

CALL FOR PROPOSALS

UNDER THE

**FRAMEWORK PROGRAMME FOR RESEARCH,
TECHNOLOGICAL DEVELOPMENT AND
INNOVATION**

2009-2010

OF THE

RESEARCH PROMOTION FOUNDATION

ACTION	«EUROSTARS Cyprus»
CALL IDENTIFIER	EUREKA/EUSTAR/0112



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CALL FOR PROPOSALS

The Research Promotion Foundation's (RPF) Board of Directors, at its 15th of February 2011 meeting, decided to announce Calls for Proposals in the context of the «**Framework Programme for Research, Technological Development and Innovation 2009-2010**» (DESMI 2009-2010) which had been approved by the Board of Directors on the 26th of January 2009.

According to the DESMI 2009-2010 Work Programme Document, project proposals should be submitted in the frame of Calls for Proposals announced by the Foundation.

The present Call for Proposals refers to the Action «**EUROSTARS Cyprus**» of the «**EUREKA Cyprus**» Programme. The Call contains information about the specific objectives of the Action, the budget, the eligible expenses categories, the beneficiaries, as well as the procedures for submission, evaluation, negotiation, funding and management of projects.

The Research Promotion Foundation **invites interested institutions, organisations, enterprises and individuals that satisfy the requirements of the Call to submit proposals** for the implementation of high-quality projects and activities in the frame of the objectives and according to the terms, regulations and participation conditions of DESMI 2009-2010.

The English version of the Call, even though is an official translation endorsed by the RPF, is provided for information purposes only. Only the Greek version of the Call is legally binding and shall prevail in the case of any divergence in interpretation.

GENERAL CALL INFORMATION

<u>Priority Pillar</u>	: III. Development of Research & Innovation in Enterprises
<u>Programme</u>	: EUREKA Cyprus
<u>Action</u>	: EUROSTARS Cyprus
<u>Call Identifier</u>	: EUREKA/EUSTAR/0112
<u>Publication Date</u>	: 23 January 2012
<u>Cut-Off-Dates</u>	: 1 March 2012, 20:00 (CET) 20 September 2012, 20:00 (CET)
<u>Budget</u>	: 500.000 Euro (RPF's maximum funding)
<u>Contact Person</u>	: Marinos Portokallides (mportokallides@research.org.cy)

INTRODUCTION

The EUROSTARS Programme is an initiative of the EUREKA Organisation based on Article 169 of the European Treaty which allows the funding of joint research programmes between several Member States and the European Union. So far, 33 EUREKA member states have committed to the Programme.

The primary goal of the Programme is to facilitate the participation of R&D Performing SMEs in research activities. R&D Performing SMEs are defined as those with 10% of their manpower in terms of full time equivalent (FTE) occupied in R&D, or/and 10% of their annual turnover dedicated to R&D.

Cyprus participates in the Programme with a yearly dedicated budget of 500.000 Euros which will cover the successful participation of Cypriot organizations in the Programme.

The EUROSTARS Programme combines the successful EUREKA bottom-up approach with national and community funding.

The «EUROSTARS Cyprus» Action, supports the participation of Cypriot organizations in successful EUROSTARS projects.

OBJECTIVES

The «EUROSTARS Cyprus» Action, aims primarily to enhance the competitiveness of Cypriot R&D Performing SMEs, the networking and co-operation with organisations from abroad, the development of new or improved innovative products, processes or services through their participation in international industrial R&D Projects.

THEMATIC AREAS

EUROSTARS Projects cover all technological fields. For statistical purposes they are categorized in the following Thematic Areas (TA).

- TA1. Electronics, IT and Telecommunications Technology.
- TA2 Industrial Manufacturing, Material and Transport
- TA3. Other Industrial Technologies
- TA4. Energy Technology
- TA5. Chemistry, Physical and Exact Sciences
- TA6. Biological Sciences
- TA7. Agriculture & Marine Resources
- TA8. Agrofood Technology
- TA9. Measurements and Standards
- TA10. Technology for Protecting Humankind and the Environment

PROJECT CHARACTERISTICS

Project Activities

The project proposals that will be submitted should include activities of Industrial (Applied) Research and/or Experimental Development

The description of the eligible activities is presented in Chapter 20 of the Framework Programme 2009-2010 Document.

Project Duration

The project duration may vary between **twelve (12) and twenty four (36) months**.

Project Results

Research projects are expected to develop new knowledge and competences for the **development of new products, processes or services or for significant improvements of existing products, methods or services**. The timeframe foreseen for their exploitation and/or market introduction should not exceed two (2) years.

