



European Defence Fund (EDF)

Call for proposals

EDF-2023-LS-RA-CHALLENGE

Call for EDF research actions,
in the form of a **technological challenge**,
implemented via lump sum grants

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EUROPEAN COMMISSION
Directorate-General for Defence Industry and Space
DEFIS.A – Defence Industry

CALL FOR PROPOSALS

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0. Introduction

This is a call for proposals for EU **action grants** in the field of collaborative defence research and development under the **European Defence Fund (EDF)**.

The regulatory framework for this EU Funding Programme is set out in:

- Regulation 2018/1046 ([EU Financial Regulation](#))
- the basic act (EDF Regulation [2021/697](#)¹).

The call is launched in accordance with the Work Programme 2023 Part II² and will be managed by the **European Commission, Directorate-General for Defence Industry and Space (DG DEFIS)**.

This call aims at progressing Human Language Technologies (HLT) for defence applications. The HLT scientific and technological community has a long experience in participating in technological challenges, whereby different research teams submit their systems to blind testing using common evaluation protocols and datasets, with the support of an organising third party. This scheme is needed to evaluate systems involving machine learning in an objective and reproducible way. This leads to two topics, one to support the research teams participating in the challenge (HLTP), and one to support the challenge organisers (HLTO). A preliminary evaluation plan common to the two topics is provided as part of the call document (cf. Annex 4). It is an integral part of the topic description for each of the two topics.

The technological challenge organised through this call addresses several technologies where significant progress is needed. In addition, the call covers the production of complete HLT demonstrators that can be tested by representative defence users on their own data.

The call covers the following **topics**:

- **EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTP: Agile and robust human language technologies for defence – Participation to a technological challenge**
- **EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTO: Agile and robust human language technologies for defence – Organisation of a technological challenge**

Each project application under the call must address only one of these topics. Applicants wishing to apply for more than one topic, must submit a separate proposal under each topic.

The two topics are linked. Grants under the topic EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTP will be managed as linked actions with the grant under the topic EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTO.

We invite you to read the **call documentation** carefully, and in particular this Call Document, the Model Grant Agreement, the [EU Funding & Tenders Portal Online Manual](#) and the [EU Grants AGA — Annotated Grant Agreement](#).

¹ Regulation (EU) 2021/697 of the European Parliament and of the Council of 29 April 2021 establishing the European Defence Fund and repealing Regulation (EU) 2018/1092 (OJ L 170, 12.5.2021).

² Commission Implementing Decision C(2023) 2296 final of 29.03.2023 on the financing of the European Defence Fund established by Regulation (EU) No 2021/697 of the European Parliament and the Council and the adoption of the work programme for 2023 - Part II.

These documents provide clarifications and answers to questions you may have when preparing your application:

- the Call Document outlines the:
 - background, type of action and funding rate, objectives, scope and types of activities, functional requirements, expected impact and specific topic conditions (sections 1 and 2)
 - timetable and available budget (sections 3 and 4)
 - admissibility and eligibility conditions, including mandatory documents (sections 5 and 6)
 - criteria for financial and operational capacity and exclusion (section 7)
 - evaluation and award procedure (section 8)
 - award criteria (section 9)
 - legal and financial set-up of the Grant Agreements (section 10)
 - how to submit an application (section 11)
- the Online Manual outlines the:
 - procedures to register and submit proposals online via the EU Funding & Tenders Portal ('Portal')
 - recommendations for the preparation of the application
- the AGA — Annotated Grant Agreement contains:
 - detailed annotations on all the provisions in the Grant Agreement you will have to sign in order to obtain the grant (*including cost eligibility, payment schedule, accessory obligations, etc.*).

You are also encouraged to visit the [DG DEFIS webpage](#) to consult the list of projects funded previously.

1. Background

The European Defence Fund (EDF) fosters the competitiveness, efficiency and innovation capacity of the European defence technological and industrial base (EDTIB).

