



Ede Teller programme

TELLER EDE PROGRAMME

INTERNATIONAL RESEARCH AND DEVELOPMENT PROJECTS

Guide for Applicants

Budapest, 29. 05. 2006.

General Information

In accordance with Act XC of 2003 on the Research and Technology Innovation Fund (hereinafter referred to as Atv), the National Office for Research and Technology (NKTH) publishes a call for proposals under **Teller Ede Programme for the support of INTERNATIONAL RESEARCH AND DEVELOPMENT PROJECTS (NAP)**. Based on intergovernmental, international R&D agreements, this call for proposals aims at the realisation of research and development projects bringing about short and mid-term results utilised in the Hungarian economy. This call is managed by the Agency for Research Fund Management and Research Exploitation (hereinafter referred to as KPI).

There are two sub-programmes under this programme:

SUB-PROGRAMME 1

Aim of Funding

- establishing and operation of an internationally recognized biotechnology research laboratory at the Szeged premises of Bay Zoltán Public Foundation for Applied Research within the framework of the Hungarian-French Declaration of Intent for Co-operation signed on 6th July 2005, utilizing the network of internationally recognized French biotechnology research units;
- promoting biotechnology researcher training in the region;
- realization of the Hungarian obligations arising from the Hungarian-French Declaration of Intent for Co-operation signed on 6th July 2005.

We are looking for applications from candidates with professional scientific and business management skills are to apply, who are willing to accomplish the abovementioned aims with Bay Zoltán Public Foundation for Applied Research.

To achieve the objectives of the programme, the National Office for Research and Technology allocates a **maximum grant of HUF 1,400,000,000, that is one-billion four-hundred-million Hungarian Forints**, from the **Research and Technology Innovation Fund** to be used in the **36-month duration** of the project.

Based on the priorities set forth by the Hungarian-French Biotechnology Committee of Experts, the **research topics of the research laboratory** shall be the following:

1. Plant genomics: Identifying genetic functions influencing plant development and providing a basis for organic farming, and functions enabling the creation of new biologically active molecules. Plant-microorganism interactions (e.g. biological nitrogen-fixation, pathogen prevention).
2. Organic refinement: Enzymatic and microbial separation technology and biochemical methods.
3. Bio-energy: Bio-hydrogen (from molecular processes to application). New alternative energy resources and bio-fuel production methods.
4. Bioremediation: Environmental toxicology (from basic processes to bioremediation), microbial waste-management, bioactive waste-dumpers.

5. Biotechnology in human healthcare: Application of human diagnostic and therapeutic technologies (e.g. testing MDR-detection methods), new therapeutic methods of neurodegenerative and immune diseases, the role of microorganisms in returning to normal immune functions, allergy genomics.

Under Sub-programme 1 submission takes place in two stages: First Stage and Second Stage.

1. First Stage

During the first stage natural persons may apply with plans to carry out projects in the abovementioned research areas. Eligible applicants shall be both **Hungarian and foreign citizens**. The aim of the first stage is to elaborate detailed plans for international project implementation. Applicants shall compile the plans as future leaders of the biotechnology research laboratory, paying special attention to the building of R&D infrastructure and world-class research-team carrying out R&D projects.

In the first stage, applications should describe

- professional competences (requirements: adequate scientific and business management experience and references, good communication skills);
- recommended key members of the research team;
- professional content and draft financial plan of project implementation.

Proposals shall comprise a maximum of 25 pages, there are no formal requirements.

First stage proposals shall be evaluated on the basis of the professional competence of applicants, the professional content of project implementation plans and the proposed financial plans.

Expected number of successful proposals: 2-5

Successful applicants shall elaborate the final implementation plan of the international project and build the research team.

2. Second Stage

Only successful first stage applicants may submit a proposal in collaboration with Bay Zoltán Public Foundation for Applied Research for project implementation in the second stage. In the second stage, successful first stage applicants may submit proposals both separately and together. Proposals in this stage shall contain the presentation of the detailed implementation plan of the project based on the first stage proposals, as well as a joint Declaration of Intent for Co-operation with Bay Zoltán Public Foundation for Applied Research.

Basic research, applied research&development and experimental development within the scope of research topics of the research laboratory defined by this call shall be eligible.

Eligible Costs: personnel allowance and linked contributions, external service contracts, other costs (including overheads, maximum 10% of all costs), intangible and tangible assets and R&D investment.

Expected number of successful proposals: 1

Project funding comes in the form of a grant, 100 % of costs is reimbursed.