CONSORTIUM

The general terms and conditions regarding eligibility for participation and proposal submission, the categories of organisations and individuals and the roles of the participants are described in detail in Chapter 19 of the DESMI 2009-2010 Work Programme Document.

Beneficiaries

The Host Organisation (HO) (of the Cypriot Consortium) of a project could be an Enterprise (cat. B.1 and B.2), or a Research / Academic Organisation (cat. A.1 and A.2), or a Public Benefit Organisation (cat. Γ.1 and Γ.2), provided that a Small or Medium Enterprise (cat. B.1 and B.2) is included in the Cypriot Consortium.

A cypriot Small or Medium Enterprise (cat. B.1 and B.2) who wish to undertake the co-ordination of the International Consortium should fulfil the EUROSTARS requirements for R&D Performing SMEs.

Partner Organisations (PA) could be Research / Academic Organisations (cat. A.1 and A.2), Enterprises (cat. B.1, B.2 and B.3) and / or Public Benefit Organisations (cat. Γ.1 and Γ.2).

All members of the Cypriot Consortium should be located permanently in the areas under the control of the Republic of Cyprus (excluding the UK Sovereign Base Areas).

Cypriot Consortium

The Cypriot Consortium is composed of organisations and individuals that should be included in each proposal. For the present Call the following rules apply:

- The participation of a PA is not compulsory.
- It is compulsory to include at least one (1) organization from the category Enterprises (cat. B.1 and B.2).
- Each project proposal may include up to four (4) Partner Organisations.

International Consortium

In addition to the Cypriot partners, at least one organisation from another EUROSTARS member state has to be included in the International Consortium. The EUROSTARS member states are: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Romania, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom.

Conditions for Participation

The general conditions for participation in project proposals are the following:

- Each individual is allowed to participate in two (2) project proposals only under the same Call for Proposals, regardless of the role he/she undertakes in each proposal.
- Each Individual can participate in project proposals under one organization only or as an Independent Researcher, regardless if he/she is employed by more than one organisations.
- The participation of organisations and individuals, which/whom the RPF's Board of Directors has decided to exclude from its Programmes, is forbidden
- Only one Independent Researcher (IR) may be included in each project proposal.
- Key researchers should included by name in the proposal to enable evaluation of their qualifications and experience. Researchers who have not been included by name at the proposal stage should be identified by scientific expertise.

- The Project Coordinator of the International Consortium (Leading SME) should be an R&D Performing SME, located at a EUROSTARS member state. These are the companies that fulfil EC's requirements for SMEs (recommendation 2003/361/EC) and furthermore:
 - at least 10% of their manpower in terms of full time equivalent (FTE) is occupied with R&D, or/and
 - 10% of their annual turnover is dedicated to R&D.

FUNDING – BUDGET

Budget of the present Call

The total budget of the present Call is **500.000 Euros**.

Funding per Project

The Maximum Funding per Project for the Cypriot Partners amounts to **150.000 Euros**.

The Maximum Funding per Project for the Cypriot Partners can be increased up to **170.000 Euros** when the Project Coordinator of the International Consortium comes from Cyprus.

Foreign Partners will be funded by their respective national EUREKA offices.

Method of Funding

The funding will be provided in three (3) installments as follows:

Pre-financing : 35% upon signing of the Project Contract

Interim Payment: Up to 45% upon approval of the Interim Report by the RPF

Final Payment : The remaining of the eligible expenses upon approval of the Final Report

It is possible to specify an alternative allocation of installments during the Negotiation stage.

In addition, if the following are verified for a HO of the private sector:

(a) Its annual turnover, according to its financial statements of the last two (2) years, is less than half of the first installment receivable (35%) from RPF, or/and

(b) Its borrowing capacity according to its annual balance-sheet, of the last two (2) years is considered inadequate,

then the HO is required to provide RPF with a bank guarantee covering 25% of the total project funding amount.

Alternatively, if the HO does not wish to provide RPF with a bank guarantee, it will be able to receive 10% of the total RPF funding as the first installment and the interim / final payment will be made according to the eligible expenses of the previous period.

Basic Aid Intensity

The Basic Aid Intensity that a project can receive is calculated for each participating organisation, according to **ANNEX I** and the provisions of Chapter 21 of the DESMI 2009-2010 Work Programme Document.

Regulations and Conditions of Funding

For the budget distribution the following rules apply:

- All organisations participating in a project proposal are entitled to funding irrespective of their role.
- Independent Researchers are only allowed to claim “Personnel Costs” and “Travel Costs” without exceeding 10.000 Euro.
- Expenses for project coordination and management should not exceed 5% of the total project budget.

