



**GUIDELINES
FOR THE PREPARATION OF THE
TECHNICAL ANNEX**

Call 2006

**Market Validation and Deployment
Projects**

**The content of this document is subject to the rules and conditions laid out in
Council and Parliament Decisions relevant to the
eTEN Action, to the Call for Proposals published in the Official Journal C40 of
17/02/2006 and in the Grant Agreements.**

VERSION 1.1

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1 OVERVIEW

1.1. INTRODUCTION

The aim of this document is to provide guidance on the scope, the objectives and the information to be provided in the Technical Annex (TA) of an eTEN grant agreement leading to a Market Validation or an Initial Deployment cost-shared Project

It is strongly recommended to read carefully this document before drafting the TA to be submitted to the Project Officer (PO) in view of the negotiation of the grant agreement.

1.2. THE IMPORTANCE OF THE TECHNICAL ANNEX (TA)

The TA is a key document containing a detailed description of the work to be carried out in the framework of eTEN projects. It is an integral part of the eTEN grant agreement to be signed by the Consortium and the European Commission, and therefore it has a **contractual** character. This means that the Consortium is legally bound by the TA and any deviation to the Work Plan during the life time of the project has to be agreed and accepted by the EC.

1.3. THE NEGOTIATION OF THE TA

As indicated in the “guidelines for the preparation of eTEN agreements”¹, the purpose of the negotiation is to identify and solve any problem with respect to the draft “Technical Annex”, which the Consortium has prepared and sent in advance to the corresponding PO, **at least ten working days prior to the set meeting date**. This allows the PO to review the information in detail so that an effective and constructive meeting can take place. During the meeting, the PO will indicate and discuss changes or improvements which are required, and all beneficiaries will explore how this can be accommodated in the Work Plan in view of reaching an agreement on the technical issues.

¹ This document can be downloaded from the eTEN website:
http://ec.europa.eu/information_society/activities/eten/library/index_en.htm

2 THE CONTENTS OF THE TECHNICAL ANNEX

2.1. THE SCOPE AND MAIN FEATURES OF THE TA

The content of the TA should be based on information from “Part B” of the Proposal submitted, but drafted in a precise and unambiguous style in view of its contractual status. It must include any necessary changes arising from the recommendations of the Evaluation Summary Report (ESR) and further discussions during the negotiation phase.

It is important to notice that the TA and the Part B of the proposal submitted are **two different documents with two different aims**, and therefore the type of information and the level of detailed to be provided in each of these two documents have to be necessarily different:

- The TA being a contractual “Description of Work”, reference to some generic chapters of the proposal **is not required** (e.g. contribution to EC policies, trans-EU scope, interoperability – technique and service – effect of EC funding on the service deployment). These issues will be dealt with as specific deliverables (See list in Annex 4).
- The “Description of Work” and the objectives should be sufficiently detailed and precise to make it possible to see what is being achieved as the project progresses, and to assess in the end whether the project has been fully successful or not.
- The TA should concentrate and further elaborate on the description of the activities (including budgetary issues), the service and the business and deployment strategy and avoid repeating information already included in the original proposal that is no longer useful to clarify the work to be carried out.
- The TA should nevertheless closely reflect the scope and content of the original proposal

2.2. MAIN ELEMENTS TO BE INCLUDED IN THE TA

The TA should contain the following elements:

- The detailed Work Plan for its whole duration (describing all necessary tasks and their relationship to the objectives as well as their interconnection); a description of the role of the participants; a description of the deliverables as a deliverables’ list; ethical provisions; a description of the organizational and management structure, a plan for dissemination of the results;
- A detailed project resources and budget structure for the whole duration of the project;

- The description of the Consortium structure and the different members of the value chain. The “Technical Annex” must also define precisely the involvement of each partner towards the goals and objectives set in the proposal
- The description of the methodology and the strategy which will be applied to reach the expected results. It must include a clear roadmap describing how the goals and objectives will be achieved and assessed (a set of success indicators must be provided).
- Similarly, it must specify the different Work Packages (defining the number of hours foreseen for each partner involved) and provide an analysis and plan for potential risk mitigation. Goals and achievements must be susceptible to review and assessment.

The next paragraphs explain the format in which the TA should be submitted.