Maximum amount of funding: **1.400.000.000 Ft**

Maximum duration of funding: **36 months.**

Exclusion:

Any applicant who:

- has been guilty of providing false or misleading data during earlier calls under the Research and Technology Innovation Fund or under the targeted allocations provided by paragraph (2) of Article (16) of Atv, or has breached its obligations arising from an earlier funding contract, of its own fault,

- has had expired public dues for more than 60 days,

- has had expired liabilities to the Fund or to the targeted allocations provided by paragraph (2) of Article (16) of Atv for more than 60 days;

shall be ineligible, and shall not receive financial contribution under the programme.

Reimbursement schedule:

Taking the annual reimbursement schedule into consideration, participants may request advance payment in line with the provisions of Government Decree 133/2004. (IV.29). The rate of advance payment may not exceed 90% of funding provided for the total duration of the project, the last 10% of funding shall only be transferred after acceptance of final activity and financial reports.

2.1. Guide to Second Stage Proposals:

Title page:

<i>Acronym of the Call</i>	NAP_BIO_06 - <i>the 8-digit acronym of the proposal, also indicated on the Application Form.</i>
<i>Name of the head of the research laboratory</i>	
<i>Title of Project</i>	Bay Zoltán Biotechnology Research laboratory

Proposals shall include

1. ***The aim, justification and advantages of research activities*** (aim of research activities, as well as their scientific, professional and economic advantages)
2. ***Description of research activity tasks***
3. ***Work packages of research activity*** (maximum reporting period of 12 months)

<i>Report Number</i>	<i>Reporting date: end date of work package</i>
<i>Tasks</i>	<i>Scientific content of tasks in the given reporting period</i>
<i>Deliverables:</i>	
<i>Total costs (in thousand forints)</i>	

4. ***Presentation of the research laboratory leader and the proposed key team members*** (relevant experience and competence of the research laboratory leader and key-members of the research team with regards to project implementation; and their share in research activities)
5. ***Declaration of intent of the key team members recommended by the research laboratory leader***
(declaration by key team members recommended by the research laboratory leader on becoming members of the research team of the biotechnology research laboratory for the total duration of the project if the proposal is successful)
6. ***Financial plan*** (To compile the financial plan use the Application Form in Excel format, help is provided in the attached Guide to the Application Form). The form and its guide are available for download from: www.kpi.gov.hu. (The links are located right next to the Call for Proposals)! The Financial plan shall be justified, especially in the case of purchasing tangible and intangible assets. Requests for advance payments shall also be duly justified.)
7. ***Declaration of Intent for Co-operation*** (an agreement between Bay Zoltán Public Foundation for Applied Research and the research laboratory leader on the implementation of research activities, the respective shares of activities, fund-management and the employment of research team members, as well as the declaration by the leader on heading the research laboratory for the entire duration of the project.)
8. ***Declarations***
According to Article 83 of Government Decree 217/1998 (XII.30.), which is available for download at www.kpi.gov.hu.
9. ***Declaration by Bay Zoltán Public Foundation for Applied Research on the existence of the Rules for Intellectual Property Rights Management***
In accordance with Act CXXXIV of 2004 on Research and Development and Technological Innovation (hereinafter referred to as the Innovation Act), all public research institutions, public foundation and non-profit companies which qualify as research institutions established using funds linked to the sub-systems of public finances shall attach a declaration on the existence of the Rules for Intellectual Property Rights Management to the given project proposal. The document is available for download from www.kpi.gov.hu.

All pages of the original project proposal and attachments shall be signed by the future leader of the research team.

1 copy of the proposal should be made after the future leader of the research team has signed the correctly assembled original! The copy needs not be signed again. Use colour separating sheets for the copy as well as the original.

1 CD-attachment should contain the following 2 files:

1. The work-plan of the proposal in 1 file with .doc or .pdf extension. Please attach the 1-page title page of the proposal before the work-plan. The name of the work-plan file should contain the call acronym (do not use accented characters or hyphens), and the name of the co-ordinator institute/enterprise of the consortium or the name of the individual applicant.
2. The filled-in Application Form - uncompressed Excel file

If the CD is damaged during delivery, KPI shall ask the applicant to send the 2 files via e-mail, thus there is no need for a back-up CD.

2.2. Evaluation and Selection Criteria

Proposals submitted after the deadline, or not the required way, or in not enough copies, furthermore proposals not complying with the content requirements specified in point 2.1, which are crucial for evaluation, shall be rejected as ineligible. In the case of the absence of some minor details, which do not hinder evaluation, KPI invites the applicant to submit the missing data within 8 days. KPI shall register eligible proposals and shall exclude ineligible proposals from further evaluation. KPI shall inform the applicants about registration or exclusion.

