



EUROPEAN COMMISSION

ENTERPRISE AND INDUSTRY DIRECTORATE-GENERAL

Call for Proposals

China IPR SME Helpdesk

Grant Work Programme 2007

ACTION ENT3/IMA N.R./6.1.1:

The European Union assuming its role in a globalised world

In case of discrepancies with translations, the original language (English) prevails

TABLE OF CONTENTS

1. CONTEXT.....	3
2. OBJECTIVE OF THE CALL.....	3
3. TIMETABLE.....	5
4. FINANCING.....	5
4.1. Co-financing and joint and several responsibility.....	6
4.2. Subcontracting.....	6
4.3. Payment arrangements.....	6
5. ELIGIBILITY.....	6
5.1. Geographical eligibility.....	7
5.2. Legal status eligibility.....	7
5.3. Exclusion criteria.....	7
5.4. Eligible proposals.....	7
6. SELECTION.....	8
6.1. Applicants' financial capacity to complete the proposed action.....	8
6.2. External audit reports.....	8
6.3. Applicants' technical capacity to complete the proposed action.....	8
7. AWARD.....	9
8. SUBMISSION OF PROPOSALS.....	9
8.1. Preparing the proposal.....	9
8.2. Sending the proposal.....	10
9. EQUAL OPPORTUNITY.....	11
10. PERSONAL DATA.....	11
11. ANNEX 1 SUBMISSION SET.....	11
12. ANNEX 2 GUIDE FOR SUBMISSION.....	11

1. CONTEXT

More and more European enterprises face intellectual property rights (IPR)¹ infringement problems, both at home in Europe and from counterfeiting or other infringements originating in, among other markets, China. Small and medium-sized enterprises (SMEs)² in particular face specific challenges in deciding whether and how to protect their innovations through the use of IPR, both in Europe and abroad. For example, SMEs which traditionally operated only in a European home market now increasingly find themselves needing to work in and with China in order to continue their business with larger firms which have already invested there. Those SMEs who do not venture overseas may still find themselves facing counterfeit products imported into the European market. SMEs, however, also are typically the businesses least likely to have the resources to address IPR problems.

Intellectual property rights are very important in creating an atmosphere which supports innovation and competitiveness. Issues of the competitiveness of European industry overall, of support for SMEs and for innovation are of key concern to DG Enterprise and Industry. In this context, proposals are sought to develop services for European Union SMEs which will support their growth and competitiveness by providing the necessary first line advice, information, and training support to address IPR problems relating to China.

2. OBJECTIVE OF THE CALL

This call aims to support services to assist EU SMEs to both protect and enforce their intellectual property rights in or relating to China. The target audience is both EU SMEs in the EU and those already present in or investing in or otherwise doing business in or with China.

Services to be provided should include:

- Ø Providing EU SMEs with **first line advice services**, based in China, on IPR protection and enforcement in China, and **expert liaison services** to relevant government administrations, attorneys, or consultants for further follow-up as appropriate. These services should be based initially in Beijing in order to facilitate co-ordination with EU and Chinese organisations based in the Chinese capital, but consideration may be given to offering similar services in other cities around China if there is a sufficient need and ability to effectively address that need in other locations. As and when the EU Centre which is currently under consideration through a

¹ 'Intellectual property rights' and 'IPR' are used throughout this call for proposals in the broad sense, encompassing both so-called 'formal' means of protecting such rights (e.g., patents, trademarks, designs, geographical indications, copyrights) and 'informal' means (contractual and licensing conditions, management of business operations so as to protect trade secrets, planning business participation in trade fairs, etc.) 'Enforcement' of these rights refers to any applicable means of enforcement such as through the civil or criminal judicial systems, administrative means, customs authorities, or contractual means, as available in the relevant European, Member State, or Chinese jurisdictions.

² Throughout this text the terms 'small and medium sized enterprises' and 'SME' or 'SMEs' are understood to refer enterprises defined as provided in Commission *Recommendation 2003/361/EC*; further information about this definition and a user's guide may be found at: http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/index_en.htm

feasibility study organised by the European Commission may open in China, due consideration should be given to moving the China IPR SME Helpdesk to that Centre.

