EUROPEAN COMMISSION
ENTERPRISE AND INDUSTRY DIRECTORATE-GENERAL

CALL FOR PROPOSALS

Galileo-EGNOS prize award scheme

ENT/SAT/10/5010

GRANT PROGRAMME 2010

The present call for proposals is composed of a set of Grant Submission Documents, which form an integral part of this call:
The call for proposals,
The Guide for Submission
The Submission Set

The terms set out in the call for proposals document shall take precedence over those in the other parts of the Grant Submission Documents.

TABLE OF CONTENTS

1. CONTEXT 3
2. OBJECTIVE OF THE CALL 4
3. TIMETABLE 6
4. EU FINANCING 7
4.1. CO-FINANCING AND JOINT AND SEVERAL RESPONSIBILITY 8
4.2. SUBCONTRACTING 8
4.3. PAYMENT ARRANGEMENTS 8
5. ELIGIBILITY 10
5.1. GEOGRAPHICAL ELIGIBILITY 10
5.2. LEGAL STATUS ELIGIBILITY 10
5.3. EXCLUSION CRITERIA 10
5.4. ELIGIBLE PROPOSALS 11
6. SELECTION 12
6.1. APPLICANTS' FINANCIAL CAPACITY TO COMPLETE THE PROPOSED ACTION 12
6.2. EXTERNAL AUDIT REPORTS 12
6.3. APPLICANTS' OPERATIONAL CAPACITY TO COMPLETE THE PROPOSED ACTION 12
7. AWARD 13
8. SUBMISSION OF PROPOSALS 14
9. CONTACTS 16
10. ANNEX 1 SUBMISSION SET 16
11. ANNEX 2 GUIDE FOR SUBMISSION 16
12. ANNEX 3 EVALUATION CRITERIA 16
13. ANNEX 4 DRAFT GRANT AGREEMENT 17

INTERESTED PARTIES ARE INVITED TO READ CAREFULLY THE BELOW INSTRUCTIONS, AND TO USE THE QUESTIONNAIRE PROVIDED IN SECTION II OF THE GUIDE FOR SUBMISSION IN ORDER TO ENSURE THAT APPLICATIONS ARE COMPLETE WHEN SUBMITTED.

1. CONTEXT

The Galileo programme is Europe's initiative for a state-of-the-art GNSS (Global Navigation Satellite System) infrastructure, providing a highly accurate, guaranteed global positioning service specifically designed for civilian purposes.[1] While providing autonomous navigation and positioning services, Galileo (the global EU GNSS system) will at the same time be compatible and interoperable with GPS (USA) and GLONASS (Russia), the two other existing global satellite navigation systems. The fully deployed system established under the Galileo Programme will consist of 30 satellites and the associated ground infrastructure. Based on the award of the contracts for the first order of satellites, the launch services and the system support services, the European Commission announced that three of the five services provided by the EU GNSS System will be provided as of early 2014: the Open Service, the Public Regulated Service and the Search And Rescue Service. The Safety-of-Life Service and the Commercial Service will be tested as of 2014 and will be provided as Galileo reaches full operational capability with the 30 satellites.

As a first step towards the provision of Safety-of-Life Service, European Union has also developed a regional SBAS (Satellite Based Augmentation System), called EGNOS (the regional EU GNSS system), covering Europe and potentially all the neighbouring regions and providing more accurate and reliable signals than GPS alone. EGNOS is operational since 1st October 2009. With its own EU GNSS technology (GALILEO global and EGNOS regional) Europe will be able to exploit the opportunities provided by satellite navigation to a much greater extent than currently possible. European receiver manufacturers, application providers and service operators will all benefit from novel business opportunities. European citizens will enjoy more and better applications as well as less traffic congestion and pollution, safer transports and more effective rescue operations.

In this frame, the European Union has engaged in promoting the development of downstream applications based on EU GNSS technology to maximize the spill-over benefits from building the EU GNSS infrastructure. This is reflected in its work programme for 2010 and specifically in the Action Plan on Global Navigation Satellite System (GNSS) Applications soon to be adopted by the European Commission. This Action Plan sets short and long term objectives to foster the development of GNSS downstream applications and to promote entrepreneurship (i.e. new products/services using their services) based on both GALILEO and EGNOS technologies. Innovative GNSS downstream applications development is one of the areas where European Member States and Citizens will find most socio-economic benefits deriving from the EU GNSS infrastructure.