Eligible Expenses

The eligible expenses (*cf.* DESMI 2009-2010 Work Programme Document) for the present Call are:

Personnel Costs: salaries for researchers and technicians. Personnel costs should conform to the usual practices of each organization. Personnel of Research and Non-Profit Organisations, whose salaries are drawn directly or indirectly from the governmental budget, are not allowed to receive salaries even if they participate in a project under their personal status or other entity.

Research Instruments and Equipment Costs: costs for the purchase of instruments and equipment. Only depreciation costs corresponding to the duration of the project and the percentage of their usage for the purpose of the project will be deemed eligible. Depreciation costs for existing equipment are not considered as eligible. This category involved two sub-categories:

- «Durable Equipment» (Depreciation Period: 5 years).
- «Computer Hardware and Software» (Depreciation Period: 3 years)

Costs for External Services (up to 10%): expenses for consultation fees and other related services, including audit fees for each organization whose funding from the RPF is greater than 50.000 Euro.

Dissemination (at least 2%): expenses for dissemination of results to the scientific community and society (publication of articles in technical and scientific journals, organisation of meetings and seminars, etc). At least one dissemination event should be held in Cyprus.

Travel: Travel costs (maximum 5 days) for the purposes of implementation and coordination of the research activity abroad.

Consumables: Expenses for consumables that are necessary for project implementation. General office material, printing paper, ink, CDs etc are not included.

Access (up to 10%): Expenses for access to a Research Infrastructure abroad for implementation of research activities that are not possible to be implemented in Cyprus.

Overheads (up to 20%): General running expenses stemming from the implementation of the project (e.g. electricity, water, telephone, secretarial support, accounting costs) and the maintenance of the durable equipment.

Specific Costs: Eligible expenses that emerge directly from the project and are not included in the abovementioned categories.

Participants are strongly advised to take into consideration the above mentioned eligible expenses categories and the respective limitations, when completing the Eurostars Application Form.

EVALUATION OF PROPOSALS

The procedure involves a Preliminary Check and a Scientific Evaluation by the EUREKA Secretariat.

Preliminary Check

The eligibility criteria are the following:

- All participants should be legal entities.
- There should be a well balanced partnership whereby no partner or country is performing more than 75% of the total project in terms of costs.
- R&D performing SME(s) should be undertaking at least 50% of the total R&D related project costs.
- Market introduction should be foreseen within 2 years after the project has ended. Clinical trials for biotechnology, biomedical or medical projects must be started within two years of project completion.
- The project should meet the EUREKA criteria:
 - Should be a high technology project, aiming at the market exploitation of the research results,
 - Should be directed at the development of a new product, process or service, and
 - Should support the EUREKA aims to enhance European competitiveness.

Scientific Evaluation

The Scientific Evaluation of the proposals will be carried out in two stages.

The first stage of the scientific evaluation of the proposals will be undertaken by two independent Technical Experts, selected to each proposal's scientific orientation, in twenty (20) criteria divided into three (3) broad categories. The Assessment includes formulating comments and recommendations on the proposals, completing one expert assessment form (Expert Report) per application and submitting the Expert Report(s) to the EUREKA Secretariat by using the EUROSTARS Expert web platform. The evaluation criteria are described in **ANNEX II**.

The second stage of the evaluation procedure is performed by the Independent Evaluation Panel (IEP). The IEP, scores each project proposal on the evaluation criteria and uses the final ratings to draw up the final Ranking List.

The final list will be sent to the EUROSTARS High Level Group for approval.

Eligible Proposals

A proposal is considered as eligible for funding, if it receives at least 120/200 in each of the three broad categories that are mentioned above and a total score of at least 402/600.

Results' Announcement

Following the evaluation, the EUREKA Secretariat will inform the National Project Coordinators and leading SMEs about the outcome of the evaluation including the conclusions of the IEP within four months of the cut-off date. In order to secure the committed funding all participants must contact their National Funding Bodies, in accordance with their country's national rules. Furthermore, the main participant must provide a copy of the final Consortium Agreement, signed by all consortium members, to the EUREKA Secretariat within 12 weeks of the communication of the funding results. Please note that public funds cannot be paid to participants before a signed and approved final Consortium Agreement is delivered to the EUREKA Secretariat. Failure to return the final signed Consortium Agreement to the EUREKA Secretariat will lead to the withdrawal of the projects.

NEGOTIATION – CONTRACTS

The negotiation procedure is carried out according to Chapter 22 of the DESMI 2008 Work Programme Document.

