



Nemzeti Technológia Program

Call for Proposals

Budapest, 5 August 2008

I. Objectives

The programme aims at enhancing the competitiveness of the economy and improving the sustainability of development by promoting application-oriented, strategic research and development in the field of state-of-the-art technologies. The objective of funding is to promote innovation taking Hungarian R&D strategies into consideration.

Project proposals under the programme shall have unequivocal and clear objectives applying cross-disciplinary technological solutions.

The aim of the Programme is to promote R&D activities which

- set the scene for **technology based** innovations with significant **economic and social impact** (utilizable by a wider range of users)
- result in the **development of** competitive **products and services** based on real market demand
- are designed and implemented by **enterprises as key players**,
- build on the **cooperation between enterprises and the R&D sector**, and lead to strategic partnerships,
- secure the supply of researchers for the researcher-community and strengthening this community by involving **PhD students and early stage researchers** in projects
- are implemented using significant **own financial resources and other matching funds**
- are linked to the given topics under the dedicated call and expected to achieve competitive, world-class results
- shall facilitate the Hungarian preparation for the 7th Research and Development Framework Programme of the European Union.

Sub-programmes and Dedicated Topic of the Call

Under its calls in 2008, 2009 and 2010, the programme invites proposals under sub-programmes and the dedicated call to provide R&D solutions for economic and social challenges. In the 2008 autumn phase, project proposals are invited under four sub-programmes and one dedicated call (project proposals which are not directly linked to the priority topics under the given sub-programme, but are of the general topic of the given sub-programme may also be submitted).

1. Life sciences (A1)
2. Competitive industry (A2)
3. Competitive agriculture and food industry (A3)
4. Liveable and sustainable environment (A4)

The dedicated thematic area, with slightly different requirements, addresses a narrower group of applicants.

5. Defence and security researches (D5)

II. Source and Budget of Funding

To achieve the objectives of the programme, the National Office for Research and Technology allocates **HUF 30 billion** for the purposes of the two calls under the National Technology Programme in 2008 from the Research and Technology Innovation Fund (hereinafter referred to as Fund).

III. Expected number of funded project proposals

Expected number of proposals receiving funding under the two calls in 2008: 45-60.

IV. Eligible Applicants

This programme provides support for R&D projects which are implemented through the efficient cooperation of enterprises, non-profit and public research units or through business-to-business cooperation.

Eligible applicants under all sub-programmes and the dedicated call shall include:

- Business enterprises and cooperatives with legal entity and registered seat in Hungary,
 - Hungarian branches of enterprises with foreign registered seat,
 - non-profit organizations with legal entity, public bodies or their institutes with legal entity,
- and the consortia thereof.

A joint project proposal shall be submitted by consortium members according to the instructions of this Call for Proposals and the Guide for Proposers.

The number of consortium-members may not exceed 6, while the coordinator must be an **enterprise carrying out for-profit business activities as its primary activity** (non-profit economic entities may not be coordinators).

V. Form and Duration of Funding

Form of funding: final grant disbursed to the beneficiary with no repayment obligation (hereinafter referred to as “grant”).

The duration of the proposed project shall be **a minimum of 18 and a maximum of 48 months**.

VI. Funding Intensity

Requested grant for the total duration of the project shall be a **minimum of HUF 200 million** under sub-programme Competitive Agriculture and food industry, and a **minimum of HUF 300 million** under all other sub-programmes and the dedicated call, while a **maximum of HUF 1000 million** under all sub-programmes and the dedicated call.

Funding Intensity - under each sub-programme and dedicated thematic area - per applicant:

1. Funding provided to enterprises (or non-profit organizations and public bodies carrying out economic activities under the project):

Calculated on the basis of eligible costs, for R&D projects, gross funding intensity shall be:

Maximum funding intensity

- for basic research: 100%;
- for industrial (applied) research: 50%;
- for experimental development: 25%.

In the case of industrial research or experimental development the above rates may be increased by the following percentage points for the following types of applicants
small sized enterprise - by 20 percentage points of the funding intensity;
medium sized enterprise - by 10 percentage points of the funding intensity;

Funding intensity per member may be increased by a further 15 percentage points up to a maximum of 80%

- a) for industrial research and experimental development if the project is implemented through an actual cooperation of at least two independent enterprises under the following conditions:
- aa) none of the participating enterprises covers more than 70% of total eligible project costs, and
 - ab) the project brings about cooperation with at least one SME or results in cross-border cooperation (i.e. R&D activities are carried out in at least two member countries);
- b) for industrial research and experimental development if the project is implemented through an actual cooperation of an enterprise and a research organization under the following conditions:
- ba) the research organization covers at least 10% of eligible costs, and
 - bb) the research organization is entitled to publish the results of the research project if those stem from its own research activity;
- c) exclusively for industrial research if project results are disseminated to a wide audience at technical and scientific conferences, or are published in scientific and technology periodicals, or made available in freely accessible databases (databanks, where anyone can have access to the raw research data), or by means of open source-code and free software.

For the purposes of points a) and b), subcontracting shall not qualify as actual cooperation.

For a given activity type, each consortium member may receive a 15 percentage points increase in funding intensity only once and with observing the maximum funding intensity of 80%.

Priority shall be given to projects which are implemented using significant own financial resources.

2. In the case of non-economic activities carried out by non-profit organizations with legal entity, public bodies and their institutes with legal entity: present funding does not qualify as State aid as defined in Article 87(1) of the Treaty, thus funding intensity may be 100% in their case.

At least 50% of the total funding requested by a given project must be requested by consortium-member enterprises carrying out for-profit business activities as their primary activity.

R&D funding shall only be provided to enterprises if the funding promotes research and development beyond their regular activities.

VII. Eligible Activities

Projects may be implemented through basic research, industrial (applied) research and experimental development.

The proportion of different types of research within the project is determined by the nature of the project, but a maximum rate of 30% is set for basic research. Basic research, which may not be funded in itself, shall only be funded as part of a project, closely linked to industrial (applied) research and experimental development activities.

VIII. Process, Place and deadline for proposal submission

Under all Sub-programmes and dedicated thematic area, each proposal compiled in compliance with the Call for Proposals and the Guide for Proposers should be submitted in Hungarian (1 original) and English (1 original) languages, in separately bound volumes in a closed parcel by post to the following address:

MAG - Magyar Gazdaságfejlesztési Központ Zrt.
(Address: 1539 Budapest, Postafiók 684)

Please send as parcel and also display the following on the cover of the parcel: "**MAG – Magyar Gazdaságfejlesztési Központ Zrt. 1448 Budapest, Rb.: 684**". Please remember putting the name of the call and project acronym on the parcel.

Please note that there is no room for personal submission!

Submission (posting and electronic submission) deadline:
15 September 2008

Funding can be provided as long as budget is available.

The Call for Proposals, the detailed Guide for Proposers, the Application Form and the Guide to the Application Form as well as all other documents and information necessary for submission are available for download

from the website of the **National Office for Research and Technology** at
(www.nkth.gov.hu),
and from the website of **MAG - Magyar Gazdaságfejlesztési Központ Zrt.** www.magzrt.hu.

The Guide for Proposers and the Guide to the Application Form are integral parts of the Call for Proposals, these documents together contain all necessary requirements for proposals.