From experience on the GNSS as well as on other innovative technologies, the prize-winning concept is an effective tool to prompt generation of new ideas ready to spin-off and/or to go into market introduction, as well as to provide visibility and crucial seed financing to prize winners. EU funding may also play a key 'signalling' role in attracting further private financing to the innovative ventures.
This prize award shall also increase the visibility of the EU GNSS programmes (GALILEO and EGNOS). The European Commission therefore wishes to award a grant to an organization, or a consortium, that takes the action to operate a Galileo-EGNOS award scheme'. This task is pursued according to points 3.3.1, 4.3.6.7 and 5.4 of the Galileo Work Programme 2010[2] as well as the Action Plan mentioned therein.

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[1] Regulation (EC) No 683/2008 of the European Parliament and of the Council of 9 July 2008 on the further implementation of the European satellite navigation programmes (EGNOS and Galileo), OJ L196 of 24 July 2008, p.1.

[2] C/2010/1617 of 23.03.2010

2. OBJECTIVE OF THE CALL

The EU grant intends to co-finance the operation of a prize awarding mechanism for innovative applications developed by companies and entrepreneurs and based on the EU GNSS technologies (EGNOS and GALILEO) that will promote industrial innovation and the uptake of high-technologies across Europe.

The grant shall be used by the beneficiary(ies) organization to fund an EU-wide prize-awarding scheme by complementing resources made available by other public or private organizations rewarding the development of specific GNSS applications. The grant aims also to improve the quality of submitted ideas as well as the number of prize applications from all EU Member states and other countries.

This prize award scheme intends to foster the emergence of new applications based on both GALILEO and EGNOS and also to support the EU GNSS industry.

2.1. Specific call objectives

(1) Reward companies and/or entrepreneurs for their development of innovative GNSS applications emphasizing the added-value of the use of Galileo and EGNOS.

(2) Encourage SMEs and innovative entrepreneurs/organizations to invest in Galileo- and EGNOS-based applications.

(3) Assist in making new GNSS-based ideas known, thus creating opportunities for SMEs to raise support not only at a local level but also at a broader scale.

(4) Foster pan-European GNSS entrepreneurship.

(5) Increase the quality of the competing ideas.

(6) Lower the "cost of entry" for regional organizations or private sponsors willing to fund GNSS R&D,

(7) Create an incentive to private sponsors to offer special prizes in application domains of particular interest.

2.2. Type of actions eligible for funding

(1) Organization and management of a yearly GALILEO prize-awarding competition including all necessary tasks such as elaboration of a well-defined, fair and transparent prize awarding scheme, publication of calls for idea, evaluation by experts of submitted ideas, prize awarding event.[3]

(2) Fund raising to match the EU financing, as described in chapter 4.

(3) Dissemination 'inbound', i.e. to increase the number and the quality of innovative ideas submitted to the GALILEO prize-awarding competition.

[3] The Commission services shall be involved and duly informed on every step during the entire process and shall participate as observer in the evaluation boards. The Commission shall equally validate the award decisions.

(4) Dissemination 'outbound', i.e. obtain adequate visibility within the Europe and worldwide GNSS industry (including academic and research) to promote the competition, its sponsors, participants and prize winners.

(5) Coordination with existing support schemes and financing facilities.

(6) Coaching of prize winners in view of the market access.

2.3. Reporting to be submitted by the beneficiary (ies)

(1) Yearly report on the GALILEO prize-awarding scheme, including quantitative and qualitative information on the applications, selection procedures and prize-awarding process

(2) Evaluation reports of the prize awarding boards

(3) Publication and dissemination of year books with abstracts of all submitted ideas

(4) Yearly evaluation reports on the prize winners' financial and commercial performance

(5) Report on the coaching activity of the winning ideas

(6) Yearly financial report on the use of the grant with an outlook for the remaining period

3. TIMETABLE

- Scheduled start-up date for the action: May 2011
- Maximum duration of actions: 36 months

However, if after the signing of the agreement and the start of the project it becomes impossible for the beneficiary, for fully justified reasons beyond his control, to complete the project within the scheduled period, an extension to the eligibility period may be granted. A maximum extension of 12 additional months will be granted, if requested before the deadline specified in the agreement. The maximum duration will then be 48 months.