- Ø Providing materials to be used for **legal background support** for EU SMEs. (Materials provided under this call should also be made available to the EU's Business and Innovation Network, SME industrial associations, and other European organisations concerned with SMEs and IPR protection in China for their distribution and use.) Consideration may be given to translation of existing materials from Member State Chambers of Commerce or other relevant sources, where such material is current, appropriate, and such a form of collaboration is acceptable to the authors and publishers of the materials.
- Ø Providing **basic translation services** (to/from Chinese) for **initial contacts** with Chinese law enforcement agencies, such as complaint hotlines on IPR infringements or complaint forms for various such agencies or administrations.
- Ø Creating a **network** between firms, industry associations, and other relevant existing organisations in China to **inform SMEs on IPR developments and available support for enforcement**.
- Ø Providing **trainers and training materials** on China IPR enforcement and closely related subjects (such as 'know before you go' business guidance, etc.) for **SME seminars** in the EU and around China and plan, prepare, promote and present such seminars in China.
- Ø Providing a **multi-lingual web portal for IPR protection in China**, focusing on how to protect IPR in typical business negotiations. This portal should also provide relevant links to other relevant sources of information, such as Member State Chambers of Commerce, the EU-China IPR II technical assistance programme, and official sites of the EU, Member State, and Chinese administrations.
- Ø **Monitor selected IPR cases** affecting SMEs in China in order to provide SMEs and other European organisations with relevant information to support business and policy decisions.
- Ø **Presence at trade fairs or 'partenariat' events** or other relevant services to SMEs to provide 'first-line' advice and assistance on IPR matters.

All the above services should be provided in a variety of European Union Member State languages proportionate to the actual needs of EU SMEs. All services, materials and presentations should address intellectual property matters specifically from the point of view of SME business needs (e.g., how to design production or sourcing processes so as to protect one's intellectual property, what measures to take in participating in trade fairs or in logistics, etc.), rather than addressing a more specialist audience such as IPR law practitioners. Services should be designed to reach an SME business audience composed of businesses not necessarily normally or traditionally aware of IPR concerns, not only those firms already aware of IPR issues.

The services will be promoted in Europe within the Member States through other projects being supported by the European Commission, including the EU IPR Awareness and Enforcement project³ and a series of IPR seminars organized by the Commission.

Service providers should be prepared to co-ordinate closely with other existing organizations and institutions which deal with IPR protection in China, such as chambers of commerce, anti-counterfeiting organizations, embassy IPR attachés, the Delegation of the European Commission in Beijing, the EU Commission, Member States, and the like, in order to avoid duplication of effort and maximize possible synergies. Similarly, careful attention should be paid to ensure careful co-ordination with the work programme of the EU-China IPR II technical assistance programme and with that of the EU-China Trade Programme.

3. TIMETABLE

Scheduled start-up date for the action: **January 2008**

Maximum duration of actions is: **3 years**

The intention is to inform applicants of the outcome of the award procedure no later than the month of **December 2007**.

The period of eligibility of costs will start on the day the contract is signed by the last of the parties. If a beneficiary can demonstrate the need to start the action before the agreement is signed, expenditure may be authorised before the agreement is signed. Under no circumstances can the eligibility period start before the date of submission of the grant application.

4. FINANCING

The **maximum budget** allocated for the operation is: **3 000 000** (*three million*) €

The **maximum amount by project** is: **3 000 000** (*three million*) € **Breakdown** by individual objectives (if any): *Not applicable*

Indicative number of projects/average size : It is the Commission's intention to select only one project having an average size of 3 300 000 €

Community co-financing rate of eligible costs: **90 %**

Community co-financing ceiling: **3 000 000** (*three million*) €

- Please note that one action may give rise to the award of only one grant from the Community budget to any one beneficiary.

³ The call for proposals for this project may be found at the following website:
http://ec.europa.eu/enterprise/funding/grants/themes_2007/calls_prop_2007.htm

- The Commission reserves the right to award a grant of less than the amount requested by the applicant. Grants will not be awarded for more than the amount requested.
- The publication (on the Internet site and/or in the Official Journal) does not guarantee the availability of funds for the above action.
- The Commission grant may not have the purpose or effect of producing a profit for the beneficiary. Profit is defined as a surplus of receipts over costs. The amount of the grant will be reduced by the amount of any surplus.

4.1. Co-financing and joint and several responsibility

The beneficiary shall supply evidence of the co-financing provided, either by way of own resources, or in the form of financial transfers from third parties, or in kind. The Commission may accept co-financing in kind, if considered necessary or appropriate. In such cases the value of such contributions cannot cover all the necessary co-financing.

The applicants shall provide an explicit undertaking from each co-financing organisation to provide the amount of funding stated in the grant application for the operation (signed form C).

They shall agree upon appropriate arrangements between themselves for the proper performance of the action. In particular shall they agree on joint and several responsibility for any amount due to the Commission by anyone of them; an optional article of special conditions (article I.10 of the grant agreement for an action with multiple beneficiaries) may limit their level of responsibility but its use is subject to an assessment of the financial risks to be carried out by the Commission.

