



**Call 2019**

# National Guidelines

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Maritime and Marine Technologies for a new  
Era

30.11.2018

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## BELARUS

### Participating organisation

National Academy of Sciences of Belarus (NASB)

### National programme manager(s)

Natallia Yankevich

[lab\\_12@tut.by](mailto:lab_12@tut.by)

Phone:

### Name of & link to the funding programmes

National Academy of Sciences of Belarus is Programme Owner and Programme Manager of the State Programme “Mechanics, Metallurgy, Diagnostics in Mechanical Engineering”.

### Minimum and/or maximum project duration

Max duration of the project - **36 months**.

### Minimum and/or maximum funding per project

50.000 – **75.000 Euro** (corrections possible) per project

### Eligible entities and consortium composition

Organizations of the National Academy of Sciences of Belarus

### Supported types of R&D

*See Priority Area Matrix*

### Additional eligibility and funding criteria

## BELGIUM-FLANDERS

### Participating organisation

Agentschap Innoveren en Ondernemen (VLAIO)

### National programme manager(s)

Jozef Ghijsselen

[jozef.ghijsselen@vlaio.be](mailto:jozef.ghijsselen@vlaio.be),

Phone: +32 2 432 42 40

### Name of & link to the funding programmes

Bedrijfssteun (industrial research & development programme: kmo, sprint and O&O – programmes)

### Minimum and/or maximum project duration

kmo, sprint: max. 24 months

O&O: max 36 months

### Minimum and/or maximum funding per project

kmo and sprint: min budget 50.000 €, max. funding 250.000 €

O&O: min budget 100.000 €, max funding 2.000.000 €

### Eligible entities and consortium composition

Companies (as applicant or project partner). Research organisations can only take part as a subcontracting research partner to the participating companies.

### Supported types of R&D

*See Priority Area Matrix*

### Additional eligibility and funding criteria

## FRANCE

### Participating organisation

Agence Nationale de la Recherche (ANR)

### National programme manager(s)

Claire SAOUT

[claire.saout@agencerecherche.fr](mailto:claire.saout@agencerecherche.fr)

Phone: +33 (0)1 73 54 82 88

### Name of & link to the funding programmes

### Minimum and/or maximum project duration

Proposed projects may not exceed 36 months.

### Minimum and/or maximum funding per project

The amount of money a project can require must be between 15 000 € and 200 000 €. If there are more than one French partner, then the 200 000 € have to be shared. If a French partner is coordinator of a proposal, the maximum amount of funding requested by French partner(s) can reach 250,000 €. A partner cannot require less than 15 000 €.

### Eligible entities and consortium composition

ANR funding is limited to project partners residing in France. To be eligible the consortium must include at least one French public research organization category (university, EPST – Scientific or Technical Public Institution, EPIC – Industrial or Commercial Public Institution).

The association with a private partner is encouraged but not mandatory. If a non-French private partner is involved in a project, it is mandatory to involve a French enterprise; unless the French partners will be declared not eligible. In this case, the IP rights have to be clearly defined within the full proposal.

### Supported types of R&D

ANR is supporting both Fundamental Research (F) and Industrial Research (I).

### Additional eligibility and funding criteria

#### Scope

ANR supports only **PA3 Sensors, automation, monitoring and observations**.

Proposals involving French partners must focus on the Priority Area 3, among the subtopic 1 to 3 – *3.1- Sensors, 3.2 Monitoring, 3.3 Improved models for marine vehicles* (excluded for structure behavior). The subtopic 3.4 deep sea mining is strictly excluded.

Research expected could focus on the development of a new generation of sensors able to detect, monitor and observe physical, chemical, biological parameters of sea and coastal compartments and their biotic and abiotic components, and/or on a growing capacity of deployment of existing or new sensors thanks to various platforms (from buoys to gliders or multiple vehicles...).

### **Similarity with another proposal**

The French part of the project proposal must not be judged similar to a project that is already funded by ANR. A project proposal will be judged similar to another if its principal objectives are the same, or results from a simple adaptation to the terms of the call for proposals AND the composition of the consortium is largely identical.

### **More details in the national call announcement**

It is important to read carefully the call for proposals text, the present document in its entirety, and the regulations concerning the conditions of allocation of ANR funding (<http://www.agence-nationale-recherche.fr/RF>) before submitting a research project. If French applicants have any questions about their eligibility, they are strongly advised to contact ANR to enquire about their eligibility for the call before developing the proposal.

Applicants are advised that this annex is for general guidance only. For more detailed rules and regulations please refer to the national call announcement on ANR website (<http://www.agence-nationale-recherche.fr/>) and contact the National Contact Point.

## GERMANY

### Participating organisation

Bundesministerium für Wirtschaft und Energie (BMWi)  
Projektträger Jülich (JÜLICH)

### National programme manager(s)

Filiz Aslan  
[f.aslan@fz-juelich.de](mailto:f.aslan@fz-juelich.de)  
Phone: +49 30 20199-554

### Name of & link to the funding programmes

Maritimes Forschungsprogramm / Maritime Research Programme

<https://www.ptj.de/schifffahrt-meerestechnik>

The new Maritime Research Programme of the German Federal Ministry for Economics and Energy (BMWi) covers the entire range of technologies in the maritime sector. The focus lies on research and development in four cross-sectional topics:

- MARITIME.green: Environmental sustainability and transition to sustainable transport systems
- MARITIME.smart: Utilization of digital technologies
- MARITIME.safe: Enhancing safety and security
- MARITIME.value: Sustainable exploitation of marine resources and energies

Typical areas of application are the branches ship technology, production of maritime systems, shipping and offshore technology.

With the Maritime Research Programme, the German government aims to strengthen the innovative capacity of the maritime sector on the international market, to contribute to creating and securing jobs and to promote environment and climate protection.

### Minimum and/or maximum project duration

Max. 36 months

### Minimum and/or maximum funding per project

n/a

### Eligible entities and consortium composition

Large companies, SME, research organisations, universities etc. Project consortia with German participation must contain at least one German enterprise to be eligible for funding.

### Supported types of R&D

Industrial research (I) and experimental development (D)

### Additional eligibility and funding criteria

Further funding and eligibility criteria are described here: [Maritime Forschungsstrategie 2025](#)

## IRELAND

### Participating organisation

The Marine Institute (MI)

### National programme manager(s)

Veronica Cunningham

[Veronica.Cunningham@Marine.ie](mailto:Veronica.Cunningham@Marine.ie)

Phone: +353 (0)91 387532

### Name of & link to the funding programmes

Marine Research programme <http://www.marine.ie/Home/site-area/research-funding/research-funding/research-funding>

### Minimum and/or maximum project duration

12 months minimum 36 months maximum

### Minimum and/or maximum funding per project

Minimum funding €150k, Maximum funding of €350k, per project.

### Eligible entities and consortium composition

Legal entities in the Republic of Ireland with the appropriate scientific and technical qualifications and expertise can be funded as partners in a joint proposal. Any proposal involving an industry partner from Ireland must also have an Irish partner from a Public Research Body (see Marine Institute funding rules for joint calls document).

### Supported types of R&D

*See Priority Area Matrix*

### Additional eligibility and funding criteria



## MALTA

### Participating organisation

Malta Council for Science and Technology (MCST)

### National programme manager(s)

Corinne MUSCAT TERRIBILE

[corinne.muscat-terribile@gov.mt](mailto:corinne.muscat-terribile@gov.mt)

Phone: 00356 23602152

### Name of & link to the funding programmes

<http://mcst.gov.mt/>

### Minimum and/or maximum project duration

Minimum project duration: 1 year; Maximum project duration : 3 years

### Minimum and/or maximum funding per project

Maximum funding per project: EUR100,000

### Eligible entities and consortium composition

Any industrial and any public entity as described in the National Rules for Participation

### Supported types of R&D

Fundamental Research (F), Industrial Research (I) and Experimental Development (D)

### Additional eligibility and funding criteria

**The detailed National Rules of Malta are attached in the Annex.**

## NORWAY

### Participating organisation

The Research Council of Norway

### National Contact Person(s)

Hanna Lee Behrens

[hlb@rcn.no](mailto:hlb@rcn.no)

Mobile: + 47 481 81 290

### Name of & link to the funding programmes

- Maritime activities and offshore operations (MAROFF) - [https://www.forskingsradet.no/prognett-maroff/Home\\_page/1228296528774](https://www.forskingsradet.no/prognett-maroff/Home_page/1228296528774)
- Large-scale Programme for Petroleum Research (PETROMAKS2) [https://www.forskingsradet.no/prognett-petromaks2/Home\\_page/1253980921309](https://www.forskingsradet.no/prognett-petromaks2/Home_page/1253980921309)

### Minimum and/or maximum project duration

The project duration is up to three years (36 months).