The intention is to inform applicants of the outcome of the award procedure during the April 2011.

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. EU FINANCING

The **maximum budget** allocated for this call for proposals from the 2010 Work programme for the implementation of the European satellite radio-navigation programmes (EGNOS and Galileo), is: 900.000 € (nine hundred thousand euro)

Indicative number of projects : 1

Maximum EU co-financing rate of eligible costs:

1. **Management of the consortium activities**

The EU contribution is limited to a maximum of 70% of costs incurred by the **coordinator for the management** of the project consortium with an annual ceiling of 80.000€. Management costs may include expenses incurred for the overall legal, financial and administrative management; for the negotiation of the expansion of the initial consortium with more prize-awarding beneficiaries (e.g. more regions of Europe); other management activities foreseen in Annex I of the Grant Agreement.

2. **Other cost incurred by the beneficiary(ies)**

The EU contribution is limited up to 50% of the eligible costs incurred by not-for-profit beneficiaries, and up to 20% of the eligible costs incurred by other beneficiaries.

In accordance with the description of the action in Annex I of the Grant Agreement, other costs include the support, in the form of prizes, to be provided to third parties (that is: the prize winners) by the beneficiary (ies) .The prizes may consist of (or the combination of):

- financial prizes
- in-kind support (through, for instance and not exclusively, the provision, at no cost for the prize winner, of services or material to the prize winner to prototype or to bring to the commercial stage his/her innovation (e.g. hours of laboratory testing, technical assistance, hours of independent researchers and technical staff))

Therefore, eligible costs consist of the sum of:

- the costs incurred for the provision of in-kind support, plus
- the amount of the financial prizes awarded to the prize winner(s)

The maximum amount of eligible costs is limited as follows:

- for not-for-profit beneficiaries: 20000€
- for other beneficiaries: 50000€

Explanatory examples:

(a) in case of a prize of total € **40000**, composed of € 10000 in cash and € 30000 in laboratory and incubation services (i.e. € 30000 in-kind) awarded by a regional government council, the EU grant can amount up to a total of € 10000: 50% of maximum eligible costs (i.e. 50% of € 20000)

(b) in case of a prize of total € 40000, composed of € 20000 in cash and € 20000 in laboratory and incubation services (i.e. € 20000 in-kind) awarded by a private company, the EU grant can amount up to a total of € 8000: 20% of € 40000.

Additional information:

In accordance with Article 184a.2 of the Implementing Rules applicable to the general budget of the European Union, the maximum amount of financial support that may be paid to third parties by a beneficiary shall be 100.000€ with a maximum of 10.000€ per each third party.

Maximum European Union co-financing ceiling per project: 900.000€

Proposals requesting an EU contribution higher than 900000€ will be ineligible. Please refer to section 5 below.

- Please note that one action may give rise to the award of only one grant from the European Union budget to any one beneficiary.
- EU financing can never cover 100 % of the costs of an action.
- The Commission reserves the right to award a grant of less than the amount requested by the applicant. In such a case, beneficiaries proposed for award will be proposed either to increase their co-financing, propose other co-financing means or to decrease the total costs without altering the substance of the proposal. 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 by contribution 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. Please refer to the Guide for Submission, chapter IV for further details.

In case where a multi-beneficiary agreement is possible or required, all partners shall agree upon appropriate arrangements between themselves for the proper performance of the action.

Article I.10 of the grant agreement with multiple beneficiaries limits the level of responsibility of each beneficiary.

The final 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

Only a limited part of the project may be subcontracted, up to 25 % of the eligible costs

Subcontracting does not limit the responsibilities of beneficiaries.

Please note that the beneficiary (ies) has (have) to have the necessary capacity to perform the project. Only tasks that are not core business can be sub-contracted to consultants.