Evaluating criteria and possible scores of eligible proposals:

- Scientific content of the project, its social and economic significance. (0-25 scores)
- Competence of the research laboratory leader and key team members with regards to task implementation. (0-25 scores)
- The extent to which the proposal covers the five research priorities defined by the Hungarian-French Biotechnology Committee of Experts (0-25 scores)
- Validity and actuality of the financial plan of research activities. (0-10 scores)
- Impact of the project on domestic industrial research and development of the given research area. (0-5 scores)
- Impact of the project on the international development of the given research area. (0-5 scores)
- Expected increase of investment into R&D activities as a result of the project. (0-5 scores)

Maximum total scores: 100 scores.

Taking the recommendation of the Evaluation Committee into consideration, **the President of NKTH makes the final decision.**

Decisions are published on the websites of NKTH (<http://www.nkth.gov.hu>) and KPI (<http://www.kpi.gov.hu>). KPI informs applicants about the decision within 10 days in writing.

2.3. Entering into contract

Based on the decision of the president of the National Office for Research and Technology, the Agency for Research Fund Management and Research Exploitation shall propose a funding contract for the realization of the successful proposal valid for 60 days. The successful applicant takes note that the funding contract shall only be signed if the leader of the research laboratory is a full-time employee of Bay Zoltán Public Foundation for Applied Research. If the contract is not signed until the deadline of the beneficiary's fault, the funding decision automatically becomes null and void, according to paragraph (2) of Article 17 of Government Decree 133/2004 (IV.29.).

Sanctions for breaching of the funding contract:

- suspension of disbursement of funding;
- withdrawal from contract, funding already issued must be returned in a lump sum within 30 days, adding post-maturity interest (twice the central bank base rate + other expenses);
- immediate termination of contract;
- exclusion from the funding system;

- further sanctions set forth by the provisions of the relevant legislation.

Place, process and deadline for proposal submission

Both in the first and second stages, proposal packs shall contain 1 original proposal and 1 copy thereof in English as well as 1 CD containing the proposal electronically. Proposal packs are to be submitted in closed packages either personally or by courier service to the following address:

**Kutatás-fejlesztési Pályázati és Kutatáshasznosítási Iroda (Agency for Research Fund Management and Research Exploitation)
1117 Budapest, Neumann János u. 1/C, reception**

The call acronym should be displayed on the submitted package: **NAP_BIO_06**

Submission deadline for the first stage: by 12.00 on 18 September 2006

Submission deadline for the second stage: by 12.00 on 15 November 2006

The **electronic data content of the** filled in **Application Form** should be sent as an e-mail attachment to the following address: <alap2006@kutatas.hu> as detailed in the "Guide for Filling in and Submitting the Application Form."

More information on the Call for Proposals and the elaboration of proposals is available from the Agency for Research Fund Management and Research Exploitation (KPI) upon written request sent to the following e-mail address: info@kutatas.hu. Please indicate the call acronym in the **subject field**: NAP_BIO_06. Your questions shall be answered within 3 workdays.

SUB-PROGRAMME 2

1. Aim of Funding

The aim of Sub-programme 2 is **to support a well-defined international co-operation**, which is **based on the Declaration of Intent** to Strengthen Research and Technology Co-operation signed by the Minister for Education of the Republic of Hungary and the Minister for Education and Research of the Federal Republic of Germany in the presence of the heads of governments **on 15th September 2004**.

The project shall foster

- the increase of international competitiveness of Hungarian biotechnology research and development,
- the extension of Hungarian-German scientific and technological co-operation to the joint development and application of knowledge-based products and services,
- the R&D co-operation of Hungarian and German research institutes and companies,
- the creation of intellectual products ready for economic exploitation,
- innovation, economic growth and the creation of new jobs in both countries,
- the strengthening of the role of innovative small- and medium-sized enterprises, and efficient R&D technology transfer.

Submission takes place in one stage.

2. Source and Budget of Funding

To accomplish the objectives of this call, the National Office for Research and Technology provides

HUF 600.000.000, i.e. six-hundred-million forints for project funding from the **Research and Technology Innovation Fund** (hereinafter referred to as: Fund).

3. Expected Number of Funded Proposals

The expected number of funded project proposals is: 1-2.

4. Eligible Applicants

The following applicants shall be eligible:
as members of a consortium established to carry out an R&D project, with seat in Hungary

- business enterprises with legal entity
- public bodies
- non-profit organizations with legal entity carrying out research activity

Consortia shall carry out research and development activities in co-operation with foreign partners. R&D funding shall only be provided to enterprises if the funding promotes R&D activity beyond their regular activities.