### Minimum and/or maximum funding per project

Budget for Norwegian participation in this call: up to 2 000 000 €

The maximum support should not exceed 500.000 € per project.

### Eligible entities and consortium composition

The funding provided by Norway is from two (2) programmes related to maritime and offshore operations and oil and gas industry. Projects eligible for funding must target either the maritime industry and/or the oil and gas industry.

Projects eligible for funding from the RCN must have at least one Norwegian industrial partner in the project consortium.

Support from the Research Council awarded to research institutions is normally awarded for non-economic activity. When an entity also pursues economic activities, the financing, the costs and the revenues of those economic activities must be entered in separate accounts.

The RCN can support the following alternative project models:

- A project with a Norwegian company project owner. Norwegian research institution(s) can be partner or subcontracted.
- A project, with a Norwegian research institution as project owner that represents actual cooperation between research and business(s), ref state aid scheme. Norwegian research institution(s) and at least one Norwegian company must be partner in the project.
- A project with a foreign company as project owner and a Norwegian company is a partner. Norwegian research institution(s) can be partner or subcontracted.
- A project, where a foreign research institute is project owner that represents actual cooperation between research and business(s), ref state aid scheme. At least one Norwegian company must be partner in the project. Norwegian research institution(s) can be partner in the project or they may be subcontracted to a Norwegian company being partner in the project.

## Supported types of R&D

The RCN can fund projects that fall within fundamental research (F), industrial research (I) and experimental development (D).

## Additional eligibility and funding criteria

### State aid guidelines

The aided part of the research and development project is set by the State Aid Rules

([https://www.forskingsradet.no/en/State\\_aid\\_rules/1253979455092](https://www.forskingsradet.no/en/State_aid_rules/1253979455092)).

State aid awarded by the Research Council is granted under the General Block Exemption Regulation for state aid, Article 25: Aid for research and development projects.

To ensure that support is awarded in compliance with the state aid rules, the Research Council asks all applicants selected for conditional allocation of funding to provide supplementary information. The Project Owner must be able to document that its own institution and all its partners (all recipients of state aid) are eligible to receive state aid.

Support from the Research Council constitutes state aid when it is awarded to an "undertaking", i.e. an actor that carries out an economic activity consisting of offering products or services on a given market.

### Open access

The Research Council has stipulated requirements relating to self-archiving and open access to scientific articles produced in connection with R&D projects funded by the Council. Read more about The Research Council's Principles for Open Access to Scientific Publications.

[http://www.forskingsradet.no/en/Article/The\\_Research\\_Councils\\_Principles\\_for\\_Open\\_Access\\_to\\_Scientific\\_Publications/1240958527698](http://www.forskingsradet.no/en/Article/The_Research_Councils_Principles_for_Open_Access_to_Scientific_Publications/1240958527698).

### Other issues

The Norwegian Research Council may appoint external experts to evaluate submitted preproposals.

The Norwegian Research Council may not fund projects with a total score lower than 12.

The Norwegian participation must follow RCN's General Terms and Conditions for R&D Projects.

Project partners of funded projects will have to submit national application forms to The Research Council of Norway after notification.

Norwegian project partners will sign a separate contract with the RCN. Norwegian partners that are coordinators of the projects will be asked to also coordinate the Norwegian partners of the projects.

The budget for the Norwegian partners shall follow RCN cost model and RCN regulations.

The budget applied for in the application shall be stated in Euro. Conversion from euro is based on the official exchange rate per application date for preproposals for application: 29 March 2019. The official exchange rate can be found here: rate (<https://www.ecb.int/stats/exchange/eurofxref/html/index.en.html>)

## POLAND

### Participating organisation

The National Centre for Research and Development (Narodowe Centrum Badań i Rozwoju)  
[www.ncbr.gov.pl](http://www.ncbr.gov.pl)

### National programme manager(s)

Karolina Janczykowska  
[karolina.janczykowska@ncbr.gov.pl](mailto:karolina.janczykowska@ncbr.gov.pl)  
Phone: +48 515 061 554

### Name of & link to the funding programmes

<https://www.ncbr.gov.pl/programy/programy-miedzynarodowe/wspolpraca-wielostronna/>

### Minimum and/or maximum project duration

3 years

### Minimum and/or maximum funding per project

Requested funding per project should not exceed 250,000 EUR

### Eligible entities and consortium composition

Following entities are eligible to apply:

- Research Organisations;
- Micro, Small, Medium and Large Enterprises

The organisation must conduct its business, R&D or any other activities on the territory of the Republic of Poland, confirmed by an entry into the relevant register, and provide a sufficient guarantee of reliable disbursement of public funds.

**The project consortium with Polish participation must contain at least one Polish enterprise (with declared budget and tasks) to be eligible for funding.**

### Supported types of R&D

Industrial (applied) research (I) and experimental development (D)

### Additional eligibility and funding criteria

Funding quota of Polish participants can be up to 100% for research organizations. In the case of enterprises, funding quota will be decided on a case-by-case basis depending on the size of the company, type of research/development, risk associated with the research activities and commercial perspective of exploitation, under the *Regulation of the Minister of Science and Higher Education of 25 February 2015 on criteria and rules on granting state aid and "de minimis" aid by the National Centre for Research and Development, published in Journal of Laws item 299, 2015.*

	<b>Large Enterprises</b>	<b>Medium Enterprises</b>	<b>Micro/Small Enterprises</b>	<b>Research organizations</b>
<b>Industrial/Applied Research</b>	Up to 50+15 (max 65 %)	Up to 50+10+15 (max 75 %)	Up to 50+20+15 (max 80 %)	Up to 100 %
<b>Experimental development</b>	Up to 25+15 (max 40 %)	Up to 25+10+15 (max 50 %)	Up to 25+20+15 (max 60 %)	Up to 100 %

Other types of activities (e.g. coordination, dissemination, management) are not eligible for funding as separate tasks. They can be included in an appropriate cost category within research tasks.

## ROMANIA

### Participating organisation

Unitatea Executiva pentru Finantarea Invatamantului Superior, a Cercetarii, Dezvoltarii si Inovarii (UEFISCDI)

### National programme manager(s)

Domnica COTET

[domnica.cotet@uefiscdi.ro](mailto:domnica.cotet@uefiscdi.ro)

Phone: +40 21 302 38 83

### Name of & link to the funding programmes

PNCDI III – European and International Cooperation/H2020/ERANET projects:

<http://uefiscdi.gov.ro/articole/4536/Pachet-de-informatii-ERANETERANET-Cofund.html>

### Minimum and/or maximum project duration

The project duration is up to three years (36 months).

### Minimum and/or maximum funding per project

- 250.000 EUR if Romanian coordinator
- 200.000 EUR otherwise

### Eligible entities and consortium composition

Legal entities established in Romania are eligible to get funding - public and private accredited universities, national R&D institutes, other research organisations, SME' s, large industrial enterprises.

Additional documents might be required from Romanian participants for determining national eligibility after the submission of pre-proposal.

### Supported types of R&D

*See Priority Area Matrix*

### Additional eligibility and funding criteria

## SPAIN

### Participating organisation

Centro Para el Desarrollo Tecnológico Industrial (CDTI)

### National programme manager(s)

Sara ALFONSO

[sara.alfonso@cdti.es](mailto:sara.alfonso@cdti.es)

Phone: (+34) 91 581 56 07 /04 89

### Name of & link to the funding programmes

<https://www.cdti.es/index.asp?MP=101&MS=831&MN=2>

### Minimum and/or maximum project duration

12-36 Months

### Minimum and/or maximum funding per project

The minimum eligible budget amounts to €175,000 per partner (this figure applies to the partner budget not the requesting funding).

### Eligible entities and consortium composition

Companies established and carrying out R&D activities in Spain. Other entities such as universities, public research institutions, technological centres, and other private non-profit institutions could participate under subcontracting by Spanish companies.

### Supported types of R&D

Only tasks related to either, technological industrial research or experimental development can be funded by CDTI. Management and dissemination activities are explicitly excluded for funding.

### Additional eligibility and funding criteria

#### Eligible activities

Projects may comprise both industrial research as well as experimental development activities, and must represent outstanding scientific-technical quality and high innovative potential. The Spanish part of the proposed work plan must be developed in Spain. Management and dissemination activities are explicitly excluded for funding.

#### Eligible costs

- Personnel.
- Instrument and equipment costs, to the extent and during the period in which they are used for the research project.
- Contractual research costs, technical knowledge and patents bought or licensed from outside sources at market prices, and costs for consulting and equivalent services intended exclusively for the research activity.
- Other operating expenses, including costs for material, supplies and similar products, which result directly from the research project.
- Indirect costs

Applicants are encouraged to contact CDTI's National Contact Points for getting advice about national funding rules before submitting a proposal.

