is deeply connected to the circular economy sector, helping to establish more sustainable maritime business practices, reduce waste, create jobs and gain competitive advantages.

The Blue Economy Report has identified seven different sectors in the field of the blue economy: living marine resources, non-living marine resources, marine renewable energy, port activities, shipbuilding and repair, maritime transport, coastal tourism

These sectors and their respective sub-sectors have experienced a rapidly growing increase in terms of investments, impact on the EU GDP and job creation. However, despite the lack of homogeneous, EU-wide regulations and specific skills and know-how, investments in and sustainable development in the blue economy have grown significantly.

Fonte: The Blue Economy Report, 2021.

Faros aims at harnessing this potential with an acceleration programme dedicated to startups in the field of port innovation, **blue economy and blue growth seeking to develop sustainable, disruptive and responsible solutions.**

3. Purpose of the program

Faros' mission is to support and **empower startups that aim** at becoming pillars for a **sustainable and environmentally impactful blue growth.**

Faros aims at strengthening the relationship between startups, corporate stakeholders and public administrations through the development of a more comprehensive value chain in the field of the blue economy, putting sustainability and innovation at the heart of processes, governance, outputs and outcomes.

Faros accelerator program is designed to strengthen innovation and boost the entrepreneurial ecosystem in the field of blue economy and maritime and port innovation,

through the selection and support of the most remarkable Italian and international startups and scaleups

As a place-based accelerator in the city of Taranto, Faros aims at working on three distinct levels:

- Empowering the relationship between blue economy and the city of Taranto, focusing on the opportunity that this sector can provide to the local community
- Promoting the city of Taranto as a competitive, innovative and smart center in the field of blue economy, attracting young talents, startups and innovators
- Strengthening connections and networks of the city of Taranto with stakeholders focusing on blue economy and ocean-related subjects at regional, national and international level

In view of this, selected startups are encouraged to operate according to the principle of circularity, sustainability and local and national empowerment in terms of network creation and advocacy process activation. The Accelerator is aimed at start-ups working in the following specific sectors:

- **Sustainable marine resources:** marine & ocean renewable energy, primary production, processing and distribution of fish products, aquaculture, desalination, oil and gas, marine minerals, environmental impact and waste reduction, coastal defense, blue bioeconomy
- **Smart and intermodal port:** digital document and visibility, safety of operators and goods, smart predictions and optimization, terminal automation, new infrastructure solutions, port electrification & energy sharing hubs, submarine cabling
- **Coastal tourism, sports and culture:** online b2b enablers, disruptive services and devices, digital journey management, alternative and sustainable tourism, smart financial products for tourists, journey personalization, sports and culture

4. Program timeline

The Faros Accelerator Programme comprises the following phases:

- **Worldwide startups scouting** (beginning December 2021 – half February 2022): national roadshow aimed at identifying the best startups matching the trends of the program.
- **Selection of startups** (half February – half March 2022): selection of the best startups in line with the corporate partners' strategy.
- **Mentorship and growth support** (half March - July 2022): business model analysis and validation activities. Definition of the pilot project for the startups that will collaborate with the corporate partners

- **Pilot project implementation and demo days** (half April - 30 July 2022): implementation of pilot projects and possible scale-up roll out solutions; discussion of the results achieved during the Acceleration program.

The dates are provisional and subject to change due to external factors.

5. Program overview

All selected startups will benefit from the following services.

- Acceleration program: masterclasses, one-to-one coaching activities, mentoring and stakeholder engagement.
- Open innovation activities for pilot projects: corporate partners and startup will collaborate in order to test innovative solutions on-site, aiming at building the foundations for a long-term business and environmentally responsible impact
- Pre-seed equity investment up to € 65.000
- Potential seed and follow-on investments
- Free office space in Taranto for the whole duration of the program
- Tailor-made events such as pitching and investor day
- Networking activities with national and international stakeholders and access to tailor-made events

The Program will be held both online and on-site (in the Taranto offices), for a duration of approximately 16 weeks, starting from March 2022. The Program will be delivered in Italian unless explicit requests are received from one or more startups for the delivery of content in English and in case of involvement of international partners for some activities.