In the case of any proposal, the number of consortium members may not exceed eight.

5. Form and Duration of Funding

The funding is provided in the form of: a non-refundable grant.
The funding may have a maximum term of 36 months.

6. Funding Intensity

In the case of public bodies or non-profit organizations with legal entity not carrying out market-influencing economic activities, the maximum rate of funding shall be 100% of their share of total eligible costs.

The result of research and development implemented by non-profit organisations shall be made available for industrial players without discrimination (e.g. published in professional journals, internet)

According to point 2 of Government Decree 133/2004. (IV.29), the total funding intensity for the entire duration of the project is limited to the following percentages of total eligible costs of the given enterprise or the non-profit organisation if the funding is given for market activity:

- in the case of basic research: 100%
- in the case of applied research: 60%. Funding intensity may be increased by 10 percentage points in the case of small and medium sized enterprises, and in the case of projects carried out in international co-operation, and by 15 percentage points in the case of projects linked to EU R&D Framework Programme. Cumulative funding intensity shall not exceed 75%.
- in the case of experimental development: 35%. Funding intensity may be increased by 10 percentage points in the case of small and medium sized enterprises, and in the case of projects carried out in international co-operation, and by 15 percentage points in the case of projects linked to EU R&D Framework Programme. Cumulative funding intensity shall not exceed 50%.

The aim is to enable projects to generate income at an increasing pace, and become self-sustaining, thus priority shall be given to project proposals calculating with a significantly increasing rate of contribution from own resources to increasing total project costs.

Maximum funding intensity shall be limited to the following percentages of the project costs projected by the given applicant:

**100% in the first year;
90% in the second year;
75% in the third year.**

Above rates shall apply in compliance with the funding intensity rates specified in point 2 of the Appendix of Government Decree 133/2004. (IV.29).

7. Exclusion

Any applicant who:

- is subject to bankruptcy or liquidation proceedings, or dissolution procedure,
- has been guilty of providing false or misleading data during earlier calls under the Research and Technology Innovation Fund or under the targeted allocations provided by paragraph (2) of Article (16) of Atv, or has breached its obligations arising from an earlier funding contract of its own fault,
- has had expired public dues for more than 60 days,
- has had expired liabilities to the Fund or to the targeted allocations provided by paragraph (2) of Article (16) of Atv for more than 60 days;

shall be ineligible, and shall not receive financial contribution under the programme.

8. Eligible Activities

The implementation of bilateral or multilateral biotechnology research and development projects based on international co-operation, i.e.

- promotion of biotechnology research and development activities and exploitation of R&D results in Hungary;
- promotion of the application of new scientific and technological results;
- improving the infrastructural conditions of biotechnology R&D and technological innovation;
- promoting services strengthening biotechnology R&D and technological innovation, bridge-building and networking activities of innovation, including the costs of organizing conferences and compiling publications;
- creating R&D jobs linked to the project, developing human resources of research and technological innovation; training a new generation of scientists;
- domestic and international mobility and exchange of experience of researchers and developers (travelling, staying, participation at conferences and other events with participation fee), resettlement of researchers returning to Hungary;
- acquiring and practical exploitation of domestic and foreign scientific and technological knowledge and know-how.

Only research and development related activities can be financed.

9. Eligible Costs

a.) Personnel allowance

Personnel costs of personnel (researchers, technicians and other support staff) participating in R&D project implementation, calculated in compliance with Section 79 of Act C of 2000 on Accounting (hereinafter referred to as Act on Accounting);

b.) Contributions payable by employers

Wage related contributions (taxes and contributions) calculated on the basis of personnel costs (researchers, technicians and other support staff) pursuant to Paragraph (4) of Section 79 of the Act on Accounting;

c.) Material Expenses

The costs of inventory purchased for project implementation, professional materials, services (subcontracting agreements, expert services, consultations, consultancy, certification, measurements etc.), in accordance with Section 78 of the Accounting Act;

Actual overheads incurred under the project are eligible. However, it must be noted that total overheads costs (per consortium-member in case of consortia) must not exceed 10% of the total of the grant and that of own resources.

In the case of consortia, a maximum of 5% of the subsidized operational costs of the project may be used to cover the costs of co-ordination activities.

Only costs related to personnel allowance and linked contributions as well as material expenses may be eligible as overheads and coordination costs.