#### National application

Additionally to the international application process, all Spanish applicants that aim to received CDTI's funding (projects coordinators and partners) must submit a formal application (with the information related to National Eligibility check) by way of CDTI's electronic submission system. This information has to be submitted to CDTI no later than 10 working days after the closing date for pre-proposals and full proposals, respectively.

#### CDTI Funding

CDTI funding will be based on a financing package, entailing soft loans (up to 75% of the eligible budget, 85 % in exceptional cases) with a non-repayable part, up to 33 % of the loan. The available budget for the non-repayable part amounts to € 500,000.

*Specific financial conditions for ensuring the beneficiary's solvency could be required according to CDTI funding rules. CDTI will avoid double funding, and will not finance projects, or parts of projects, that have been already funded through other national, transnational or EU calls. CDTI will be responsible for making the final decision regarding the awarding of funds to those Spanish applicants aiming to receive funding from CDTI, taking fully into account the assesment of the nationa full proposal, the transnational evaluation of the collaborative project, the previous funds received by the participants for other related projects, the fulfilment of eligibility and funding rules, and the financial resources available. Further information is available on: <http://www.cdti.es/index.asp?MP=101&MS=831&MN=2>*



## TURKEY

### Participating organisation

TÜRKİYE BİLİMSEL ve TEKNOLOJİK ARAŞTIRMA KURUMU (TÜBİTAK)

### National programme manager(s)

Yılmaz Burak KAYA

[burak.kaya@tubitak.gov.tr](mailto:burak.kaya@tubitak.gov.tr)

Phone: +90 312 468 53 00 - 2445

### Name of & link to the funding programmes:

TÜBİTAK TEYDEB 1509 International Industrial R&D Project Grant Programme

<http://www.tubitak.gov.tr/tr/destekler/sanayi/uluslararası-ortaklı-destek-programları/1509/icerik-yonetmelik-ve-esaslar>

### Minimum and/or maximum project duration:

No limit

### Minimum and/or maximum funding per project:

No limit

### Eligible entities and consortium composition

*See Priority Area Matrix*

### Supported types of R&D

Industrial Research (I) and experimental development (D) projects

### Additional eligibility and funding criteria

## **Annex**



# **MarTERA – Maritime and Marine Technologies for a new era – Call 2**

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## **National Rules for Participation**

**Version: 1**  
**Issue Date: November 2018**

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## 1. Introduction

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Funding Party: Malta Council for Science and Technology for and on behalf of the Foundation for Science and Technology,  
Villa Bighi, Kalkara, KKR 1320  
Malta

### 1.1 Scope and Focus

The overall goal of the ERA-NET MarTERA is to strengthen the European Research Area (ERA) in maritime and marine technologies as well as Blue Growth. The ERA-NET MarTERA is a network of ministries, authorities and funding organisations responsible for funding research and innovation projects in maritime and marine technologies.

The consortium will organise and co-fund a joint call for transnational research and innovation projects on different thematic priority areas.

There is an urgent requirement for coordinated actions across the EU in order to tackle the challenges arising across a large number of sectors related to the seas and oceans. The need for highly-specialised marine equipment, more efficient and greener waterborne transport systems, clean energy, increased seafood production, technologies for reliable ocean observations, and safe marine and maritime operations etc. calls for substantial innovations with respect to the whole spectrum of marine and maritime technologies.

The selection of topics for funding is done based on the overarching technological challenges, due to their relevance and possibility to benefit a wide range of applications and sectors. The topic areas are a natural continuation and expansion of previous activities undertaken by MARTEC I&II as well as the first MarTERA call and is also in alignment with Strategic Areas of the Strategic Research and Innovation Agenda (SRIA) of JPI Oceans. The sub-themes chosen for this call will fall within these 5 Priority Areas (PAs):

- PA1: Environmentally friendly maritime technologies
- PA2: Development of novel materials and structures
- PA3: Sensors, automation, monitoring and observation
- PA4: Advanced manufacturing and production
- PA5: Safety and security

Each Priority Area has an assigned list of topics. Please consult the Priority Areas Matrix which can be found annexed to the MarTERA Call Announcement to confirm the topics that are being funded by the Council.

Projects under MarTERA can undertake either Fundamental Research, Industrial Research or Experimental Development. The Council will be funding all three research work categories.

Please consult with the MarTERA Call Announcement for a more detailed description of each topic.

Each project proposal must be in accordance with the following:

- The proposed research and innovation project must be consistent with the scope and objectives of this call and with the national / regional thematic priorities of the countries / regions involved in the project (see Priority Areas Matrix). National / regional priorities are described in the National Regulations and/or can be communicated by the National Programme Managers (NPMs).
- The proposed project must relate to (at least) one of the sub-themes listed in the Priority Areas Matrix of this call.

- The proposal should be novel and not correspond with on-going or completed projects funded by other instruments, programmes or projects.
- Project consortia consisting of **at least two independent eligible legal entities from at least two different European Member States or associated countries participating in the call** (Belgium, France, Germany, Ireland, Malta, Poland, Romania, Spain, Norway and Turkey) can apply for funding. Legal entities from Belarus are eligible for funding but their consortia must have at least two independent legal entities from at least two different European Member States or associated countries that are participating in the call.
- The project proposal **must involve industry**.
- The proposal should strive to be balanced between the countries involved in the project as far as the volume of work is concerned.
- There is no upper limit on eligible consortium size. Consortia may involve as many partners as necessary to achieve the project goals. However, applicants should be aware that a higher number of represented countries in a consortium will not automatically result in a positive evaluation of the proposal. There is also no upper limit of partners from the same country, unless stated otherwise in the National Regulations.
- Researchers from other countries can participate in a project proposal on the condition that they provide written proof that their part of the project will be covered independently from this call (i.e. in kind) however they cannot act as a project coordinator and their contribution to the project should not be vital.
- In every proposal, one of the entities must act as the Project Coordinator who has the responsibility for submitting the application on behalf of the Consortium.
- The eligibility of each applicant must be checked according to the national criteria published in the National Regulations before submission.
- The proposal must be written in **English**.
- Each proposal submitted correctly and on time will be checked for eligibility as a whole. This means that failure of one partner within the consortium to meet the criteria will cause the entire project to be rejected.

## 1.2 National Contact Point

Correspondence should be directed to:

Corinne Muscat Terribile,  
The Malta Council for Science & Technology  
Villa Bighi, Kalkara KKR 1320, Malta  
E-mail: corinne.muscat-terribile@gov.mt

## 1.3 Definitions

**Council** refers to the Malta Council for Science and Technology

**Research and Development** is defined as the systematic investigation, work or research carried out in any field of science or technology through experiment, theoretical work or analysis undertaken in order to acquire new knowledge, primarily directed towards a specific practical aim or objective, and includes:

- a) **Fundamental Research** means experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any direct commercial application or use in view
- b) **Industrial Research** means the planned research or critical investigation aimed at the acquisition of new knowledge and skills for developing new products, processes or services or for bringing about a significant improvement in existing products, processes or services. It comprises the creation of components parts of complex systems, and may include the construction of prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems as well as of pilot lines, when necessary for the industrial research and notably for generic technology validation
- c) **Experimental Development** means acquiring, combining, shaping and using existing scientific, technological, business and other relevant knowledge and skills with the aim of developing new or improved products, processes or services. This may also include, for example, activities aiming at the conceptual definition, planning and documentation of new products, processes or services

Experimental development may comprise prototyping, demonstrating, piloting, testing and validation of new or improved products, processes or services in environments representative of real life operating conditions where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include the development of a commercially usable prototype or pilot which is necessarily the final commercial product and which is too expensive to produce for it to be used only for demonstration and validation purposes.

Experimental development does not include routine or periodic changes made to existing products, production lines, manufacturing processes, services and other operations in progress, even if those changes may represent improvements;

**Innovation** is defined as the internationally novel scientific/technological development of a technological process, product or service. Also, the definition of innovation within the same context can also be applied to non-novel, yet step-change/ground-breaking enhancement of existing technological processes, products or services, or even the application of existing knowledge to new novel applications of these solutions to deliver step-change competitiveness through such an application.

**Industrial Entity** is defined as a Legal Entity having more than 50% private shareholding, including but not limited to, a privately-owned company or commercial enterprise, the objects and activities of which include the output of a specified product and service, and have the financial means to execute the project and a potential to use the results. In addition to research and innovation contributions and knowledge transfer, the entity may contribute to the consortium by developing, testing, commercializing or using such a product or service. Provided that a registered NGO, or a Professional Body as defined in this Section is considered as forming part of this definition.