The grant agreement shall be signed by each participating co-beneficiary unless a power of attorney is conferred to the appointed co-ordinator (Form A/4 of the submission set).

4.2. Subcontracting

Subcontracting does not limit the responsibilities of beneficiaries

Please refer to the guide for submission (page 10) for further details on subcontracting.

4.3. Payment arrangements

The draft grant agreements attached to the “Submission set” (**form E**) specify the payment arrangements.

5. ELIGIBILITY

Applicants may act individually or in consortium with partner organisations. In the submission set, you will find two different types of grant agreement for reference.

Partners of applicants must satisfy the same eligibility criteria as those for applicants; the applicant will be the lead organisation and, in case of selection, the contracting party (the “Beneficiary”).

5.1. Geographical eligibility

Applications from legal entities established in one of the following countries are eligible:

- EU Member States

Applications from legal entities established in the People's Republic of China are eligible provided that they come from organisations having as a main objective to represent the interests of companies established in a EU Member State, present or active in the People's Republic of China.

5.2. Legal status eligibility

Applications must be submitted by a legal person. Corporate bodies must be properly constituted and registered under the law.

5.3. Exclusion criteria

By using the “Exclusion Criteria Form” (form D attached to the “Submission Set)

Applicants shall declare on their honour that they are not in one of the situations referred to in Articles 93 and 94 of the Financial Regulation. In completing this form the applicant:

- states whether or not he/she/the company is in one or more of the situations described in the form; and
- undertakes to submit to the Commission any additional document relating to the exclusion criteria that the Commission may see fit to request.

Where the proposal is submitted by more than one applicant, each applicant must provide the form.

Please note that, according to articles 96 and 114 of the Financial Regulation applicable to the general budget of the European Communities and according to article 134b of the Commission Regulation (EC, Euratom) n° 2342/2002 of 23 December 2002⁴ laying down detailed rules for the implementation of Council Regulation (EC, Euratom) n° 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities⁵, administrative and financial penalties may be imposed by the Commission on applicants who are excluded in relation to points a) to h) of the form in question.

5.4. Eligible proposals

Applications must comply with the following conditions in order to be eligible for a grant:

- Application must be signed, dated and complete, using the standard submission set;
- Application must be submitted before the closing date mentioned below;

⁴ As amended by Commission Regulation 1261/2005 of 20 July 2005, Commission Regulation 1248/2006 of 7 August 2006 and Commission Regulation 478/2007 of 23/04/07.

⁵ As amended by Council Regulation 1995/2006 of 13/12/2006.

- Only projects that are strictly non-profit-making and/or whose immediate objective is non-commercial shall be eligible.

In this context, will be rejected any project directly or indirectly contrary to EU policy or against public health, human rights, citizen's security or freedom of expression.

6. SELECTION

6.1. Applicants' financial capacity to complete the proposed action

Applicants must show they have stable and sufficient sources of funding to ensure the continuity of their organisation throughout the project and, if necessary, to play a part in financing it.

To this end applicants must fill in and sign form A/3 for the lead organisation, and form A/4 for partner organisations, if applicable. The legal entity form and financial identification form are also to be duly filled in and signed and annexed to the aforementioned forms.

For ease of reference, the applicants are further requested to fill in the financial statement form A/5 of the submission set. This form only applies to private organisations. Public organisations are only requested to indicate their annual revenue/resources in forms A/3 and A/4.

Applicants must include in their grant application form their annual accounts (i.e. profit and loss account; balance sheet) for the last financial year.

Alternatively, a guarantee equivalent to all or part of the grant being sought may be provided in order to show the financial capacity.

The verification of financial capacity shall not apply to public bodies, nor to the international organisations referred to in Article 43 of the Commission Regulation (EC, Euratom) n° 2342/2002.

6.2. External audit reports

For actions where the cost to be financed exceeds EUR 500 000 the application shall be accompanied by an external audit report produced by an approved auditor. This report shall certify the accounts for the last year available and give an assessment of the financial viability of the applicant.

6.3. Applicants' technical capacity to complete the proposed action

Applicants must show they have the operational (technical and management) capacity to complete the operation to be supported and must demonstrate their capacity to manage scale activity corresponding to the size of the project for which the grant is requested.

In particular, the team responsible for the project/operation must have adequate professional qualifications and experience. In addition applicants must demonstrate sufficient expertise and experience in working with SMEs, in business experience in China, and in business-oriented communications work to effectively reach and serve the intended audience described in section 2 above.

The applicants must include with their grant application form curricula vitae of the staff that will actually be performing the work involved and professional references and details of past similar projects. For ease of reference, each curriculum vitae should preferably be submitted in the Europass format which can be found on the following page:

http://europass.cedefop.europa.eu/europass/preview.action?locale_id=1

Applicants must be directly responsible for the preparation and management of the project, not acting as an intermediary.

