

***ÁNYOS JEDLIK* PROGRAMME**

Call for Proposals

Budapest, 2005

The National Office for Research and Technology announces a call for proposals titled *Ányos Jedlik Programme* (earlier: National Research and Development Programme - NRDP).

I. Objectives

The integrated programme strives to promote long-term economic and national development in Hungary. The direct objective of the programme is to provide funding for projects falling in line with the thematic priorities and aiming to:

- improve the competitiveness of the Hungarian economy,
- achieve scientific and technological breakthrough of the given field,
- concentrate material and intellectual resources,
- implement task- and exploitation-oriented, as well as focused research and development schemes by meeting the appropriate staff requirements,
- establish coherence among basic and applied research, as well as technological development,
- strengthen the co-operation of Hungarian research and development workshops, and improve economic relations,
- engage young graduates to research (PhD students and postdocs) at new, knowledge-intensive workplaces and encourage them to pursue careers in science; to promote the mobility of researchers; as well as encourage the return of successful Hungarian researchers living abroad.

Ányos Jedlik Programme will provide funding for R&D projects in the following thematic and horizontal sub-programmes:

Sub-programme 1.: Life Sciences

Sub-programme 2.: Information and Communication Technologies

Sub-programme 3.: Environmental Protection

Sub-programme 4.: Agro-food Business and Biotechnology

Sub-programme 5.: Materials Science

Sub-programme 6.: Social Challenges of Technological Development; Studies, Analyses, Concepts

Implementation of the Objectives

Those projects will receive funding which promise international scientific results, aim at elaborating and demonstrating innovative materials, products, devices, procedures, technologies and services with significant intellectual added value, and which are implemented through the co-operation of enterprises and public research units.

II. Source and Budget of Project Funding

To achieve the objectives of the programme, the National Office for Research and Technology allocates **HUF 11 billion** from the **Research and Technology Innovation Fund**.

III. Expected Number of Funded Projects:

The expected number of projects receiving funding is: 30-50

IV. Eligible Applicants

Under *Sub-programmes 1-5* of this call, research consortia established to carry out R&D projects (hereinafter referred to as “consortium” or “consortia”) shall be eligible for funding. Any enterprise registered in Hungary, with or without legal personality, any public body or institution, or any non-profit organization with legal personality may become consortium-members.

A **maximum** of **8** members may participate in a consortium. During evaluation, **priority** shall be given to proposals submitted by **enterprise-led consortia**.

Under *Sub-programme 6* of this call, the same organizations shall be eligible. However, forming a consortium or involving enterprises shall not be compulsory.

Though organizations registered abroad may become consortium-members, they, however, shall not be eligible for funding under the programme, neither can they become the leaders of eligible projects.

V. Form of Project Funding and Duration of Projects

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

In the case of enterprises the funding is considered as **research and development** funding. The funding shall be transferred directly to consortium-members according to the provisions of the funding contract.

The duration of projects shall fall between a minimum of 1 and a maximum of 3 years.

VI. Reimbursement Rates of Project Funding

The total amount of state aid provided for enterprises participating in the project must not exceed the rate laid down in Annex 1. of 133/2004 (IV. 29.) Government Decree. This limit should be explicit in the funding contract.

Maximum Rate of Support under the Programme (Standard rates)

- in the case of public bodies and non-profit organizations with legal personality
100% of total eligible costs,
- in the case of enterprises
 - basic research: 100%,
 - applied research: 60%,
 - experimental development: 35% of total eligible costs.

Possible increases of standard rates:

1. +15% for projects linked to EU R&D Framework Programme,
2. +10% for small and medium enterprises (meeting the definition of an SME),
3. +10%¹ for projects involving international co-operation.

¹ The increase of funding intensity (t%) by x% means that the maximum rate of support will change to t+x%. E.g.: in the case of basic research projects which are carried out in international co-operation (where t=60% and x=10%) the maximum rate of support will be 70%.

More than one possible increase may apply cumulatively. However, the total, cumulative funding intensity must not exceed 75% for applied research and 50% for experimental development.

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

Under *Sub-programmes 1-5* the minimum amount of requested grant is **HUF 300 million** per project for the total duration of the given project. The grant is a “matching fund”, so applicants are expected to contribute their own financial resources to the project – this amount depends on the project activities and the applicants’ organization form.

The **minimum rate of funding requested by enterprises should be 35% of the total** requested support.

Under *Sub-programme 6* state funding may cover all eligible costs of the project. The **minimum** amount of requested grant in this sub-programme is **HUF 20 million**.

VII. Eligible Activities

Ányos Jedlik Programme provides support for a wide range of R&D research projects. Eligible activities are: basic research, applied research and experimental development. However, it must be noted that basic research activities shall only receive funding together with related applied research activities.

The **cost-rate for each type of activity** should fall within the percentage-limits of the total project cost indicated below:

basic research	max. 30 %
applied research	min. 50 %, max. 100 %
experimental development	max. 50 %.