**Lead Agency** is Project Management Juelich which is the lead entity that is managing the MarTERA initiative.

**Legal Entity** means any entity created within the European Economic Community, having an operating base in Malta and which has legal personality, which may, acting under its own name, exercise rights and be subject to obligations.

**Operating base in Malta** means if the legal entity:

- a. owns, leases, or has been given the right of use by a third party, an adequate premises from where to conduct an eligible economic activity in the region of Malta;
- and
- b. employs at least one person that is based in Malta and is liable to pay income tax in Malta.

**Single Undertaking** includes all enterprises having at least one of the following relationships with each other:

- i. One enterprise has a majority of the shareholders' or members' voting rights in another enterprise;
- ii. One enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
- iii. One enterprise has the right to exercise a dominant influence on another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;
- iv. One enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.

Enterprises having any of the relationships referred to in points (i) to (iv) above through one or more other enterprises shall be considered to be a single undertaking,

**Start-up Undertaking** shall be defined as an enterprise that has been established for less than five (5) years following its registration. For eligible undertakings that are not subject to registration, the five year eligibility period may be considered to start from the moment when the enterprise either starts its economic activity or is liable to tax for its economic activity.

**Public Entity** means any Maltese Public Service Department or Maltese Public Sector Entity, or any Maltese Legal Entity which has more than 50% government shareholding. Public Service refers to all Ministries and Departments; and Public Sector Entities refers to authorities, corporations, agencies and commercial public-sector entities in which the Government has a majority shareholding and that are not listed on the stock exchange. Public Entities also include foundations, local councils and public academic entities. In the case of public academic entities, this includes but is not limited to a higher education entity or a research institute, whether as a whole body or as a component unit or department within such body, provided that the entity's ongoing education and research is scientifically in line with the subject of the application being submitted during this call provided that the higher education entity must be in possession of a license for Higher Education according to the Further and Higher Education (Licensing, Accreditation and Quality Assurance) Regulations – Subsidiary Legislation 327.433. This does not include the license for a tuition centre.

**Research and knowledge-dissemination organisation** means an entity (such as universities or research institutes, technology transfer agencies, innovation intermediaries, research-oriented physical or virtual collaborative entities), irrespective of its legal status (organised under public or private law) or way of financing, whose primary goal is to independently conduct fundamental research, industrial research or experimental development or to widely disseminate the results of such activities by way of teaching, publication or knowledge transfer. Where such entity also pursues economic activities the financing, the costs and the revenues of those economic activities must be accounted for separately. Undertakings that can exert a decisive influence upon such an entity, in the quality of, for example, shareholders or members, may not enjoy preferential access to the results generated by it;

**NGO** means any Voluntary or Non-Governmental Organisation set up in accordance with The Voluntary Organisations Act (Cap. 492 of the Laws of Malta).

**Professional Body** may be an organisation, an association, a chamber, society, institute or a group of professional persons not being enrolled or registered in terms of The Voluntary Organisations Act (Cap. 492 of the Laws of Malta) or not being otherwise recognised in terms of Law, and which is generally recognised and acknowledged by the professional persons it seeks to represent as their representative Body. For the purposes of this Definition, a professional person is one who has undergone a period of study at a university or a recognised institution of higher learning and has obtained the formal qualification entitling the person to practise the respective profession; and who provides a specialised service to the public, based primarily on a fiduciary relationship between herself/himself and the party to whom s/he provides such service on his own personal credibility and responsibility.



**Non-profit making** is an entity where (a) the statute of the entity contains an express exclusion of the purpose to make profits; and (b) there is express provision in the statute defining the purposes of the entity which do not include the promotion of private interests, other than a private interest which is a social purpose; and (c) no part of the income, capital or property is available directly or indirectly to any promoter, founder, member, administrator, donor or any other private interest. Provided that if a promoter, founder, member, administrator or donor is another enrolled non-profit making organisation, the limitation in paragraph (c) shall not apply provided the availability of such income, capital or property is subject to conditions which are consistent with the general purposes of the grantor entity:

Provided further that an organisation shall continue to be deemed as non-profit making notwithstanding that: (i) it obtains a pecuniary gain from its activities when such gain is not received or credited to its members but is exclusively utilised for its established purposes; (ii) it buys or sells or otherwise deals in goods or services where such activities are exclusively related to its principal purposes; (iii) it is established for the general entertainment, pastime, education or other similar benefit only of its members; or (iv) it is established for the promotion of the social role, ethics, education and values of a trade or profession provided it does not promote the private interests of its members.

**Effective collaboration** means collaboration between at least two independent parties to exchange knowledge or technology, or to achieve a common objective based on the division of labour where the parties jointly define the scope of the collaborative project, contribute to its implementation and share its risks, as well as its results. One or several parties may bear the full costs of the project and thus relieve other parties of its financial risks. Contract research and provision of research services are not considered forms of collaboration.

**Arm's length** means that the conditions of the transaction between the contracting parties do not differ from those which would be stipulated between independent enterprises and contain no element of collusion. Any transaction that results from an open, transparent and non-discriminatory procedure is considered as meeting the arm's length principle.

**Applicant** means anyone eligible for participation in a Project in terms of these Rules for Participation and who consequently applies for funding under this joint initiative.

**Project Contact Point** is the individual, appointed to act on behalf of the Applicant and who is responsible for communicating with the Council about the Project.

**Eligible direct costs** are those costs incurred directly by the national beneficiaries during the duration of the project and used primarily for the purpose of achieving the objectives of the project. All eligible expenses must be incurred between the Start Date and the End Date of the Project and must be limited to the budgeted value.

**Start Date** means the date which is stated in the grant agreement for the official start of the project.

**Start of Works** means the earlier of either the start of construction works relating to the investment, or the first legally binding commitment to order equipment or any other commitment that makes the investment irreversible. Buying land and preparatory works such as obtaining permits and conducting feasibility studies are not considered start of works. For take-overs, 'start of works' means the moment of acquiring the assets directly linked to the acquired establishment;

**End Date** means the date when the Project Period, having commenced on the Start Date, expires. The Project Period is the time required to execute the Project as indicated in the grant agreement.

**Project Value** means the entire project budget including any co-financing.

**Project Grant** means the granted funding provided.

**Partner** is defined as a partner in a consortium of a funded transnational project

**Personnel costs** means the costs of researchers, technicians and other supporting staff to the extent employed on the relevant project or activity

**Principal Investigator** is one of the beneficiaries of a project consortium that is appointed as the single point of contact between the Lead Agency and/or the funding bodies and the consortium partners from proposal submission to project end. He/she will have the responsibility of ensuring that all the partners involved in the consortium are eligible and supervises the project workflow with the help of WP leaders. Additionally, he/she will be required to submit the project application on behalf of the consortium and must also compile and submit reports / deliverables to the funding bodies which in turn will relay these documents to the Lead Agency. Can also be referred to as **Project Coordinator**.

**Subcontracted Activity** means any activity related to the project, (including but not limited to consultancy), which is not carried out directly by a Partner or its employees but is carried out by any third party (local or foreign) individual, company, partnership or entity, under whatsoever terms and conditions.

**Undertaking in Difficulty** means an undertaking in respect of which at least one of the following circumstances occurs:

(a) In the case of a limited liability company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its subscribed share capital has disappeared as a result of accumulated losses. This is the case when deduction of accumulated losses from reserves (and all other elements generally considered as part of the own funds of the company) leads to a negative cumulative amount that exceeds half of the subscribed share capital. For the purposes of this provision, 'limited liability company' refers in particular to the types of company mentioned in Annex I of Directive 2013/34/EU (1) and 'share capital' includes, where relevant, any share premium.

(b) In the case of a company where at least some members have unlimited liability for the debt of the company (other than an SME that has been in existence for less than three years or, for the purposes of eligibility for risk finance aid, an SME within 7 years from its first commercial sale that qualifies for risk finance investments following due diligence by the selected financial intermediary), where more than half of its capital as shown in the company accounts has disappeared as a result of accumulated losses. For the purposes of this provision, 'a company where at least some members have unlimited liability for the debt of the company' refers in particular to the types of company mentioned in Annex II of Directive 2013/34/EU.

(c) Where the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors.

(d) Where the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan.

(e) In the case of an undertaking that is not an SME, where, for the past two years:

1. the undertaking's book debt to equity ratio has been greater than 7.5 and
2. the undertaking's EBITDA interest coverage ratio has been below 1.0.