It contributes to the EU strategic autonomy and its freedom of action, by supporting collaborative actions and cross-border cooperation between legal entities throughout the Union, in particular SMEs and mid-caps, as well as by strengthening and improving the agility of both defence supply and value chains, widening cross-border cooperation between legal entities and fostering the better exploitation of the industrial potential of innovation, research and technological development, at each stage of the industrial lifecycle of defence products and technologies.

The EDF funds projects which are consistent with the defence capability priorities commonly agreed by EU Member States within the framework of the Common Foreign and Security Policy (CFSP), through:

- collaborative research that could significantly boost the performance of future capabilities, aiming to maximise innovation and introduce new defence

products and technologies, including disruptive technologies for defence, and aiming to make the most efficient use of defence research spending in the EU

or

- collaborative development of defence products and technologies, thus contributing to the greater efficiency of defence spending in the EU, achieving greater economies of scale, reducing the risk of unnecessary duplication and thereby fostering the market uptake of European defence products and technologies and reducing the fragmentation of defence products and technologies, ultimately leading to an increase in the standardisation of defence systems and a greater interoperability between Member States' capabilities.

In line with the Work Programme 2023 part II, this call covers thematic topics addressing **research actions for a technological challenge** which will be implemented through lump sum grants.

2. Type of action and funding rate — Objectives — Scope and types of activities — Functional requirements — Expected impact — Specific topic conditions

Type of action and funding rate

The topics under this call for proposals concern EDF Lump Sum Grants for Research Actions (LS-RA).

Lump Sum Grants for Research Actions are managed as contributions on the basis of an estimated project budget where each activity will be reimbursed at the funding rate that applies to Research Actions (100%).

Specific topic conditions

- For all topics under this call, multi-beneficiary applications are mandatory and specific conditions for the consortium composition apply (*see section 6*)
- For all topics under this call, the following reimbursement option for equipment costs applies: depreciation only (*see section 10*).

EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTP: Agile and robust human language technologies for defence – Participation to a technological challenge

Objectives

With the digitalisation of the battlefield, which leads to more and more complex user interfaces and to ever-increasing volumes of language data to process, language technologies such as multilingual written or spoken interaction, translation, and information retrieval are needed in an increasing number of defence systems, especially for C4ISR³ and joint multinational and/or peacekeeping operations.

These technologies have been the subject of much research for several decades, which has led to impressive improvements for some applications such as voice assistants, semi-automated call centres, online translation services, etc. However, even if most of the techniques used in current systems have emerged from defence research, these improvements also rely on the availability of huge amounts of data, typically by internet actors with a large user base, and have therefore taken place mostly in the civil sector. In the defence sector, where the amounts of data that can

³ Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance.

be made available to developers are much more limited for confidentiality reasons, improvements have been more limited too, and progress is still needed to meet the requirements of most applications.

In order to address this issue of the lack of availability of operational data for system developers, a workaround is to resort to similar but sharable data. However, this generally implies the ad hoc creation of data, which can be relatively costly, and does not fully solve the issue. A better-suited solution would be that systems could learn directly from user data without disclosing any confidential information to developers. This would not only enable to make use of in-domain data hitherto unused and answer major security and sovereignty concerns, but also lead to significant performance progress thanks to a much more efficient use of the existing data. In addition, while there is already an increasing body of research on innovative approaches to machine learning related to this issue, such as semi- and self-supervised learning, active learning, transfer learning, and frugal learning, channelling these efforts through a technological challenge organisation has the potential to lead to a breakthrough. In this context, the call aims at creating not only generic systems that offer better performance for a wide range of conditions, but also systems that can be adapted by users to offer enhanced performances for specific applications.

The overarching goal of the call is to create a European library of generic and adaptive human language technology components that offer high performances for several defence applications. In particular, the technologies should be robust to noise and communication quality, cover a wide range of language and dialects including under-resourced ones, manage specific vocabulary, and offer more robust processing of high-level semantic information.