Overheads actually incurred during project implementation must be accounted for in accordance with the proportions established on the basis of the principles determined in the Cost Accounting Standards for Subsidized Costs, promptly supported by calculations. Overheads include a proportionate part of the following with regards to the project: public utilities fees documented by invoice, telephone, mobile phone subscription fee, Internet subscription fee, fuel costs, postage, etc.

d.) Intangible Assets

Purchase costs of intangible assets (software, software licence, know-how) necessary for project implementation based on the rules set forth by Sections 47, 48, 51 of the Accounting Act;

The costs of intellectual products defined in Paragraph (7) of Section 25 of the Accounting Act may only be recognised as eligible if the beneficiary purchased them from a third party (independent organization or physical person).

e.) Tangible Assets, Machines, Equipment

Purchase costs of new scientific devices, instruments, equipment, appliances necessary for project implementation in accordance with Sections 47, 48, 51 of the Accounting Act;

These cost are eligible only if the purchased items are used solely and constantly for research and development activity.

Costs incurred under project activities preceding the submission of proposals shall not be eligible. Costs of activities linked to the project may be charged to the beneficiary's own resources from the date of the registration of the project proposal, and to the Research and Technology Innovation Fund, from the date of the funding decision.

Taking the annual reimbursement schedule into consideration, participants may request advance payment in line with the provisions of Government Decree 133/2004. (IV.29). In the case of enterprises and non-profit organizations the rate of advance payment may not exceed 90% of funding provided for the total duration of the project, the last 10% of funding shall only be transferred after the final activity and financial reports. Public institutions may receive 100% of the funding provided for each activity period as advance payment.

10. Evaluation and Selection Criteria

Proposals shall be handled confidentially and with respect to the principal of equal chances during evaluation.

Formal Assessment

KPI shall evaluate proposals against formal requirements. KPI shall register eligible proposals and shall exclude ineligible proposals from further evaluation. KPI shall inform the applicants about registration or exclusion. KPI will **reject** a project proposal **on formal grounds**, if:

- the applicant has handed it in after the deadline,
- the applicant is ineligible,
- the requested amount of funding does not comply with the provisions of the Guide for Applicants,
- own resources contributed to the project are smaller than the rate set forth by the Guide for Applicants,
- the proposal does not meet formal requirements,
- the applicant has not attached the required declarations and forms,
- the applicant has not used the authorized signature on the forms,
- the proposal includes provably false data.

In case of the absence of some minor details not listed above, KPI invites the applicant to submit the missing data within 8 days.

Evaluation of Professional Content:

Evaluation is carried out by external experts (minimum 2 evaluators) and the Evaluation Committee. Experts evaluate project proposals based on the submitted documents and the evaluation criteria, they are not allowed to get in touch with the applicants. The shortlisting is carried out by the Evaluation Committee.

Evaluation Criteria:

- | | |
|---|---------------------|
| • Correspondence of the project to the relevant international co-operation agreement (professional significance of project, description of the division of workload within the project, short introduction of foreign partners) | Maximum: 20 scores |
| • Scientific and technology content of project (added value of co-operation, level of innovation) | Maximum: 20 scores |
| • Scheduling and monitoring of project proposal (logical links between the aims and activities of the project, level of elaboration of work-packages, expected results, level of project organization) | Maximum 20 scores |
| • Economic and social exploitability of results (significance of the project for the applicants and Hungary) | Maximum: 10 scores. |
| • Competence of participating organisations and persons (professional and management capacity of participants, financial state of participants, technological capacity of participants) | Maximum 20 scores |

- Financial plan of project (cost and financing structure, validity of costs) Maximum 10 scores

Total: maximum 100 scores

The Evaluation Committee ranks the proposals, and, taking the available funding into consideration, makes recommendations for funding decision. The President of NKTH makes the final decision. Decisions are published on the websites of NKTH (<http://www.nkth.gov.hu>) and KPI (<http://www.kpi.gov.hu>). KPI shall inform applicants about the decision within 10 work-days in writing.

11. Entering into Contract and Consortium Agreement

KPI will conclude funding contracts with successful applicants about the implementation of approved projects and conditions of granting the funds.

If the project proposal is accepted, KPI makes a contract proposal to the applicant, which is valid for 60 days after the receipt of notification. If the contract is not signed until the deadline of the beneficiary's fault, the funding decision automatically becomes null and void, according to paragraph (2) of Section 17 of Government Decree 133/2004 (IV.29.).

If a funding contract is concluded, the approved work and financial plan of the project proposal shall constitute the appendices of the funding contract. Costs of the project must be accounted for in accordance with the financial plan included in the approved project proposal.

If the total costs are lower than expected during implementation, funding will be accordingly reduced by the Funder, following a contract modification (See: Government Decree 217/1998 (XII.30.)).