The Program will be structured as following:

Mentorship and growth support (March - July 2022):

analysis, validation and optimization of business model, startup growth strategy, business and financial planning, due diligence activities and investor deck

Content will be provided through:

1. Masterclasses (one-to-many): up to 8 masterclasses that will be delivered on-site in the Taranto offices
2. Coaching sessions (one-to-one): customized support to consolidate masterclass learning
3. Mentorship: involvement of experts in the blue economy sector for follow-up activities

Execution of the pilot project and demo days (July 2022)

implementation of pilot projects and possible scale-up roll out solutions; discussion of the results achieved during the Acceleration program

Selected startups will be supported by the Program Manager and the Technical Partners in order to carry out the pilot project with Corporate Partners who decided to contribute to this section of the Acceleration Program.

6. Eligible companies

Companies meeting one over three of the following criteria are eligible to apply:

- Constituted or constituting Italian limited liability companies (s.r.l.) or joint stock companies (S.p.A.) having their registered office in Italy
- International companies which will open a legal headquarter in Italy after the selection phase and in order to access to Faros Accelerator Program
- Dual companies with legal or operational headquarter in Italy

Moreover, all the companies must be established for no more than 5 years at the moment of application, they must have a market-validated business and the founders must be fully committed to the startup.

7. How to submit the application

Startups can apply for the program on [F6S](#) from 10 December to 15 February. Applications sent through other channels will not be admitted.

Applications must be submitted together with the form and attachments no later than 15 February.

The following documents and attachments must be submitted by the Applicants in order to finalize the application:

- Pitch and/or investor deck (mandatory)
- Financial plan (mandatory)
- CVs of founders (mandatory)
- Registration of company with chamber of commerce (discretionary)
- Shareholders structure (optional)
- Link to website and / or media content (optional)

8. Selection of applications

The applications submitted will be subjected to a preliminary verification of formal regularity, aimed at ascertaining the correctness and completeness of the application with regard to the eligibility criteria. From 15 February to 15 March, Applications will be reviewed from a panel of experts who will determine the selected startups.

The eligible startups will be evaluated by a panel composed of CDP Venture Capital, AdSP, a|cube and supported by the Corporate Partners.

Startups will be evaluated according to the following criteria:

- **Purpose:** alignment of the selected startup with the goals of Faros and the Corporate Partners, focusing on the creation of a place connected to the city of Taranto
- **Utility and impact:** ability to produce positive effects and long-term impacts from a social, economic and environmental point of view, improving the quality of life of communities, whether they are intended as territories, companies and/or individuals
- **Innovation and disruptiveness:** ability to produce experimental solutions with respect to the context of reference and the identified needs, while supporting the solution through the presence of disruptive digital technologies
- **Economic sustainability:** ability to support the startup independently in the medium-long term regardless of the use of public funds and/or non-repayable financing
- **Environmental sustainability and circularity:** support the creation of positive environmental impact, through the use of sustainable resources and/or circular re-use of material resources and/or the exchange of resources between different sectors and through multiple applications
- **Scalability and replicability:** ability to increase customers, volumes, outputs and / or impacts, exponentially and without the use of proportional resources, even in different locations and periods, without revolutionizing the business model except by making minor changes.
- **Team:** adequacy and completeness of the professionals employed and related skills, presence of different technical backgrounds and competences.

After a first evaluation, 16 shortlisted startups will be invited to take part to a Selection Day in the city of Taranto. During the Selection Day, 8 startups will be selected in order to enter to Faros Accelerator Program.

To take part to the Selection Day, shortlisted startups will be asked to sign a letter of intent stating the investment conditions and the compliance and eligibility declaration

9. Access to the program

The result of the Applications will be communicated to the startup via mail.

- Letter of Intent stating the investment condition (pre-selection phase, shortlisted startups)
- Compliance and Eligibility declaration (pre-selection phase, shortlisted startups)
- Investment Term Sheet (selection phase, selected startups)
- Intellectual Property Management declaration regarding the pilot project (selection phase, selected startups)

All selected startups will be granted access to the following investments and potential investments

- **Pre-Seed Investment:** all selected startups will be granted with an equity investment up to € 65.000. Part of the investment will be used by the selected startup in order to



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sustain the costs of Faros Acceleration Program. For the equity investment, the Accelerator will obtain a stake in between 6% and 8%

- Seed Investment: at the end of the Acceleration Program, some of the selected startups may obtain a further seed investment from the Accelerator
- Follow-on investment: most prominent startups may obtain a follow-on investment from CDP Venture Capital SGR.

All terms and conditions about investments and potential investments will be better specified in the "Term Sheet".