Please refer to the guide for submission (page 28) for further details on subcontracting.

4.3. PAYMENT ARRANGEMENTS

The draft grant agreements annexed to this call for proposals specify the payment arrangements in its article I.4 for single beneficiary agreements and I.5 for multiple beneficiary agreements. This agreement is attached for information only, and should not be submitted with the proposal.

Your attention is in particular drawn to part B of the General Conditions, article II.14, where the eligibility of costs is described. These costs are also further explained in chapter VI of the Guide for Submission.

The Commission may require the beneficiary to lodge a guarantee in advance, for up to the same amount as the pre-financing, on the basis of the risk assessment carried out.

In case of grants exceeding 750.000 €, when the cumulative amounts of request for payment is at least 325.000 €, an auditor has to certify that the costs are real, accurately recorded and eligible in accordance with the grant agreement.

5. ELIGIBILITY

APPLICATIONS MUST COMPLY WITH ALL OF THE ELIGIBILITY CRITERIA SET OUT IN THIS SECTION.

5.1. GEOGRAPHICAL ELIGIBILITY

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

(1) - EU Member States

(2) - EEA countries

5.2. LEGAL STATUS ELIGIBILITY

In what follows "partners" are to be understood as any potential co-signatory of the future grant agreement subject to this call, and as proposed by the applicant co-ordinator.

1. 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.
2. Partners of the lead organisation must satisfy the same eligibility criteria as those for applicants; the applicant will be the coordinator
3. Applications must be submitted by a legal person. Natural persons cannot participate
4. Applicants must correspond to the definition, of the following target organisations
   - Companies;
   - Non-profit organization;
   - Association of companies and local/regional authorities;
   - Association of companies;
   - Association of companies, local/regional authorities and non-profit organization;
5. Corporate bodies and associations of different organizations must be properly constituted and registered under the law. If a body or organisation is not constituted under the law, a physical person must be designated to provide the legal responsibility.

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.

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 2002[4] 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 Communities[5], administrative and

[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 April 2007

[5] As amended by Council Regulation 1995/2006 of 13 December 2006

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:

1. Applications must be signed, dated and complete, using the standard submission set. All forms must be submitted in their original form with original signatures;
2. Applications must be submitted timely, in conformity with the specifications for the submission of proposals (se point 8 below) ;
3. Only projects that are strictly non-profit-making and/or whose immediate objective is non-commercial shall be eligible.
4. Applications must respect the maximum EC contribution as laid out in section 4.
5. Applications must respect the maximum duration of projects (see section 4).
6. Applications must be in line with the scheduled start date
7. Applications may not include contributions in kind as part of their co-financing. (delete as appropriate)

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

The following sets out the basis for the evaluation of applicants' capacities in relation to the action. Please refer also to chapter IV of the Guide for Submission for further details.

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.

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 provide the possibility for an assessment of the financial viability of the applicant.

This obligation does not apply to secondary or higher education establishments or beneficiaries with joint and several liability in the case of agreements involving several liability beneficiaries.

6.3. APPLICANTS' OPERATIONAL 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.

The applicants will need to demonstrate extensive expertise in both the management of prize competitions, and the field of GNSS downstream applications.

7. AWARD

An evaluation of the quality of proposals, including the proposed budget, will be carried out in accordance with the evaluation criteria set out in annex 3 to this call for proposals.

The complete selection and evaluation procedure is described in chapter IV of the Guide for Submission in annex 2.

8. SUBMISSION OF PROPOSALS

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

Please consult chapter I of the Guide for Submission for the modalities of preparing the proposal.