Internal division of labour of the consortium and rules governing IPR of existing and newly created intellectual property shall be regulated by the Consortium Agreement concluded by the participants. KPI is not a party to the consortium agreement, the Consortium Agreement is a civil contract governing the relations of consortium-members. The co-ordinator is obliged to make a declaration on the existence of a Consortium Agreement, submission of the declaration is a condition of concluding the funding contract.

Sanctions for breaching the funding contract:

- suspension of disbursement of funding;
- withdrawal from contract, funding already issued must be returned in a lump sum within 15 days, adding post-maturity interest (twice the central bank base rate) and other expenses;
- immediate termination of contract;
- exclusion from the support-system;
- further sanctions set forth by the provisions of the relevant legislation.

12. Indicators

During project implementation, beneficiaries will be expected to submit the following data to the Agency for Research Fund Management and Research Exploitation, in the way and frequency included in the funding contract.

- The number of registered scientific and technological results.
- The amount of income from the market sector.
- Number of EU or other international funding sources.
- Further R&D and innovation investment linked to the funded project
- Creation of spin-off companies
- Researcher training (number of PhD and postdoc fellows)

The above data shall be fed into a computer database for aggregate processing. They serve analytical purposes and facilitate follow-up, ex-post evaluation and strategic planning for the programme.

13. Place, process and deadline for proposal submission

Project proposals - which include **1 original and 1 copy** of the proposal **in English**, 1 copy of the financial attachments, and 1 copy of the CD-attachment - should be submitted in closed parcels, **in person or by courier service**, to the address below:

**Kutatás-fejlesztési Pályázati és Kutatáshasznosítási Iroda (Agency for Research Fund Management and Research Exploitation)
1117 Budapest, Neumann János u. 1/C, reception**

The call acronym, which can be found on the front page of the Call for Proposals, should be indicated on the package:

NAP_BIO_06

Submission deadline: by 12.00 on 21 August 2006

The **electronic data content of the** filled in **Application Form** should be sent as an **e-mail** attachment to the following address: <alap2006@kutas.hu> as detailed in the "Guide for Filling in and Submitting the Application Form."

For more information about the Call for Proposals and the elaboration of the project proposal please contact the help desk of the Agency for Research Fund Management and Research Exploitation (KPI):

- The help desk is available at the following numbers: (+36-1-)484-2800 and (+36-1-) 484-2922. Staff members are available from 9:00 to 12:00 and from 13:00 to 16:00 from Monday to Thursday, and from 9:00 to 13:00 on Friday. Questions are answered within 5 work days.
- Questions can also be sent by e-mail to: info@kutas.hu. Please indicate the call acronym in the **subject field**: *NAP_BIO_06*. Questions are answered within 5 work days.

- Applicants may also contact our staff members in person at our headquarters (at Neumann János u. 1/C, 11th district), by making an appointment via the help desk.

Before contacting the help desk, applicants are kindly asked to read the Call for Proposals and the Guide for Proposers as well as the list of Frequently Asked Questions available at www.kpi.gov.hu, as their questions might be answered immediately without the 5-work-day delay!

14. Guide to the Proposal Package

Assembling the original copy of the proposal:

1. **Title page** (1 page)
2. **Application form** (3 pages + 2 for each consortium member)
3. **Work-plan and financial plan of project** (maximum 50 pages)
4. **Declarations** (2-3 pages for each consortium member)
5. **Declaration of intent concerning the establishment of a consortium** (1 page)
6. **Declaration on the existence of Rules for Intellectual Property Rights Management** (1 page)

Assembling the proposal package:

7. **Original copy of the proposal**
8. **1 copy of the proposal**
9. **1 original copy of financial data**
10. **CD attachment** (1 CD)

1. Title Page

The title page has to be one A4 page, only including the completed version of the table below:

<i>Acronyms of the call and the proposal</i>	<i>NAP_BIO_06 - the 8-digit acronym of the proposal, also indicated on the Application Form.</i>
<i>Name of co-ordinator enterprise / institution</i>	
<i>Name of project leader</i>	
<i>Title of project</i>	

2. Application Form

The Application Form is an Excel file, which can be filled in following the instructions of the attached Guide. The form and its guide are available for download from: www.kpi.gov.hu.

(The links are located right next to the Call for Applicants). Please read the instructions of the guide carefully and fill in the form accordingly.

The Application Form has a twofold function. It contains detailed information on each consortium member, as well as the financial plan breakdown of the project for consortium members. Thus it is strongly recommended that the financial plan in the Application form should be filled in after the work-plan (including the work packages and the corresponding activity periods) has been compiled.

In the case of consortia, the first three worksheets of the Excel file (data concerning the project) and further 2 worksheets for each consortium-member need to be filled in. Point 11bb shall not be filled in under this call.