7. AWARD

An evaluation of the quality of proposals, including the proposed budget, will be carried out in accordance with the following award criteria:

1. Relevance	/25
2. Visibility	/5
3. Impact	/25
4. Quality	/25
5. Budget and Cost-effectiveness	/20
Maximum total score	/100

If a total score lower than **65** points or a score lower than 50% for any of the above five criteria is obtained, the proposal will not be evaluated further.

The complete selection and evaluation procedure is described in point III of the guide for submission appended to the standard Submission set.

Please note that, in case of award, the beneficiary authorises the Commission, to publish the following information in any form and medium, including via the Internet:

- the beneficiary's name and the address,
- the subject and purpose of the grant,
- the amount granted and the proportion of the action's total cost covered by the funding.

8. SUBMISSION OF PROPOSALS

8.1. Preparing the proposal

The proposal must be drafted in one of the official languages of the European Union, using the specific submission set available for this call. Please refer also to the **guide for submission** for explanatory details.

The submission set can be:

- Downloaded from Europa web site: <http://ec.europa.eu/enterprise/funding/index.htm>
- Or obtained at the following address:

European Commission
Enterprise and Industry Directorate-General

Grant Work Programme 2007
Call for proposals No ENT3/IMA N.R./6.1.1.
The European Union assuming its role in a globalised world
China IPR SME Helpdesk

Directorate B: Industrial Policy and Economic Reform
Unit B1: Development of Industrial Policy

Contact: Mr. Didier Herbert

Office address: BREY 7/06

B-1049 Brussels – BELGIUM

Fax: (+32-2)-2921363

e-mail: entr-development-industrial-policy@ec.europa.eu

The proposal must be submitted, **in triplicate and placed** inside **two** sealed envelopes. Both envelopes should be addressed to the department indicated above. It should bear the following description: ‘**Call for proposals No ENT3/IMA N.R./6.1.1.**’ and the following note: ‘**Not to be opened by the internal mail department**’. If self-adhesive envelopes are used, they must be sealed with adhesive tape and the sender must sign across this tape.

8.2. Sending the proposal

Please note that electronic submissions are not allowed for this call.

Proposals must be submitted, on paper

- a) Either **by registered mail**, postmarked no later than **20/08/2007**, to the address indicated above;
- b) or sent **by courier services** no later than **20/08/2007** to the address indicated above;
- c) or **delivered by hand**, i.e. by delivery in person or by an authorised representative no later than 4 p.m. on **20/08/2007**, to the following address:

European Commission
Enterprise and Industry Directorate-General

Grant Work Programme 2007
Call for proposals No ENT3/IMA N.R./6.1.1.
The European Union assuming its role in a globalised world
China IPR SME Helpdesk

Directorate B: Industrial Policy and Economic Reform
Unit B1: Development of Industrial Policy

Contact: Mr. Didier Herbert

Office address: BREY 7/06

Service central de réception du courrier
Avenue de Bourget, 1
B-1140 Bruxelles, Belgique

How to reach rue de Bourget 1:
http://ec.europa.eu/enterprise/calls/hand_delivery.html

Please note, that for security reasons, hand deliveries (including private courier services) are not accepted in other Commission's buildings. An acknowledgement of receipt shall be delivered by the "Service central de réception du courrier".

Evidence of timely submission by post or courier service will be constituted by the date of dispatch, the postmark or the date of the deposit slip. In the case of hand-delivery, the signed and dated receipt will serve as evidence.

Applicants shall observe precisely the above indications in order that proposals can reach their precise destination in due time.

9. EQUAL OPPORTUNITY

The European Community has the task to promote equality between women and men and shall aim in all its activities to eliminate gender inequalities (articles 2 and 3 of the EC Treaty). In this context, women are particularly encouraged to be involved in proposal submission.

10. PERSONAL DATA

Your grant application will be processed by computer. All personal data (such as names, addresses, CVs, etc.) will be processed in accordance with Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.⁶

Your replies to the questions in the submission set are necessary in order to assess your grant application and they will be processed solely for that purpose by the department responsible for the Community grant programme concerned. On request, you may be sent personal data and correct or complete them. For any question relating to these data, please contact the Commission department to which the application must be returned. Beneficiaries may lodge a complaint against the processing of their personal data with the European Data Protection Supervisor at any time.

11. ANNEX 1: SUBMISSION SET

12. ANNEX 2: GUIDE FOR SUBMISSION

⁶ Official Journal L 8, 12.1.2001.