Invitation to Negotiation

In the frame of the present Call, the project proposals with the highest score in the Ranking List, until the exhaustion of the available budget, will be invited for negotiation and provided that they have the support of the other participating countries.

Negotiation Procedure

Following the invitation to negotiation, the Project Coordinator should submit the following to RPF:

- the Implementation Plan» which includes of the Work Packages to be implemented by the Cypriot Consortium and the time schedule and the «Budget Form» which includes the budget breakdown for the Cypriot Participants, and
- any supplementary information and supporting documentation regarding the Project or the participants.

If the above mentioned are not submitted within a reasonable time frame, RPF may terminate the negotiation procedure.

Furthermore, the Project Coordinator should submit supplementary information and supporting documentation, in order to check the following:

- whether the project participants fulfill the requirements of the Call. Further documentation is requested for validation of the eligibility of the beneficiaries, such as the Charter (Constitution Document, statute), registration in the Registrar of Companies and Official Receiver, most recent annual balance-sheets, certifications about the number of employees etc,
- whether the information provided for participating personnel is valid and accurate (e.g CVs, employment contracts, payslips, payroll, declaration of income and deduction/allowances, ΕΠΡ7 etc),
- whether the requested aid intensity per project participant is compatible with the relative provisions and the expenses included in the budget are eligible,
- whether all the methodological modifications that might have been proposed by the Scientific Evaluation Committee have been incorporated.
- whether a copy of the signed Consortium Agreement has been submitted to RPF,
- whether all the approvals / authorisations required according to the legislation relevant to the subject of the project (see Chapter 25 of the DESMI 2009-2010 Work Programme Document) have been attained.

Final Decision

The final funding decision for the projects that will be funded is based on the outcome of the negotiation and provided that there is an agreement on all topics under discussion.

Contract Signature

A contract is signed for each project selected for funding. The contract is signed between RPF, the HO and the Coordinator.

MANAGEMENT – MONITORING

Management and monitoring of the projects follow the provisions of Chapter 23 of the DESMI 2009-2010 Work Programme Document and the «Eurostars Project Management Document».

Progress Reports

For the projects of the present Call the following will be submitted:

- **Six-month** Concise Progress Reports
- **Interim** Progress Report following the completion of the first half of the duration of the project
- **Final** Progress Report following project completion.

Furthermore, the leading SME will be required to periodically (every 6 months) submit Project Progress Reports to the EUREKA Secretariat. The projects will be terminated with the submission by all participants of a Final Report upon their completion and 3 Market Impact Reports at intervals of 1,2 and 3 years after the completion of the projects.

Exploitation and Dissemination of Knowledge

The requirements for exploitation and dissemination of the produced knowledge that will arise from the proposed project are described in Chapter 24 of the DESMI 2009-2010 Work Programme Document.

PROPOSAL SUBMISSION

Submission Forms - Language

The formal application will be submitted electronically by the leading SME to the EUROSTARS Secretariat. Applicants should register to the EUROSTARS website (www.eurostars-eureka.eu) to have access to all relevant documents.

For the proposal submission the «**EUROSTARS Proposal Form**» should be used.

The proposals should be submitted in **English**.

Cut-of-Dates

Proposals can be submitted under the following Cut-off-Dates:

- **1 March 2012, 20:00 (CET)**
- **20 September 2012, 20:00 (CET)**

Content

The Project Proposal should be accompanied with the following documents:

- a certified copy of every participant's annual financial report (for private entities only) for the last operating year or a business plan. If the latest annual financial report is not yet available, a certified copy from the previous operating year can be submitted. If no financial reports can be submitted (for example, for a start-up company), a business plan may be accepted. These documents may be submitted in the national language,
- a draft Consortium Agreement (CA). The Consortium Agreement is an indispensable part of the proposal and it is taken into consideration during the evaluation procedure. Therefore, participants are strongly advised to use the Skeleton Consortium Agreement provided by the EUROSTARS Secretariat.

Commitment and Signature Form

After the cut-off date, all participants will receive an e-mail sent to the e-mail address specified in the project application form. This e-mail includes the project application form as it was received by the EUREKA Secretariat, and a Commitment and Signature Form to be signed by the authorised representative of each participating organisation.

This form can be signed electronically or manually, and can be sent back to the EUREKA Secretariat by e-mail to (applications@eurostars-eureka.eu) or fax to (+32 2 770 74 95) or by post to (EUREKA Secretariat, 107 rue Neerveld, 1200 Brussels, Belgium), within 5 working days.