Attention. Cost-boxes on worksheet titled “Budget of the Project/Proposal”, KfPalyazat#2-2_12, **cannot be filled in directly**. These boxes are filled in **automatically** based on the data supplied on worksheets “22. Budget of the Applicant”, KfPalyazat#2-4_22-1, KfPalyazat#2-4_22-2, etc.

In the Application Form *only the yellow and green fields (the latter for authorized signature) can be filled in directly, all the other fields are write protected*. Orange fields are filled in either automatically based on data in other fields, or by selecting an item from a pop-up list. Thus it is *impossible to modify white fields or directly type in orange fields*.

Guidelines for filling in the budget fields:

- The total budget of an activity period should be indicated in the year when the given activity period ends, i.e. when the financial report is submitted.
- Advance payments should be indicated in the relevant activity period.
- The amount of advance payment may be 100% for public institutions, and maximum 90% for other institutions (enterprises, foundations etc.).
- If the applicant does not have right for VAT deduction, costs planned to be covered by the requested funding, own and other resources, must contain non-deductible VAT.
- If the applicant has right for VAT deduction, costs planned to be covered by the requested funding, own and other resources, may not contain VAT, thus net costs shall be planned.
- The lines: “*Included overheads*” of the chart are not extra costs, these costs are already included in the costs in the lines above. These fields must be filled in.

The co-ordinator enterprise/institution should provide a certified signature on the Application Form, in the green field below the total budget (KfPalyazat 2-2_12 worksheet titled a „12. Budget of Project/Proposal”).

All consortium-members should provide their certified signature in the green filed below their own budget in the Application Form.

3. Work-plan and financial plan of project

The work- and financial plan of the project shall not exceed 50 pages. Please include all the following chapters in the work- and financial plan.

Chapter 1: International co-operation

1.1. Aims of international co-operation

Describe the aims of the international co-operation.

1.2. Division of workload within the international project

Describe the division of workload among foreign and Hungarian partners and the way Hungarian partners are involved in implementation.

1.3. Foreign participants of the project

Introduce foreign project participants (enterprises/institutes), with a list of relevant references.

Chapter 2: Scientific content of the Hungarian project

2.1. Aim, justification and advantages of the project

Describe the aim of the project and the advantages project implementation shall bring about compared to the state-of-the-art of the given field.

2.2. Scientific and technology content of project

Describe the professional tasks to be carried out by Hungarian companies/institutes and the links among activities. Describe risks and critical points. Define activities which are planned to be carried out by subcontractors.

2.3. Activity periods of project

Describe the division of workload among members for each activity period.

Please use the following table. Be precise when describing the work packages, describe the activities of each member unequivocally.

Name of consortium member:	
Number of activity period:	Start and end of activity period:
Tasks	Scientific content of work packages in the given reporting period
Deliverables	
Form of documenting tasks and deliverables:	

Dissemination of results:	
Total costs (in thousand forints)	

Explanation of the table:

- Name of consortium member: Short name of consortium member (according to [21d] in the Application Form)
- Number of activity period: 1, 2, or 3
- Start and end of activity period: YYYY.MM.DD. – YYYY.MM.DD. The time elapsed between the start and end of the activity period may not exceed 12 months. The end of each activity period may not be later than 30 September of the given year.
- Tasks: Only the tasks with the participation of the given consortium member should be indicated.
- Scientific content of work packages: Description of work packages within tasks
- Deliverables: For each work package, identify the role of the consortium member in creating scientific, technological or economic results generated by the successful implementation of the work package.
- Form of documenting tasks and deliverables. Professional and financial reports, minutes, statements, plans, databases etc. Several forms are possible, depending on the nature of the work package.
- Publication of results: If the results are for publication. Publications, conference presentations, scientific announcements, press conferences, Internet etc. Several forms are possible, depending on the nature of the work package.

Overlaps are possible in the deliverables, their documentation and publication, since more than one consortium members are involved in implementing the work package leading to the result. When describing tasks to perform, please make sure that the tasks of consortium members are separated as much as possible. As the separation of the tasks of consortium members and that of the costs of tasks are fundamental requirements for filling in the budget of each consortium member of the Application Form correctly.

2.4. Innovative result of project

Please describe the innovative results of task implementation (new application of existing technology, creation of new processes, products and services) and their international significance, as well as the advantages they provide to the participating Hungarian enterprise / institute and Hungary.

2.5. Presentation of participating organisations

Introduce project participants (enterprises/institutes), with a list of relevant references, as well as the way for co-ordinating their activities.