**Linked enterprises** are enterprises which have any of the relationships with each other outlined in Annex I of the COMMISSION REGULATION (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

**Large undertaking** is an undertaking not fulfilling the criteria laid down in Annex I of the COMMISSION REGULATION (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

**Small and Medium Enterprises (SME)** is an undertaking which fulfils the criteria laid down in Annex I of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

**National Programme Manager (NPM)** is the nominated Council delegate representing MarTERA.

## **2. Eligibility for Participation**

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### **2.1 Partner Eligibility**

Any Industrial Entity and any Public Entity as defined in Section 1.3 may apply and will be eligible for funding subject to the terms and conditions laid out in this document.

Applicants, who fall within the definition of Industrial Entity, will be required to provide the following documents which will be considered during the national eligibility check stage (to be included as an annex to the National application form):

- Memorandum & Articles of Association or other constitutive document;
- Audited financial statements for last 3 fiscal years (2 sets).

In the event that the Applicant is a start-up and the above documents are not available, the Applicant shall provide the financial projections for three (3) years signed by an auditor, including:

- an income statement,
- a cash flow statement, and
- a statement of financial position

In the event that the review of these documents may result in too high an exposure risk to the Council, the Applicant will no longer be entitled to participate in the project.

Applicants who have other funded projects with the Council and are in default, and/or have gone beyond the timelines of the project, are not eligible to participate.

Any application submitted by or including the participation of any legal person or legal entity having, in totality or in majority ownership, the same shareholders, partners or persons holding and / or exercising a controlling power in any other legal entity which will have been at any time prior to such application declared as non-compliant or defaulting on any other contract or agreement entered into with the Council, shall be automatically declared as inadmissible.

## **3. Funding Criteria**

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The funds for the national beneficiaries participating in the project consortium will be made available in accordance with these rules and regulations.

### **3.1 Project Duration**

Project duration should be a maximum of three years. The earliest possible starting date for projects will be fixed at the beginning of the contract negotiations with the national funding organisations.

### **3.2 Application Process**

Applicants are to submit an application for assistance under this scheme before the start of works.

The application process consists of a two-stage submission process. The pre-proposal and the full proposal are required to be submitted electronically by the project coordinator via the MarTERA Online Submission Tool.

Additionally, a National application form is to be submitted by each national applicant via [eusubmissions.mcst@gov.mt](mailto:eusubmissions.mcst@gov.mt).

### 3.3 Submission Deadline

Deadline for submission of pre-proposal and National application form is 29<sup>th</sup> March 2019 at 17:00 CET.

### 3.4 Grant Value

The total maximum National Budget for this Call is €100,000.

The maximum amount national partner/s can request per project is €100,000.

Funding for successful project submissions will be based on a periodic cash advance and will be regulated through a contractual agreement establishing the terms and conditions governing the financing of the project.

Funding under this joint initiative is made available on the basis that an Applicant does not benefit from any other grant or financial incentive in respect of the expenses related to execution of the project.

### 3.5 Project Contact Point

The national applicant/s shall appoint a Project Contact Point/s. The Project Contact Point/s shall have the following responsibilities:

- To ensure compliance with their obligations in terms of the Contractual Agreement;
- To compile Periodic Reports and Final Reports including their timely submissions and effective execution of the project;
- To execute the project activities according to set timeframes and deliverables.

### 3.6 Deliverables

#### Mandatory deliverables

The project plan must give details of certain activities which are required by the Council. These should be included as deliverables in the project proposal and include:

1. A showcase of the project to the general public by the national project partner through:
  - The publication of at least two articles per year in local newspapers or magazines. These should not contain intellectual property but should raise awareness about the project and its benefits.
  - The organisation of at least one half-day event to be held at the Council's premises or as otherwise directed by the Council.

2. Reporting on project progress as per the list hereunder in line with the templates provided by the Council;
  - End of Stage Technical and Scientific Reports;
  - End of Stage Financial Report;
  - End of Project Technical and Scientific Report;
  - End of Project Audited Financial Report.

The reports are to include sufficient evidence on the achievement of the project objectives as well as the parameters indicated in the application.

Changes to the project objectives, work-packages and all the parameters committed in the applications are to be detailed, justified and approved by the Council.

### **Recommended deliverables**

Further to the mandatory deliverables, the Council invites applications to also include deliverables as recommended below:

1. Monograph/s and/or peer-reviewed paper/s for accepted publication in international journal/s of repute based on the work carried out through the Project. The subscription levels or Impact Factor of journals are important considerations. Similar papers published on open source media would also be considered favourably.
2. Oral presentation/s at international conference/s on the work carried out through the Project.
3. The attainment of undergraduate degrees and/or postgraduate degrees and/or post-doctoral research. In cases where the project duration is insufficient for the purpose of submitting a degree, there has to be a commitment to complete the degree outside the duration of the project utilising other sources of funding.
4. Registration of a patent or other Intellectual Property Rights stemming from the Project, in Malta as well as in any other country.
5. Commercial commitments such as technology innovations to be included in a partner's existing product or service.
6. Commercial commitments such as technology transfer licences.

## **4. List of Eligible and Ineligible Costs**

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### **4.1 Eligible Costs**

Applicants may opt for **one** of the following two regulations. Applicants are required to indicate their preference within the National application form.

Eligible costs are those costs incurred directly by the project partner during the duration of the project and used primarily for the purpose of achieving the objectives of the project.

All expenses must be incurred between the Start Date and the End Date of the project and must be limited to the budgeted value.

Please contact the Council for more information on the implications of these State Aid Rules.



**4.1.1. Eligible Costs under Regulation A:** [Commission Regulation \(EU\) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid \(the de minimis Regulation\)](#)

**a) Personnel Costs**

The permissible number of hours funded by this initiative is not to exceed an average of 10 hours per week per existing employee, as part of their normal working hours, to the extent employed on the project.

There is no limit on the number of employees per project other than that the total cost of funded hours per project will not exceed 20% of the project value.

Those employees that have utilised elsewhere their allocated quota of research hours defined in their contract can apply for pro rata payment, up to a maximum of an additional 10 hours per week, for supervisory, research or management hours (overseas travel hours are ineligible) as an eligible cost of the project, if this is permissible within their contract of employment.

The hourly rate (z) is calculated using the formula:

$€ z = (\text{basic salary} + \text{allowances}) / \text{yearly weekday hours}$ . Eligible salaries are pinned to the following hourly rates (including National Insurance and Inland Revenue and allowances) and personnel limits per project:

Role in Project	Hourly rates	Limits per project
Top Management or equivalent	€ 29.11/hour to € 35.84/hour	Max 2 per project
Middle Management or equivalent	€ 20.70/hour to € 29.10/hour	Max 2 per project
Senior Researcher* or equivalent	€ 20.70/hour to €29.10/hour	Max 2 per project
Researcher* or equivalent	€ 11.49 to € 20.69/hour	Max 2 per project
Operational, technician, research support assistant or equivalent	Up to € 11.48/hour	

*The rates stated in the table above are for the year 2018. For subsequent years a 5% increase per year is allowed.*

\*The term 'senior researcher' is to be used for a postdoctoral researcher with a specialist and high level of local and international experience in the field. Individuals possessing a high level of experience in industry can still be considered.

\*The term 'researcher' is to be used for a Bachelor's, Master's or a Ph.D degree holder and hence the hourly rate should be equivalent to the degree held by the relevant individual.

Personnel in salary brackets that are higher than those noted above will still only be reimbursed at the rates of the eligible brackets above depending on their role in the project. The hourly rates will have to be noted in the application along with the number of hours on the project per individual.

The salary of senior researchers, researchers, technicians, operators and research support assistants that are employed **specifically** for the project would not form part of the personnel costs limit of 20% of the project value. This provision is not applicable to existing personnel that are provided with separate part time contracts to extend their working hours with the entity, for the purpose of the project.

Personnel Costs related to Project Management are further limited to 10% of the project value and form part of the 20% limit set on personnel costs. Any project management which is not carried out by any of the partners shall be deemed to be subcontracting and, apart from being subject to the 10% maximum

threshold detailed herein, will also be calculated as part of the 10% maximum referred to in Section 4.1.1(g) for subcontracting costs.

Students can be engaged on the project and paid an annual stipend of €6,000 when reading for a Master's degree or an annual stipend of €8,000 when reading for a Doctoral degree. Note that for every engaged student, a full-time researcher must be employed by the applicant.

Filled time sheets are to be retained for all personnel, including students, as proof of number of hours spent on the project. Documentation of the utilisation of the employees' internally funded research quota for other research activities is to be retained as this evidence may be required by the auditors.

#### **b) Specialised equipment and research consumables**

Purchase of specialised equipment including software. Overall value of consumables typically cannot exceed 30% of project value. Proposals with consumables exceeding 30% of the project value need to be discussed at application stage.