Scope and types of activities

Scope

The proposals should address technological solutions to process linguistic information in its different forms, i.e. spoken and written (handwriting, printed documents or typed text), in order to recognise, understand and translate it. These solutions should be evaluated in the framework of the technological challenge organised under this call topic. The proposals should in particular address the issue of user-driven system adaptation, i.e. the ability of systems to learn from user supervision without intervention from developers and without regression in terms of performances. Technologies should be integrated into demonstrators with user-friendly interfaces and be easy to integrate into other defence systems.

Types of activities

The following table lists the types of activities which are eligible for this topic, and whether they are mandatory or optional (*see Article 10(3) EDF Regulation*):

Types of activities (art 10(3) EDF Regulation)		Eligible?
(a)	Activities that aim to create, underpin and improve knowledge, products and technologies, including disruptive technologies, which can achieve significant effects in the area of defence (generating knowledge)	Yes (mandatory)
(b)	Activities that aim to increase interoperability and resilience, including secured production and exchange of data, to master critical defence technologies, to strengthen the security of supply or to enable the effective exploitation of results for defence products and technologies (integrating knowledge)	Yes (mandatory)

Types of activities (art 10(3) EDF Regulation)		Eligible?
(c)	Studies , such as feasibility studies to explore the feasibility of new or upgraded products, technologies, processes, services and solutions	Yes (optional)
(d)	Design of a defence product, tangible or intangible component or technology as well as the definition of the technical specifications on which such a design has been developed, including any partial test for risk reduction in an industrial or representative environment	Yes (optional)
(e)	System prototyping ⁴ of a defence product, tangible or intangible component or technology	No
(f)	Testing of a defence product, tangible or intangible component or technology	No
(g)	Qualification ⁵ of a defence product, tangible or intangible component or technology	No
(h)	Certification ⁶ of a defence product, tangible or intangible component or technology	No
(i)	Development of technologies or assets increasing efficiency across the life cycle of defence products and technologies	No

The proposals must cover at least the following tasks as part of the mandatory activities:

- Generating knowledge:
 - research on human language technologies, including innovative approaches for user-driven system adaptation;
 - participation to the evaluation campaigns organised in the framework of the technological challenge, including:
 - exchanging with other stakeholders on the evaluation plans;
 - submission of systems to experimental performance measurements during the test campaigns managed by the challenge organisers;
 - participation to debriefing workshops.
- Integrating knowledge:
 - integration of technological modules into demonstrators that can be tested by representative defence users.

⁴ 'System prototype' means a model of a product or technology that can demonstrate performance in an operational environment.

⁵ 'Qualification' means the entire process of demonstrating that the design of the product, component or technology meets the specified requirements, providing objective evidence by which particular requirements of a design are demonstrated to have been met.

⁶ 'Certification' means the process by which a national authority certifies that the product, component or technology complies with the applicable regulations.

The proposals should include clear descriptions of criteria to assess work package completion. Criteria should include the participation to the test campaigns organised in the framework of the technological challenge, and the delivery of descriptions of the systems submitted to the tests.

Functional requirements

The proposed solutions should fulfil the following requirements:

- Systems should be based on software components performing a variety of human language processing functions. These components should be integrated into demonstrators with a user-friendly interface. They should enable users to adapt the components using their own data, without intervention from the system developers.
- Systems should be able to run locally, without a connection to a wide area network, except for specific functions for which this can be duly justified and is compatible with operational missions (e.g. to achieve higher performances when adapting under user supervision).
- Systems should be optimised in term of memory and CPU footprint and more generally need reasonable resources in terms of hardware size, weight, price, and energy consumption, in view of their potential integration into existing or future larger defence systems.
- Systems should accept as input files linguistic information in its different forms:
 - speech (in audio files or in the audio stream of video files);
 - handwritten or printed documents;
 - text.
- For each of these forms, systems should accept a wide variety of possible inputs without necessarily having information about the specific type of input. Variability can be in terms of speakers or writers, speaking or writing style, vocabulary, accents, noise, recording or scanning conditions, transmission channels, etc. Systems should thus be speaker/writer-independent, channel-independent, robust to various accents, types of noise, etc. They should in particular be robust to conditions more frequently encountered in military environments (e.g. highly noisy, low communication quality, non-native speech, etc.).
- The scope of the human language processing functions should cover:
 - language identification from speech, documents and text;
 - speech recognition;
 - handwritten and printed document recognition;
 - keyword spotting from speech and handwritten or printed documents;
 - translation from speech, handwritten or printed documents, and texts;
 - high-level semantic (including military-specific) information extraction, such as named entity and event recognition, and relation extraction;
 - cross-language information retrieval;