2.6. Presentation of participating experts

Present the consortium co-ordinator and the experts participating in the project, their previous activities and competencies bearing relevance to the project. Please introduce all experts indicated in point 11bc of the Application Form.

Chapter 3: Financial plan of the project

3.1. Justification of the financial plan of the project

Filling in the tables in the Application Form is not enough. All the indicated data must be justified by brief but detailed explanations, in accordance with the breakdown of costs with respect to tasks.

The following costs must be indicated and justified in the financial plan:

- if you ask for advance payment, its amount and scheduling
- if you plan trips abroad, please indicate the aim, place, duration, expected costs, number of passengers etc.
- if there will be costs incurred concerning the dissemination of project results, describe them in detail, and provide their expected amount and the rates of different cost-types
- if you want to receive reimbursement on overheads, their expected amount
- if you plan to have expenditure related to project management, the expected amount
- other cost entries exceeding HUF 1 million
- purchase plan for R&D devices and intangible assets (name, number of items, price)
- if, beside the planned purchase covered by the state support, you plan to make a purchase over 30% of your own resources, provide a detailed justification why such a large-scale purchase is needed for your R&D activity
- if the planned total cost of subcontracting exceeds 10% of the amount of funding and own resources, describe the tasks to be carried out by subcontractors, their expected fees with the description of subjects and subcontractors. If, during implementation, the actual subcontracting fees deviate from the planned figures by more than 10%, describe the reasons for deviation, the names and tasks of the subcontractors and their contract fees in the activity report.

3.2. Return on project costs, profit expectations

Describe your ideas about exploitation of project results and expected income.

4. Declarations

The Word document titled „Declaration” is available for download from www.kpi.gov.hu. (The links are located right next to the Call for Proposals). Each consortium member must fill it in and provide their certified signature.

5. Declaration of intent to establish a consortium

For Consortia, the Word document titled „Declaration of intent to establish a consortium” is available for download from www.kpi.gov.hu. (The links are located right next to the Call for Proposals). Each consortium member must provide their certified signature.

6. Declaration on the existence of Rules for Intellectual Property Rights Management

In accordance with Act CXXXIV of 2004 on Research and Development and Technological Innovation - hereinafter referred to as the Innovation Act -, all public research institutions, public foundation and non-profit companies which qualify as research institutions established using funds linked to the sub-systems of public finances shall attach a declaration on the existence of the Rules for Intellectual Property Rights Management to the given project proposal. The document is available for download from www.kpi.gov.hu.

Proposal package to be submitted

The submitted package must include 3 separately bound volumes (1 original and 1 copy of the proposal, 1 certified original of the financial data) and 1 CD. Please observe the above rules, as KPI will reject any proposal packages that are not assembled according to the instructions (containing less or more volumes than requested).

7. Original copy of proposal

All pages of the original copy of the proposal (1 volume) must be signed by the consortium leader, or the head of the company in the case of individually applying enterprises. All applicants must provide their authorized signature on the Application Form, the declarations, the Declaration of intent to establish a consortium - for consortia - and the Declaration on the existence of the Rules for Intellectual Property Rights Management - where relevant.

8. 1 copy of the proposal

1 copy of the proposal should be made after the consortium leader or the head of company has signed the correctly assembled original. The copy needs not be signed again. Use colour separating sheets for the copy as well as the original.

9. 1 original copy of financial data

Public organizations or natural persons need not attach anything. All consortium members that are not public organizations must describe their financial status by attaching the following:

- for private entrepreneurs, copies of the business licence and the tax returns of the preceding two years;
- in the case of other enterprises, annual balance sheet data for the previous 2 years, as submitted to the Court of Registry; for non-profit organizations with legal entity, a copy of the audited annual reports of the 2 previous years.

If the organization has been operating for less than a year, data should be projected for the period of one year. The authenticity of the documents should be certified by a declaration containing the authorised signature of the competent leader.

10. CD attachment

1 CD-attachment should contain the following 2 files:

The work-plan of the proposal in 1 file with .doc or .pdf extension.

The filled-in Application Form - uncompressed Excel file

Please attach the 1-page title page of the proposal before the work-plan. The name of the work-plan file should contain the call acronym (do not use accented characters or hyphens), and the name of the co-ordinator institute/enterprise of the consortium or the name of the individual applicant. (e.g. in the case of a call for proposals titled MINTA-2005 and for a co-ordinator called XYZ Ltd., the name of the file shall be: MINTA2005_XYZ.doc or MINTA2005_XYZ.pdf) If the CD is damaged during delivery, KPI shall ask the applicant to send the 2 files via e-mail, thus there is no need for a back-up CD.