#### **c) Travel and Subsistence**

Applicants which are not regulated by the Public Contracts Regulations (Chapter 174.04 of the Laws of Malta) are required to obtain three quotations for purchases related to travel.

For the attendance of consortium meetings, only 1 person will be eligible to attend the meeting.

For the attendance of international conferences, only 1 person will be eligible to attend per year.

#### **d) Other Operating Expenses**

Other operating expenses incurred directly as a result of the project. These must be approved beforehand by the Council and must not fall under ineligible costs.

#### **e) Costs of contractual research, knowledge and patents**

Costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project.

#### **f) Overheads**

Overheads will be covered at 10% of direct eligible costs, excluding the costs of (1) subcontracting; (2) items of equipment above €5000; and (3) consumables above €5000.

It is to be noted that for equipment, the capping of €500 is per piece while for consumables, the capping of €500 is for the total amount of consumables.

#### **g) Subcontracted activities**

Subcontracted activities shall be allowed up to a limit of 10% of the project value, provided that prior approval is attained from the Council before subcontracting to ensure fair procurement procedures.

### Additional Provisions

Eligible Costs are to conform to the following and are subject to the final audit scrutiny:

- Any expenses incurred during the course of the project must be consistent with the principles of economy, efficiency and effectiveness.
- In the event of purchases of any value, private entity partners are required to demonstrate adequate marketing testing, obtaining three quotations from three different, independent and relevant sources.
- Public entity partners are to follow Public Procurement Regulations in their entity.

- Any calls for the recruitment of staff on a project is to be conducted in a strictly transparent manner and is to include a public call in the form of an advert published in a Sunday newspaper (minimum size of advert: 2 columns by 8cm) and interview process.
- Commercial transactions between any applicants or consortium partners, or between any applicants or a consortium partner and a company with similar shareholding to a consortium partner, is not allowed. All transactions need to be carried out in line with the arm's length principle outlined in Section 1.3.

### Aid Intensity

The financial contribution to a Partner which falls under the definition of Public Entity shall be 100% of eligible costs incurred by that Partner.

The financial contribution to a Partner which falls under the definition of Industrial Entity shall be limited to 75% of eligible costs incurred by that Partner. Therefore, such a Partner must contribute the remaining 25% to the Project. It is not possible for a Partner to cover the contribution of 25% 'in-kind'.

A partner that falls under the definition of NGO or Professional Body and is considered as a profit-making entity, will also be limited to 75% of the eligible costs incurred by that Partner whilst the financial contribution to non-profit making NGOs and Professional Bodies shall be 100%.

### Applicable State Aid Regulations and Obligations

Assistance provided under Regulation A of these National Rules for Participation is in line with the [Commission Regulation \(EU\) No. 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid \(the de minimis Regulation\)](#).

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 over any period of three consecutive fiscal years. The total amount of *de minimis* aid granted to a single undertaking performing road freight transport for hire or reward shall not exceed €100 000 over any period of three fiscal years.

This aggregate maximum threshold applies in principle to all economic sectors with the exception of the road transport, agriculture and fisheries sectors for which different thresholds and criteria apply. The term 'undertaking' includes also all companies in a group (which fall under the direct or indirect ownership or control of the same ultimate parent company) and relevant partner and linked enterprises as defined in Annex I of Commission Regulation (EU No 651/2014). This period covers the fiscal year concerned as well as the previous two fiscal years. 'Fiscal year' means the fiscal year as used for tax purposes by the undertaking concerned.

This maximum threshold would include all State aid granted under this aid scheme and any other State aid measure granted under the *de minimis* rule including that received from any entity other than the Malta Council for Science and Technology. Any *de minimis* aid received in excess of the established threshold will have to be recovered, with interest, from the undertaking receiving the aid.

The de minimis declaration form must be filled in and submitted together with the application form.

Assistance approved under this aid scheme is NOT:

- i. Aid granted to undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No. 104/2000;
- ii. Aid granted to undertakings active in the primary production of agricultural products;



- iii. Aid granted to undertakings active in the sector of processing and marketing of agricultural products, in the following cases:
  - a. Where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;
  - b. Where the aid is conditional on being partly or entirely passed on to primary producers;
- iv. Aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity;
- v. Aid contingent upon the use of domestic over imported goods;
- vi. Aid for the acquisition of road freight transport vehicles granted to undertakings performing road freight transport for hire or reward.

Where an undertaking is active in the sectors referred to in points (i), (ii) and (iii) above as well as in other sectors falling within the scope of the *de minimis Regulation*, the Council will ensure a separation of the activities or distinction of costs. Only those sectors eligible for assistance under the *de minimis Regulation* will be assisted. Activities in the sectors excluded from the scope of the *de minimis Regulation* will not benefit from assistance under this aid scheme.

In terms of Article 5 of the *de minimis Regulation*, *de minimis* aid granted under this initiative may be cumulated with *de minimis* aid granted in accordance with Commission Regulation (EU) No 360/2012 up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted in accordance with other *de minimis regulations* up to the relevant ceiling fixed in terms of these National Rules for Participation.

*De minimis aid* approved under this initiative shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the European Commission. *de minimis aid* which is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission.

#### **4.1.2. Eligible Costs under Regulation B:** [Commission Regulation \(EU\) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.](#)

##### **a) Personnel Costs**

The permissible number of hours funded by this Programme is not to exceed an average of 10 hours per week per existing employee, as part of their normal working hours, to the extent employed on the project.

There is no limit on the number of employees per project other than that the total cost of funded hours per project will not exceed 20% of the project value.

Those employees that have utilised elsewhere their allocated quota of research hours defined in their contract can apply for pro rata payment, up to a maximum of an additional 10 hours per week, for supervisory, research or management hours (overseas travel hours are ineligible) as an eligible cost of the project, if this is permissible within their contract of employment.

The hourly rate (z) is calculated using the formula:

$\text{€ } z = (\text{basic salary} + \text{allowances}) / \text{yearly weekday hours}$ . Eligible salaries are pinned to the following hourly rates (including National Insurance and Inland Revenue and allowances) and personnel limits per project:

Role in Project	Hourly rates	Limits per project
Top Management or equivalent	€ 29.11/hour to € 35.84/hour	Max 2 per project
Middle Management or equivalent	€ 20.70/hour to € 29.10/hour	Max 2 per project
Senior Researcher* or equivalent	€ 20.70/hour to €29.10/hour	Max 2 per project
Researcher* or equivalent	€ 11.49 to € 20.69/hour	Max 2 per project
Operational, technician, research support assistant or equivalent	Up to € 11.48/hour	

*The rates stated in the table above are for the year 2018. For subsequent years a 5% increase per year is allowed.*

\*The term 'senior researcher' is to be used for a postdoctoral researcher with a specialist and high level of local and international experience in the field. Individuals possessing a high level of experience in industry can still be considered.

\*The term 'researcher' is to be used for a Bachelor's, Master's or a Ph.D degree holder and hence the hourly rate should be equivalent to the degree held by the relevant individual.

Personnel in salary brackets that are higher than those noted above will still only be reimbursed at the rates of the eligible brackets above depending on their role in the project. The hourly rates will have to be noted in the application along with the number of hours on the project per individual.

The salary of senior researchers, researchers, technicians, operators and research support assistants that are employed **specifically** for the project would not form part of the personnel costs limit of 20% of the project value. This provision is not applicable to existing personnel that are provided with separate part time contracts to extend their working hours with the entity, for the purpose of the project.

Personnel Costs related to Project Management are further limited to 10% of the project value and form part of the 20% limit set on personnel costs. Any project management which is not carried out by any of the partners shall be deemed to be subcontracting and, apart from being subject to the 10% maximum threshold detailed herein, will also be calculated as part of the 10% maximum referred to in the Subcontracting Costs section below.

Students can be engaged on the project and paid an annual stipend of €6,000 when reading for a Master's degree or an annual stipend of €8,000 when reading for a Doctoral degree. Note that for every engaged student, a full-time researcher must be employed by the applicant.

Filled time sheets are to be retained for all personnel, including students, as proof of number of hours spent on the project. Documentation of the utilisation of the employees' internally funded research quota for other research activities is to be retained as this evidence may be required by the auditors.

## **b) Instruments and Equipment**

Purchase of specialised equipment including software. Overall value of consumables typically cannot exceed 30% of project value. Proposals with consumables exceeding 30% of the project value need to be discussed at application stage.

Costs of instruments and equipment are eligible to the extent and for the period used for the project. Where such instruments and equipment are not used for their full life for the project, only the depreciation costs corresponding to the life of the project, as calculated on the basis of generally accepted accounting principles are considered as eligible.

The depreciation costs must be verified by a Certified Public Accountant.