VIII. Exclusion

Any participant who

- a) is subject to bankruptcy or liquidation proceedings, or dissolution procedure;
- b) has been guilty of making false declarations during earlier calls under the Fund or under the targeted allocations provided by (2) of §(16) of the Act XC of 2003 on the Research and Technology Innovation Fund, or has breached its obligations arising from an earlier funding contract;
- c) has had expired public dues for more than 60 days;
- d) has had expired liabilities to the Fund or to the targeted allocations provided by (2) of §(16) of the Act XC of 2003 on the Research and Technology Innovation Fund for more than 60 days;
- e) intends to carry out activities or projects not complying with environmental requirements;
- f) has not got the necessary permits issued by the competent authority for the proposed activities;

shall be ineligible, shall be excluded from the evaluation procedure and shall not receive financial contribution under the programme.

IX. Eligible Costs

- Only actual personnel costs (researchers, technicians, project leader, other supporting staff etc.) directly involved in the given research project shall be eligible. Personnel

costs should be calculated in compliance with (1)-(3) of § 79. of Act C. of 2000 on Accounting (hereinafter referred to as Act on Accounting).

- Wage related charges (taxes and contributions) – calculated pursuant to (4) of §79. of the Act on Accounting – shall be eligible.
- Only the actual costs of materials, services (e.g. consultation, communication, technical, research services) and other services (service procedure fee, auditing) directly used for the implementation of the project shall be eligible. These costs should be calculated in accordance with (2)-(4) of §78. of the Act on Accounting.
- Cost-items that form a part of the book value – calculated pursuant to § 47.-48. and 51. of the Act on Accounting – of equipment (devices, equipments) used exclusively and regularly for research activities shall be eligible.
- Cost-items that form a part of the book value – calculated pursuant to § 47.-48. and 51. of the Act on Accounting – of intangible assets (e.g. intellectual property) used exclusively and regularly for research activities shall be eligible. According to (7) of § 25. of the Act on Accounting, costs of intellectual property can be taken into consideration – under the programme – only if the beneficiary has purchased them from another organization.

Actual overheads incurred under the project are eligible. However, it must be noted that the total overheads per consortium-member must not exceed 5% of the total of the grant and the own resources of each member.

A maximum of 5% of the grant can be used to cover the costs of co-ordination activities. The distribution of this 5% among participants should be specified by the consortium agreement.

Costs incurred under project activities preceding the submission of proposals shall not be eligible.

X. Evaluation and Selection Criteria

- Conformity of the project proposal with the objectives of the call and the priorities of the given sub-programme
- Professional, scientific and technological content and novelty of the proposal
- Feasibility of the project proposal, coherence, scheduling and monitoring of work-packages
- Financial plan of the project proposal and validity of costs
- Competence of participants (including the mobility of human resources necessary for implementation), number of newly created workplaces for researchers (PhD students, postdocs, returning researchers – only under Sub-programmes 1-5.)
- Management structure, during evaluation priority shall be provided for consortia led by enterprises
- Prospective economic and social exploitation of results in Hungarian and international environment
- The impact of the project proposal on the given field in Hungarian and international environment

XI. Selection Procedure

One-stage proposal submission is followed by a two-step evaluation procedure. Following the receipt of the proposals the **Agency for Research Fund Management and Research Exploitation** examines whether the proposals meet the formal requirements of the call.

Complete project proposals complying with the requirements of the call and the Guide for Proposers shall be evaluated based on pre-set professional and financial criteria involving independent external experts.

Taking the experts' opinion into consideration, the Governing Boards of different sub-programmes decide on which applicants to invite to hold oral presentations. Following the oral presentations the Governing Boards rank proposals, and – taking the budget of the programme into account – compile a priority list.

Based on the priority list of the Governing Boards, the president of the National Office for Research and Technology makes the final decision on which projects to fund and also on the amount of support.

XII. Conditions and Deadline of Proposal Submission

Applicants should submit the project proposals – completed following the guidelines of the *Guide for Proposers* – under **sub-programmes 1-5** in Hungarian and English languages. 1 original document and 2 copies (bound in separate volumes) should be submitted in both languages. Under **sub-programme 6** project proposals (1 original document and 4 copies) should be submitted in Hungarian only. Proposals should be submitted in closed parcels personally or by courier service to the following address:

Kutatás-fejlesztési Pályázati és Kutatáshasznosítási Iroda
(Agency for Research Fund Management and Research Exploitation)
1052 Budapest, Szervita tér 8.

Please also indicate the following on the parcel:

Jedlik Ányos Program számú alprogram,
(Ányos Jedlik Programme, Sub-Programme No....)

The **acronym** of the project should also be indicated on the parcel. **Under all sub-programmes the parcel should include a CD with an electronic copy of the detailed description** of the project (under **sub-programmes 1-5 in both languages**) as well as the completed Application Form.

Deadline for submission:

20th May 2005 at 16.00

The Application Form should be filled in according to the *Guide to the Application Form* and it must also be submitted via e-mail to the following address: alap2005@kutas.hu .

The *Call for Proposals*, the *Guide for Proposers* and the *Guide to the Application Form* will be available for download from 20th April 2005 from the following websites:

the **National Office for Research and Technology** (www.nkth.gov.hu),
or the **Agency for Research Fund Management and Research Exploitation** (www.kutatas.hu)

For information about the programme call:

Kutatás-fejlesztési Pályázati és Kutatáshasznosítási Iroda
(Agency for Research Fund Management and Research Exploitation)

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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.