2.3. STRUCTURE OF THE TA OR DESCRIPTION OF WORK FOR MARKET VALIDATION AND INITIAL DEPLOYMENT

For the sake of clarity and in order to facilitate the reading and understanding of the Description of Work, the TA must be structured in the following chapters:

Chapter 1: Overall Project Description

Chapter 2: Technical Approach, Description of the Service

Chapter 3: Market Approach

Chapter 4: Project Phase

Chapter 5: Financial Aspects

Chapter 6: Management of the Project Phase

Each of these chapters should deal with certain specific points and should present the information using in some cases tables, templates and compulsory models. The following sections explain, chapter by chapter, how to proceed with the main points and information to be included and the templates to be used when necessary.

A more detailed template of the structure by chapters can be found in Annex 1.

2.4. DRAFTING THE TA: INFORMATION EXPECTED BY CHAPTERS

The aim of this section is to provide guidance on the kind of information expected in each of the above-mentioned structured chapters, as well as some hints and reminders that the Consortium should take into account when drafting the TA. References of the tables and templates which **must** be used in the TA for some of the items (project deliverables, work packages) can also be found in this section.

Chapter 1: Overall Project Description

The main points to be included in this chapter are the following:

- Overall Project Executive Summary
- Goals, objectives, criteria for success
- Description of the Service and choice of test sites
- Area of Common Interest (across regions or nations)
- Long-term viability
- The Consortium

This chapter should provide an overview of the whole project and therefore should facilitate at a glance the understanding of the main issues at stake, including the points mentioned above, without going into technical details at this stage.

Long descriptions of questions already dealt with in the proposal and not directly related to the project activities should be avoided (for example, as it was mentioned before, the descriptions of the contribution to EC policies, trans-EU scope, interoperability – technique and service – or the effect of EC funding on the service deployment are not necessary).

Attention should also be paid to avoid unnecessary overlapping with other parts of the TA.

Chapter 2: Technical Approach, Description of the Service

The main points to be included in this chapter are the following:

- Overall system architecture
- Technology used
- Adaptation/tuning to be done in order to align the service/system to the national (of the test sites) regulations – IF needed

The aim of this chapter is to describe the technical related aspects of the service to be validated/deployed. Given that interoperability issues are dealt with as specific

deliverables, they should not be included here (unless they represent a key concern for the success of the project).

Chapter 3: Market Approach

The main points to be included in this chapter are the following:

- Brief market analysis (foreseen entry barriers, adjustment to national regulations, ...)
- Market Positioning Strategy
- Position of the service compared to existing services or need for the service
- Benefits versus costs
- Description of the competition and position of the service compared to competition (SWOT analysis)
- Viability of the service

In this chapter, the information provided should be as quantified as possible including numerical data, graphs, detailed tables to compare benefits and costs, a SWOT analysis and all the necessary information and empirical evidences and examples to clarify the market situation to which the service will be exposed.

Chapter 4: Project Phase

The main points to be included in this chapter are the following:

- Description of Project Phase
- Objectives of the Project and indicators of achievement
- Main Activities
- Project Work Plan
- Description of Work Packages, including deliverables Project deliverables, Milestones. A deliverables list needs to be included. In addition to this, Deployment Projects have to provide a milestone list
- Time Table and Schedules

A project scenario must be developed task by task and include a Roadmap (e.g. represented by a “Gantt Chart”) and the critical analysis (with a diagram), followed by a proper analysis of both.

The TA should substantiate and explain in detail the budget estimations and costs of the project provided in the GPFs. Only the TA is part of the contract, and will later give authorisation of the costs claims.

Important

Budgetary Figures

All budgetary figures, as precise as they may be, are seen as estimate of the real figures coming from the project's expenses, therefore payments will only be made based on real, justified actual costs and bills, not on the basis of the GPFs.

Other Specific Costs

This cost category must be also reported in details in the Technical Annex.

Permanent staff of AC partners

AC partners are required to report the time of their permanent staff in the work plans both in the Technical Annex and the GPFs.

TEMPLATES

To fill in this chapter the following templates have to be used:

	Template
Description of Work Packages	The table provided in Annex 3 of this document has to be used. One table for each Work Package must be included.
Project deliverables	A list of deliverables has to be provided using the table and indications given below and in Annex 4.
Milestone list	Only for Deployment Projects. A template is provided in Annex 5.

The Technical Annex can include, **in addition to these templates**, any other tables or complementary information of the choice of the Consortium which could be useful to further explain the activities or the budget of the work plan. For example, a table on work package resources in person-hours per partner, work package resources in person-days per partner, deliverable resources in person days, explanation on resource distribution, details of resources break down, etc.