**c) Costs of contractual research, knowledge and patents**

Costs of contractual research, knowledge and patents bought or licensed from outside sources at arm's length conditions, as well as costs of consultancy and equivalent services used exclusively for the project.

**d) Other Operating Expenses**

Other operating expenses incurred directly as a result of the project. These must be approved beforehand by the Council and must not fall under ineligible costs.

**e) Overheads**

Overheads that are incurred directly as a result of the project will be covered at 10% of direct eligible costs, excluding the costs of (1) subcontracting; (2) items of equipment above €5000; and (3) consumables above €5000.

It is to be noted that for equipment, the capping of €500 is per piece while for consumables, the capping of €500 is for the total amount of consumables.

Subcontracting Activities

Subcontracted activities shall be allowed up to a limit of 10% of the project value, provided that prior approval is attained from the Council before subcontracting to ensure fair procurement procedures.

Aid Intensity

The aided part of the research and development project shall completely fall within one or more of the following categories:

- a) Fundamental research
- b) Industrial research
- c) Experimental development

The aid intensity for each beneficiary shall not exceed:

- a) 100% of the eligible costs for fundamental research;
- b) 50% of the eligible costs for industrial research;
- c) 25% of the eligible costs for experimental development

The aid intensities for industrial research and experimental development may be increased up to a maximum aid intensity of 80% of the eligible costs as follows:

- a) By 10 percentage points for medium-sized enterprises and by 20 percentage points for small enterprises;
- b) By 15 percentage points if one of the following conditions is fulfilled:

- i. The project involves effective collaborations:
  - o Between undertakings among which at least one is an SME, or is carried out in at least two Member States, or in a Member State and in a Contracting Party of the EEA Agreement, and no single undertaking bears more than 70% of the eligible costs, or
  - o Between an undertaking and one or more research and knowledge-dissemination organisations, where the latter bear at least 10% of the eligible costs and have the right to publish their own research results;
- ii. The results of the project are widely disseminated through conferences, publications, open access repositories, or free or open source software.

The amount of assistance granted to participants will not exceed the thresholds laid down in Article 4(1) (i) of Commission Regulation (EU) No 651/2014.

#### Additional Provisions

Eligible Costs are to conform to the following and are subject to the final audit scrutiny:

- Any expenses incurred during the course of the project must be consistent with the principles of economy, efficiency and effectiveness.
- In the event of purchases of any value, private entity partners are required to demonstrate adequate marketing testing, obtaining three quotations from three different, independent and relevant sources.
- Public entity partners are to follow Public Procurement Regulations in their entity.
- Any calls for the recruitment of staff on a project is to be conducted in a strictly transparent manner and is to include a public call in the form of an advert published in a Sunday newspaper (minimum size of advert: 2 columns by 8cm) and interview process.
- Commercial transactions between any Applicants or consortium partners, or between any Applicants or a consortium partner and a company with similar shareholding to a consortium partner, is not allowed. All transactions need to be carried out in line with the arm's length principle outlined in Section 1.3.

#### Applicable State Aid Regulations and Obligations

The terms and conditions set out in Regulation B of these National Rules for Participation are in line with the [Commission Regulation \(EU\) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty](#), as amended by [Commission Regulation \(EU\) No 2017/1084 of 14 June 2017 amending Regulation \(EU\) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation \(EU\) No 702/2014 as regards the calculation of eligible costs](#).

Assistance will not be granted if the aid is:

- i. related to export activities towards third countries or Member States, namely aid directly linked to quantities exported, to the establishment and operation of a distribution network or to the other current expenditure linked to export activity.
- ii. contingent upon the use of domestic in preference to imported goods.
- iii. granted in the sector of processing and marketing of agricultural products, in the following cases:

- i. where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;
- ii. where the aid is conditional on being partly or entirely passed on to primary producers;
  
- iv. granted in favour of a beneficiary which is subject to an outstanding recovery order following a previous Commission decision declaring an aid granted by Malta illegal and incompatible with the internal market.
  
- v. granted in favour of an undertaking in difficulty defined in terms of the Commission Regulation (EU) No 651/2014 of 17 June 2014.

Aid approved by the Corporation in terms of these National Rules for Participation will be suspended until the undertaking has reimbursed old, unlawful and incompatible aid that is subject to a recovery.

Rule on *cumulation of aid* shall be in line with Article 8 of the Commission Regulation (EU) No 651/2014 of 17th June 2014.

In determining whether the notification thresholds and the maximum aid intensities are respected, the total amount of State aid for the aided activity or project or undertaking shall be taken into account.

Where Union funding centrally managed by the institutions, agencies, joint undertakings or other bodies of the Union that is not directly or indirectly under the control of the Member State is combined with State aid, only the latter shall be considered for determining whether notification thresholds and maximum aid intensities or maximum aid amounts are respected, provided that the total amount of public funding granted in relation to the same eligible costs does not exceed the most favourable funding rate laid down in the applicable rules of Union law.

Aid granted under this incentive may only be cumulated with:

- a) any other State aid, as long as those measure concern different identifiable eligible costs,
- b) any other State aid, in relation to the same eligible costs, partly or fully overlapping, only if such cumulation does not exceed the highest aid intensity or aid amount applicable to the aid under Commission Regulation (EU) No 651/2014.

Aid awarded under these Incentive Guidelines shall not be cumulated with any *de minimis* aid in respect of the same eligible costs if such cumulation would result in an aid intensity exceeding those laid down in these Incentive Guidelines.

## 4.2 Ineligible Costs

The following expenditure shall be considered as ineligible costs:

- Expenses related to loans, interest, etc
- Recoverable value added tax.
- Expenses which are recoverable through other funding mechanisms.
- Re-purchase of equipment originally procured through other funding mechanisms.
- Purchase of equipment from partners or their subsidiaries.
- Opportunity costs related to foregone production and production downtime arising from the allocation of resources to the Project.
- Any activity related to the reproduction of a commercial product or process by a physical examination of an existing system or from plans, blueprints, detailed specifications or publicly available information.
- Standard office equipment.
- Personnel hours for travelling.



- Travel and Subsistence is an ineligible cost in relation to applications submitted under Regulation B
- Any other costs not listed down in Section 4.1.1 and 4.1.2.

## 5. Evaluation

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Proposal applications will be checked for eligibility by both the Lead Agency of the initiative as well as the individual participating entities. Apart from the overall proposal submission done by the proposal coordinator through the online submission platform of the MarTERA website, national partners will be required to submit a **National application form** to the Council which may be downloaded from the Council's website or by contacting the Council.

The Council may undertake a due diligence exercise through its contractors for the purpose of administrative compliance.

Proposals that pass the eligibility check will then proceed to the scientific evaluation phase. Further information on this process is found in the call text.

For applications submitted under Regulation B of these National Rules for Participation, a Technical Evaluation Committee will be set up by the Council in order to assess:

- i. that the proposed research falls under one of the R&D definitions outlined in Section 1.3;  
and
- ii. the type of eligible costs defined in Section 4.

The aid intensities will be awarded accordingly.

## 6. Post Selection Process

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### 6.1 The Grant Agreement

For each project approved for funding, individual **Grant Agreements** will be signed between the successful Applicant and the Malta Council for Science and Technology. This Agreement will act as the basis for project funding and will regulate the transfer of funds to national beneficiaries based on these regulations.

The Project Coordinator has to decide with the project partners on a common starting date for the project and send this information to all the funding bodies involved in funding this project in order to ensure that the National Contracts are synchronised in time to cover all the periods of the project.

The Council reserves the right not to proceed with signing any National Grant Agreement in the event that it results that doing so would be too high an exposure risk to the Council.

The Project Contact Point must provide two (2) images related to the project and an abstract upon signing the Grant Agreement. These will be used to publicise the award.

### 6.2 Start Date and End Date

The project will start on a pre-determined date as agreed by all the respective parties and determined in the Grant Agreement.

In view of the particular nature of the Grant Agreement, the said agreement will not be signed simultaneously by all parties but will be signed by all the parties separately. Each party will signify the date of signing and the Grant Agreement will come into force on the date on which the final signature is made thereon (hereinafter the "Agreement Date").

Between the Agreement Date and the Start Date, the Project Contact Point should ensure that all activities required for a smooth project start are completed.

To be eligible for funding, all expenses must be incurred between the Start Date and the End Date of the Project.

### **6.3 Double Funding**

Funding under this joint initiative is made available on the basis that the Applicant has not benefited and will not benefit from any other grant or financial incentive of whatever nature, applied for and/or utilised for the same scope as that subject of the funding requested under this joint initiative. Provided that, in the case where the application covers work that is part of a larger project, the Applicant must submit a table as an appendix to the application form that shows a comprehensive list of the items of work and the source of funding for each item.