The deadline for submission of proposals is :

15/01/2011

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

Proposals may be :

a) either sent by registered mail, (date of postmark serving as evidence of timely delivery); to the following address:

European Commission

Enterprise and Industry Directorate-General

Call for proposals No: ENT/SAT/10/5010

Galileo Programme

GP2: Legal, financial and institutional aspects

DM 28 01/31

B-1049 Brussels, Belgium

b) or sent by courier services (date of deposit slip serving as evidence of timely delivery), to the address below**,**

c) or delivered by hand, in person or by an authorised representative (date of acknowledgement of receipt by the Commission serving as evidence of timely delivery) to the following address:

European Commission

Enterprise and Industry Directorate-General

Call for proposals No: ENT/SAT/10/5010

Galileo Programme

GP2: Legal, financial and institutional aspects

DM 28 01/31

B-1049 Brussels, Belgium

Service central de réception du courrier

Avenue du Bourget, 1-3

B-1140 Bruxelles, Belgique

How to reach avenue du Bourget 1-3 : http://ec.europa.eu/enterprise/calls/hand_delivery.html

In case of hand-delivery, a receipt must be obtained as proof of submission, signed and dated by the official in the Commission's central mail department who took delivery. This department is open from 08.00 to 17.00 from Monday to Thursday and from 08.00 to 16.00 on Friday; it is closed on Saturdays, Sundays and Commission holidays.

Please note that for security reasons hand deliveries (including courier services) are not accepted in other Commission buildings.

9. CONTACTS

Contacts between the contracting authority and potential applicants can only take place in certain circumstances and under the following conditions only:

- Before the final date for submission of proposals, at the request of the applicant, the Commission may provide additional information solely for the purpose of clarifying the nature of the call.

  Any requests for additional information must be made in writing only to the coordinates stated below.

  The Commission may, on its own initiative, inform interested parties of any error, inaccuracy, omission or other clerical error in the text of the call for proposals.

  Any additional information including that referred to above will be published on the internet in concordance with the various call for proposals documents.

- After the deadline for submission of proposals:

- If clarification is requested or if obvious clerical errors in the proposal need to be corrected, the Commission may contact the applicant provided the terms of the proposal are not modified as a result.

- If the authorising officer finds that those proposals, which have been listed for award needs limited adaptations to their proposal. In such case, these applicants will receive a formal letter setting out the requested modifications. Any such modifications must stay within the limits of the request. This phase will not lead to a re-evaluation of the proposals, but a proposal might be rejected if refusing to ensure a positive follow-up to the request.

Contact coordinates for the call: ENT/SAT/10/5010

European Commission

Enterprise and Industry Directorate-General

Galileo Programme

GP2: Legal, financial and institutional aspects

DM 28 01/30

B-1049 Brussels, Belgium E-mail address: ENTR-10-5010-SAT@ec.europa.eu

10. ANNEX 1 SUBMISSION SET

The Submission Set can be downloaded from the following page: http://ec.europa.eu/enterprise/contracts-grants/calls-for-proposals/

11. ANNEX 2 GUIDE FOR SUBMISSION

The Guide for Submission can be downloaded from the following page: http://ec.europa.eu/enterprise/contracts-grants/calls-for-proposals

12. ANNEX 3 EVALUATION CRITERIA

13. Annex 4 Draft Grant Agreement

Annex 3 Evaluation Criteria

When assessing the below evaluation criteria, the evaluation committee generally pays attention to the elements indicated below each criterion. Please note that these elements, which are indicative and non-exhaustive, are given on the basis of transparency and in order to help applicants to improve their applications.

EVALUATION CRITERIA AND KEY ELEMENTS LIKELY TO BE ASSESSED BY THE EVALUATION COMMITTEE	MAX. SCORE
1. Relevance and Impact	**45**
. How relevant is the proposal to the general and special objectives of the published theme?	
How well defined is the impact in view of what has been described in the general and special objectives?	
2. Visibility	**10**
To what extent does the proposer assure visibility of the prize award scheme and of the European Satellite navigation programmes Galileo and EGNOS in particular and the EC in general?	
3. Quality and Methodology	**45**
How coherent is the overall project design? (Including preparedness for evaluation.)	
How coherent, appropriate and practical are the activities proposed?	
To what extent has the project been well thought out ?	
To what extent does the proposal contain specific elements such as fund raising methodology, access to financing facilities and coaching activities for prize winners ?	
Maximum total score	**100**

If a total score lower than **60** points or a score lower than 50% for any of the above criteria is obtained, the proposal will not be evaluated further.

Annex 4 Draft Grant Agreement

- Grant agreement for an action
- Grant agreement for an action with multiple beneficiaries