DELIVERABLES' LIST (SEE DETAILED PLAN IN ANNEX 4)

In Chapter 4 and using the table provided in Annex 4, a series of deliverables must be defined to provide adequate monitoring and dissemination. **Some deliverables are mandatory**: technique, business, management and dissemination. More information and some examples of these deliverables can be found in the next page.

Reminder:

The results and outputs of the project are called '**deliverables**'. These may be physical (reports, software, etc); operational (attainment of a deadline, inclusion of an additional deployment partner, etc.), or other (publication of a web site, a consortium decision, etc.)

<i>Type of deliverable</i>	<i>Mandatory information</i>
Technical Reports	Must include any important result and technical output of the project (e.g. technical architecture, test sites results, service adjustment specific to the different regulations and system improvements, ...)
Business and Deployment Strategy	<p>Deliverables usually include, user acceptance review, market study in the targeted countries of deployment. Community funding should have the effect of creating a business through the deployment of the targeted service. This must be clearly stated as well as the roadmap and strategy to achieve it via a business and an initial deployment plan for the “Market Validation instrument”.</p> <p>In addition to the above “Initial Deployment”, projects are requested to provide a full deployment plan establishing the costs and benefits (tangible and intangible). It should also include qualifying the business need, identifying the most appropriate service deployment strategy, etc.</p>
Managerial Requirements	<p>The monitoring exercise of an eTEN project should be an integral part where only essential points and achievements must be reported. Any work period of six months or more should lead to some form of reporting of achievements. <u>Two types of management reporting are required²:</u></p> <ul style="list-style-type: none"> • Quarterly Management Reports and • Progress Reports (provided at each milestone or period review time).
Dissemination Requirements	<p><u>They include various things:</u></p> <p>At Month 2, a description of the service or deployment strategy and presentation of the beneficiaries according to the template should be provided³; an operational and attractive website, regularly updated, mentioning the eTEN participation; the design of a project logo.</p> <p>At specific milestones such as the mid-term review, the Consortium is required to organize a workshop intending to disseminate results to a wide targeted audience (e.g. peers, users, potential customers etc...). By the end of the project, a final event must be organized as part of the dissemination strategy to seek commitment from potential users and investors. In addition, the consortium is required to set aside a specific budget to participate to at least one event sponsored or organized by the Commission.</p>

² Report’s templates can be downloaded from:

http://ec.europa.eu/information_society/activities/eten/library/index_en.htm \1"executing_project"

³ The e-TEN data input form can be downloaded from:

http://ec.europa.eu/information_society/activities/eten/library/index_en.htm \1"executing_project"

Chapter 5: Financial aspects

The main points to be included in this chapter are the following:

- Business Case and business approach, Business Plan/Strategy.
- Financing plan (Market Validation and Initial Deployment projects).
- Financing Plan Table

Financing requirements	€
Cost of the Market Validation phase (A)	
Estimated cost of the initial market Deployment phase (B), operational/maintenance costs excluded	
Total Investment (A+B)	
Requested EU Funding	

- Describes also the ROI⁴ (how it will be realized, including the service ability to reduce operating costs, pay for itself or significantly improve efficiency).
- Deployment Plan (including costs/revenues projections)
- Investment Plan (Deployment Projects only), using the template provided in Annex 6

It is crucial to show in this chapter how the service is planned to be deployed (Market Validation projects) or maintained financially (Deployment projects) after the project, an estimation of the costs needed to keep the service operational, the level of investment foreseen, the expected sources of finance and/or any other information related to the costs to be incurred to keep the service up to date.

Chapter 6: Management of the Project Phase

The main points to be included in this chapter are the following:

- Procedures
- Participants
- Overview of the Consortium composition and role
- Quality control & Mitigation Process; including a Risk Analysis

The information of the participants to be included in the TA should be concise to avoid overlapping with the original proposal. It must concentrate on their specific role in the project and references to their previous experience have to be mentioned insofar it is relevant to understand their role in the project.

⁴ Return on Investment

TEMPLATES

For the Consortium composition and role, the following table has to be used:

Overview Table of the Consortium Composition and Role

No	Type of partner (private, Public, ...)	Organization Name	Cost Model	Business Activity	Main Role	Country	EU/non EU

As for the Risk Analysis, this lists all potential risks likely to appear in **running the project** and the required mitigation plan (See table in Annex 2). For the risk of potential delay, an analysis based on a **detailed critical path diagram is required** according to the Annex 2.