The Applicant will be required to sign a declaration to this effect and authorising the Council to exchange essential information related to the project with other funding agencies, both local and overseas, for any necessary checks.

### **6.4 Project Extensions**

Time extension requests are to be submitted in writing to the Council by not later than two (2) months before the original project End Date. Such extensions will be granted at the discretion of the Council and must be supported by an addendum to the Grant Agreement. Additionally, written approval from all the partners in the project consortium as well as the Lead Agency must also be sought. A maximum two six (6) month period extensions may be granted.

## **7. Funding, Management and Progress Monitoring**

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### **7.1 Allocation and Disbursement of Funding**

Following the termination of the project or expiry of the Grant Agreement, the Project Contact Point will be required to submit a Final Technical Project Report for the whole project, thus covering the work undertaken.

For the purpose of funding and reporting, a project submission shall be divided into a number of Stages. Each Stage shall be of 12 months duration. Funding for any one Stage shall not exceed 80% of the total project financial contribution due. Total financial contribution over the lifetime of the project shall not exceed the funding limit as established in the Grant Agreement, irrespective of actual expenditure.

The periodic funding will be allocated according to the following schedule:

1. For the first Stage, the Council will make an initial advance payment of 100% of the due financial contribution in relation to that particular Stage. This will be calculated on the Applicant's component of projected expenditure for that Stage, and include both direct and indirect costs.

In the case of a single-Stage project (one 12 month period), the Council will make an advance payment to the applicant equivalent to 80% of the due financial contribution calculated on the projected costs. This will include both direct and indirect eligible costs.

2. At the end of each Stage, the Project Contact Point will be required to submit a Technical Stage Report and a Financial Stage Report to the Council with details of actual expenditure over the past stage, together with an updated forecast of projected expenditure for the following stage.

Both stage reports have to be approved by the Council before moving to the next stage. This should be in line with the templates for stage and final reports as provided by the Council and which may be downloaded from the Council's website.

3. For the second and subsequent Stage, the Council will calculate the due financial contribution in relation to that particular Stage based on the Financial Stage Report submitted. This contribution will be calculated as forecast eligible expenditure, adjusted for any overspend or underspend of the preceding Stage.
4. Except for the final Stage of the project, the Council will make an advance payment equivalent to 100% of the due financial contribution in relation to that particular Stage, calculated as in bullet (3) above.
5. For the final Stage of the project, the Council will make an advance payment of up to 80% of the due financial contribution calculated as in bullet (3) above. However, the Council shall retain 20% of the total project grant to be transferred only upon successful completion of the project.
6. Following the termination of the project or expiry of the Grant Agreement, the Project Contact Point will be required to submit a Final Technical Project Report together with a Final Financial Report for the whole project, thus covering the work and expenditure undertaken. The Final Financial Report needs to be audited by a certified auditor appointed by the Applicant and approved by the Council once submitted. The audit should determine the total eligible costs and compare these to the funds forwarded. The Council reserves the right to appoint an auditor to audit the Project Financial Audit as submitted.
7. As soon as the verifications and audits are finalised and cleared, the Council will release the retention money due. In the case of overpayment, the Applicant will be required to refund the under-spend amount to the Council within a specific timeframe, or as agreed to with the Council.

The Council reserves the right to alter the funding parameters as deemed appropriate.

## 7.2 Dissemination & Externalisation

Any articles and text material related to the project should include the words:

*'Project <Project Name> funded by the Malta Council for Science and Technology through the MarTERA joint initiative of Member States, Associated Countries and Participating Countries.'*

Any websites or printed material related to the project should also include the Council logo, and the MarTERA logo.

During the term of Agreement and for five (5) years thereafter, the Applicant shall include and prominently feature the Council and MarTERA in any publicity related to the project.



All publicity material shall be vetted and approved by the Council before publication and should make mention of the initiative and the Council. In the case where printed material is published without a mention of the initiative and the Council, the Applicant shall be obliged to publish a correction at its own expense in the subsequent issue of the publication.

Within twelve (12) months from the end of the Project, the Applicant shall publish, at least one (1) research paper based on the work carried out throughout the Project in a pre-peer reviewed open access repository.

### 7.3 Reporting

On the last day of a stage, an End of Stage Technical Report is to be presented to the Council. An End of Stage Financial Report is then to be submitted within one month from the end of the stage.

On the last day of the project, the Project Contact Point is required to submit a Final Technical Project Report. Audited accounts are to be presented within one month from the end of the project.

The Council reserves the right to request additional project-related information.

Approval of the stage reports allows the beneficiary to proceed with the next stage of the project. Approval of the final reports permits the release of the retention.

In the event that a project is found to be in breach of the Grant Agreement or to materially depart from the submitted application, the Council reserves the right to discontinue the award and the applicant may be required to refund the Grant in part or in full. In any such event, the Council may also exclude an applicant from participating in future calls.

The applicant shall set a schedule for quarterly progress meetings with the Council to take place as part of the reporting work package.

The templates provided by the Council should be used to develop the End of Stage Technical and Financial Reports as well as the Final Technical and Financial Reports.

The End of Stage Technical and Financial Reports shall contain the following details:

- (i) An account of project activity and achievements over the past stage compared with the originally submitted application;
- (ii) An account of actual expenditure over the past stage compared with the originally submitted budgeted expenditure. All financial reports must be signed by the person responsible for the financial management, and assembled as per the instructions in the Grant Agreement;
- (iii) An updated forecast of project activity and projected achievements for the following stage;
- (iv) An updated forecast of projected expenditure for the following stage;

The beneficiary shall appoint an auditor to conduct a detailed financial audit, following the completion of the project. The audit will consist of, at least, the following checks:

- Accounts
- Physical inventory
- Time-sheets and payslips / employee contracts
- Receipts for all equipment and consumables
- Bank statements for the Project Account

## 7.4 Accountability

The beneficiaries shall keep a separate project bank account and records, clearly distinguishable from their other accounting records. All relevant expenses must be recorded in these accounts.

Eligible expenses must have been determined in accordance with the usual accounting and management principles and practices of the applicant. Direct eligible costs must be backed up with the relevant documentation as specified in the Grant Agreement.

## 7.5 Supervening Circumstances

The Project Contact Point is obliged to immediately advise the Council of any internal or extraneous significant event which might affect the validity or implementation of the project. This obligation applies to the entire period between the submission of the Project Application and the completion of the project.

The Council, at its own discretion, shall either give such directives as it deems necessary for the furtherance of the project or re-assess the project in its entirety accordingly.

Failure on the part of the Project Contact Point to respect this obligation may lead the Council to suspend or terminate funding for the project and request a refund of funds already paid out.

If during the course of a project a partner withdraws from the Project Consortium, the Applicant will immediately advise the Council. In this event, the relevant articles of the Project Consortium Agreement and the National Grant Agreement shall apply.

## 7.6 Default

If the implementation of a project becomes impossible or if the Applicant fails to implement it, the Council shall be entitled to collect refunds of money already paid out.

## 7.7 Interpretation of Rules

This document endeavours to establish comprehensive and unambiguous rules governing participation in this initiative. However, should circumstances arise where the rules are inadequate, unclear, ambiguous or conflicting, the Council shall exercise its discretion in the interpretation of the rules through the setting up of an *ad hoc* committee.

# 8. Confidentiality of Submissions

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Unless otherwise indicated, all project application submissions except for the abstract shall be treated in strict confidence.

The data collected by the Council via the application for the aid and its subsequent processing by the Council to evaluate data subject's request for aid under the Scheme is in line with:

- i. The National Rules for Participation;
- ii. Commission Regulation (EU) No 651/2014 of 17th June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty as amended by Commission Regulation (EU) No 2017/1084 of 14 June 2017 amending Regulation (EU) No 651/2014 as regards aid for port and airport infrastructure, notification thresholds for aid for culture and heritage conservation and for aid for sport and multifunctional recreational infrastructures, and regional operating aid schemes for outermost regions and amending Regulation (EU) No 702/2014 as regards the calculation of eligible

- costs(hereinafter referred to as the 'General Block Exemption Regulations' (for Schemes notified under the General Block Exemption Regulations);
- iii. COMMISSION REGULATION (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid (*de minimis* Regulation);
  - iv. Data Protection Act, Chapter 440 of the Laws of Malta and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
  - v. The legitimate basis to process personal data submitted by the data subject by virtue of his/her written application for aid is Regulation 6 (1)(b) of the General Data Protection Regulation ("GDPR"), as 'processing is necessary in order to take steps at the request of the data subject prior to entering into a contract'.

Further information may be found within the application form.