If the participants do not received confirmation within 10 working days of the cut-off deadline they should contact the EUREKA Secretariat at (applications@eurostars-eureka.eu).

Collection and Processing of Personal Data

Collection and processing of personal data included in the project proposals submitted at RPF, is carried out according to the Processing of Personal Data (Protection of the Individual) Law of 2001 and RPF's regulation on Collection, Processing and Use of Personal Data.

RPF's regulation is posted on RPF's website.

INFORMATION

All necessary documentation and forms, as well as other informative material, can be found on the EUROSTARS website (www.eurostars-eureka.eu) and the RPF's website (www.research.org.cy).

Information

All interested parties can request further information and support from the Research Promotion Foundation.

Interested parties are requested to contact the RPF Officer responsible for the present Call, via email and/or telephone during RPF's office hours.

Individual meetings at the RPF's premises or presentations of the Call for Proposals to large groups of interested parties at their work place could be arranged.

Furthermore, interested parties can contact the EUROSTARS Secretariat at (info@eurostars-eureka.eu).

Useful Documentation

For the best possible preparation of their proposals, interested parties are encouraged to study the following:

- the "DESMI 2009-2010 Work Programme" Document,
- the "EUROSTARS Project Management Document",
- the «EUROSTARS Programme Document»,
- the «EUROSTARS Guidelines for Applicants», and
- the «EUROSTARS Consortium Agreement Skeleton and Checklist».

Contact Information

For further information interested parties can contact the Research Promotion Foundation:

- Phone : 22205000
- Facsimile : 22205001
- Email : ipe@research.org.cy

ANNEX I

Aid Intensity for Research and Development Activities					
A. BASIC AID INTENSITY					
According to the Type of Research Activities undertaken by each Participant					
	Type of Research Activities	Small Enterprise (B1)	Medium Enterprise (B2)	Large Enterprise (B3)	Research Organisation / Public Multi-beneficiary Organisation (A1 and Γ1)
A.1	Fundamental Research Activities	100%			100% ¹
A.2	Industrial (Applied) Research Activities	70%	60%	50%	
A.3	Experimental Development Activities	45%	35%	25%	
B. ADDITIONAL AID INTENSITY					
Added to the Basic Aid Intensity on the condition that at least one of the following special provisions is fulfilled by the proposed research project:					Enterprise (B1, B2, B3)
<p>The project involves effective collaboration² between at least two enterprises which are independent of each other and the following conditions are fulfilled:</p> <ul style="list-style-type: none"> no individual enterprise bears more than 70% of the eligible costs of the collaboration project, the project involves collaboration with at least an SME or is carried out in at least two different Member States. 					15%
<p>The project involves effective collaboration between an enterprise and a public research organization and the following conditions are fulfilled:</p> <ul style="list-style-type: none"> the research organisation bears at least 10% of the eligible project costs, and the research organisation has the right to publish the results of the research projects insofar as they stem from research implemented by that organisation. 					
<p>In the case of Industrial (Applied) Research, the results of the project are widely disseminated through technical and scientific conferences or through publication in scientific or technical journals or in open access repositories (databases where raw research data can be accessed by anyone) or through free software or open sources software.</p>					

For Industrial Research projects or parts of project, the maximum Aid Intensity for a beneficiary (cat. B.1, B.2, B.3) is up to 80%.

¹ This percentage is valid if the funding does not concern economic activities of the organisation in question (e.g. hiring out its infrastructures, providing services to enterprises, subcontracting research activities). Where the funding concerns economic activities, the organisation will be considered as an Enterprise for the purpose of calculating the percentage contribution. It is noted that, the Research Organisations as well as the Governmental Departments implementing both kinds of activities should keep separate accounts for each kind of activity.

² For aiding intensity reckoning purposes, subcontracting does not qualify as "effective collaboration"

ANNEX II

<u>Evaluation Criteria</u>	
A.	Basic Assessment
	<ul style="list-style-type: none"> - Well balanced partnership. - Added value through cooperation. - Technological capacity of all partners. - Managerial capacity of all partners. - Methodology and planning approach. - Milestones and deliverables. - Cost and financing structure. - Financial commitment of each participant.
B.	Technology and Innovation
	<ul style="list-style-type: none"> - Degree of technological maturity or risk. - Technological achievements envisaged. - Degree of innovation. - Technological progress performed in the project by the SMEs. - Geographical / sectoral impact.
C.	Market and Competitiveness
	<ul style="list-style-type: none"> - Market size. - Market access and risk. - Time to market. - Return on investment. - Market potential for SMEs. - Strategic importance of the project. - Enhanced capabilities and visibility for the participants.