ANNEX 1: TEMPLATE FOR TECHNICAL ANNEX OR DESCRIPTION OF WORK FOR MARKET VALIDATION AND INITIAL DEPLOYMENT

Chapter 1: Overall Project Description

- Overall Project Executive Summary
- Goals, objectives, criteria for success
- Description of the Service and choice of test sites
- Area of Common Interest (across regions or nations)
- Long-term viability
- The Consortium

Chapter 2: Technical Approach, Description of the Service

- Overall system architecture
- Technology used
- Adaptation/tuning to be done in order to align the service/system to the national (of the test sites) regulations – IF needed

Chapter 3: Market Approach

- Brief market analysis (foreseen entry barriers, adjustment to national regulations ...)
- Market Positioning Strategy
- Position of the service compared to existing services or need for the service
- Benefits versus costs
- Description of the competition and position of the service compared to competition (SWOT analysis)
- Viability of the service

Chapter 4: Project Phase

- Description of Project Phase
- Objectives of the Project and indicators of achievement
- Main Activities
- Project Work Plan
- Description of Work Packages (For each Work Package a table must be included according to the Annex 3)
- Project deliverables, Milestones and Reporting as part of the Work Packages' description (See Annex 4)
- A deliverables list needs to be included in Annex 4. A milestone list needs to be completed in Annex 5 for **Deployment Projects only**.

Time Table and Schedules

A “Gantt Chart” or equivalent is required.

Chapter 5: Financial Aspects

- Business Case and business approach, Business Plan/Strategy.
- Financing plan (Market Validation and Initial Deployment projects).

Financing Plan Table

Financing requirements	€
Cost of the Market Validation phase (A)	
Estimated cost of the initial market Deployment phase (B), operational/maintenance costs excluded	
Total Investment (A+B)	
Requested EU Funding	

Describes also ROI (how it will be realized, including the service ability to reduce operating costs, pay for itself or significantly improve efficiency).

Deployment Plan

Investment Plan (Deployment Projects only)

Description (See – Table in Annex 6)

Chapter 6: Management of the Project Phase

Procedures

Participants

Overview of the Consortium composition and role (SEE BELOW)

Quality control & Mitigation Process

Risk Analysis

This lists all potential risks likely to appear in **running the project** and the required mitigation plan (See table in Annex 2). For the risk of potential delay an analysis based on a **detailed critical path diagram is required** according to the Annex 2.

Overview Table of the Consortium Composition and Role

No	Type of partner (private, Public, ...)	Organization Name	Cost Model	Business Activity	Main Role	Country	EU/non EU

ANNEX 2: TIMETABLE AND SCHEDULE & RISK ANALYSIS

In the “Technical Annex”, a project scenario must be developed task by task and include a Roadmap (e.g. represented by a “Gantt Chart”) and the critical analysis (with a diagram), followed by a proper analysis of both and a Mitigation plan (e.g. how risks will be minimized and problems resolved).

See below a template helping you to classify the inherent risk of deploying a service. A similar table could be developed for the analysis of risk inherent to the running of the project.

Risk Analysis

In the following table a project scenario is developed, listing task by task the potential risks and providing, wherever relevant, its mitigation plan:

Task	Risk	Mitigation plan
To evaluate the market features (size, state of development, type of customers and competitors)		
To quantify the needed investment costs, both for launch and maintenance of the service	differences between countries	
To calculate the expected profitability and the users fees scheme		
To define the business models suitable for each customer typology		
To implement a final business plan, including accounting and payment procedures		
Definition of the expected results to be achieved and of criteria and thresholds to evaluate the trial		
Study of national specificities (including eventual competition if any), collection of the available information and adaptation of the Business Plan		

Setting up the conditions needed for the start up of the trial		
To identify the services procedures to be implemented in the trial (required functions and utilities)		
Dry run of the pilot sites, operational tests		
To monitor the users reaction to the implemented services		
To collect data concerning the users satisfaction		
To provide an overall assessment of the trial run		
To implement the necessary adjustments to the system in order to improve the system	Misunderstanding of what needs to be enhanced	
To start promoting the service across Europe.		
Market validation	Wrong/not appropriate sample selection	
Barriers and challenges analysis	Overestimation of different relevant parameters	
Financing requirements to launch the service on a European base		
European law compatibility and sustainability	Wrong consideration of legislative constraints	
Design of the dissemination activities	Wrong dissemination target definition	
Dissemination activities implementation		

A similar analysis and table should be developed for the management of the project

Task	Risk	Mitigation Plan
Project management xxx	Discrepancy between planned and reality	

ANNEX 3: WORK PACKAGE DESCRIPTION

Use one for each Work Package:

WORK PACKAGE No.			
Title:			
WP Leader:			
Start month:	t0+	End month	t0+
Total person hours per work package:			
Total Person hours per beneficiary			
Beneficiary 1 Name: [number of person hours]			
Beneficiary 2 Name: [number of person hours]			
Objectives and approach			
Provide a concrete description of the objectives to be achieved within the work package and how these objectives will be pursued. Use quantifiable and verifiable elements. Refer to the tasks to be carried out (See below).			
Tasks			
List all tasks in the work package. State the participant responsible for each task. State the amount of effort (in person hours) per beneficiary and task. A table may be used.			
Deliverables			
List Deliverable Numbers and Titles. Detailed deliverable descriptions are not needed here.			
Contribution to Project Objectives			
Describe how the WP and its deliverable(s) shall contribute to the project objectives			

ANNEX 4: DELIVERABLES LIST

Complete the following table for all projects:

Deliverables					
Due date	Deliverable No	Type (a)	Distribution (b)	WP Ref. (c)	Title and short description
t0 = 3		R			Quarterly monitoring report
t0+xx		R			Project Progress Report
t0+yy		R	P		Final Public Deliverables and Deployment Plan in case of Market Validation project
t0=+6		R			Draft Business Plan

Notes

(a) PR = Prototype; RE = Report; SP = Specification, OT = Others.

(b) P = Public, for wide dissemination (public deliverables shall be of a professional standard in a form suitable for print or electronic publication);

C = Confidential, limited to project participants. Irrespective of the status, all reports and deliverables must be made accessible to the other project participants and responsible EC services.

Some deliverables are mandatory

Your list of deliverables must include the following deliverables and appropriate timing:

1. Trans-European dimension (Month 3) :
 Trans-European scope of the service (including the area of common interest between chosen regions/states for test sites).
 Reasons why such a project is best funded by the Commission.
 Effect of the EU funding on the deployment plan of the service, including a justification for EC funding⁵.
2. Harmonisation, Interoperability and Standard (Month 9):
 Interoperability of technology and service across regions/states.
 Problems encountered, solving factors and process (throughout project as part of QMR).
 Importance of interoperability of your service for short-term deployment, for long-term deployment.
3. Management:
 Quarterly management reports (every 3 months).
 Progress reports (at each milestone/period).
 Public Final report.
4. Dissemination:
 Dissemination Strategy (Month 3)
 How will the service be disseminated (brochure (month 6), website (month2), workshops (each period and at the end), participation to/ organisation of events (TBD) and which type)

⁵ Must explain why financial help from the EC is more appropriate than any other funding source.

ANNEX 5: MILESTONES - DEPLOYMENT PROJECTS ONLY

Complete a table for each of the milestones:

<p>MILESTONE Nr. _____ / Title: _____</p> <p>Planned month: t0 + ...</p> <p>Cost of the investment to reach the milestone (per participant):</p>
<p>Deliverables available for the milestone:</p> <p>Criteria for go/no go decision:</p> <p>Investment components necessary to achieve the milestone:</p> <ul style="list-style-type: none">- equipment,- training,- software,- contents,- other (to be specified)

ANNEX 6: INVESTMENT PLAN

The projected investments during the initial months (max. 36) of Deployment Project need to be specified on a quarterly basis. The table below should be used to provide this information.

	Q1⁶	Q2	Q3	Q4	Q5	Q6	Q7	Q8	TOTAL (€)
Categories of cost :									
Specific Studies and Validation exercises <i>SPECIFY BY CATEGORY</i>									
Intangible Investment (such as training, marketing campaigns, acquisition of contents, etc.) <i>SPECIFY BY CATEGORY</i>									
Equipment									
Other material investment <i>SPECIFY BY CATEGORY</i>									
TOTAL INVESTMENT FOR THE INITIAL MARKET DEPLOYMENT									
% EU Contribution									

⁶ Quarterly from the start of the project phase.