- automatic (multi-)document summarisation and visualisation.
- Software components corresponding to the above functions should cover multiple languages and dialects including EU and non-EU ones. Translation should cover all official EU languages as target languages. The proposals should mention the list of languages and dialects that are foreseen to be covered for each function.
- Software components should offer state-of-the-art performances. For each human language processing function mentioned above and for each language or dialect covered, the proposals should mention objectively measured performances (including information on the data and metrics used for the measurements, and if applicable on the evaluation campaign in the framework of which the measurements were made), and associated references.
- Software components corresponding to functions covered by the technological challenge organised in the framework of the call should be submitted for evaluation therein. Any difference between the version evaluated through the challenge and a version integrated in the demonstrator should be documented. How the proposed approaches and systems will address the tasks outlined in the preliminary evaluation plan (cf. Annex 4) should be described in the proposals. Components corresponding to functions that are not covered by the challenge may also be adapted and enhanced during project execution if deemed appropriate, possibly using data from the challenge.
- The software components should be easy to configure and integrate into defence systems beyond the demonstrators produced in the framework of the challenge. They should follow as much as possible the relevant standards, best practices and guidelines, including those elaborated at the challenge level, in particular for input and output formats.
- Systems and user interfaces should help users as much as possible to understand how the outputs are derived from the inputs (explainable AI), and in particular provide links to the inputs. For example, translations should be accompanied by links to the source language at the level of the term or phrase, and visualisations should include links to the inputs that support the displayed information. Knowledge that is instrumental in determining the output or that can help users making more sense of the inputs, such as bilingual dictionary entries for translation, should also be provided.
- Systems should enable users to adapt them using their own data, e.g. by providing batches of raw or annotated data, or by interactively providing supervision.

Expected impact

The outcome should contribute to:

- a strengthened EDTIB (European Defence Technological and Industrial Base) and enhanced technological autonomy for defence-oriented HLT systems;
- a broader, cheaper and easier usage of HLT systems for defence;
- enhanced defence systems in various domains, in particular C4ISR;
- enhanced EU freedom of action.

EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTO: Agile and robust human language technologies for defence – Organisation of a technological challenge

Objectives

The objective evaluation of artificial intelligence (AI) technologies such as human language technologies (HLT) requires a specific organisation whereby systems are tested in a blind manner on data that is representative of the tasks under study, using common protocols. This scheme, which has been pioneered by the HLT community under the term “evaluation campaign”, is also often called a “technological challenge”. One objective of the call is to organise a technological challenge driving research toward enhanced HLT systems for defence applications.

Scope and types of activities

Scope

The proposals should address the organisation of a technological challenge on HLT based on the preliminary evaluation plan provided as part of the call document (cf. Annex 4). This includes the collection, annotation and distribution of data, and the writing of the evaluation plans.

Types of activities

The following table lists the types of activities which are eligible for this topic, and whether they are mandatory or optional (*see Article 10(3) EDF Regulation*):

Types of activities (art 10(3) EDF Regulation)		Eligible?
(a)	Activities that aim to create, underpin and improve knowledge, products and technologies, including disruptive technologies, which can achieve significant effects in the area of defence (generating knowledge)	Yes (optional)
(b)	Activities that aim to increase interoperability and resilience, including secured production and exchange of data, to master critical defence technologies, to strengthen the security of supply or to enable the effective exploitation of results for defence products and technologies (integrating knowledge)	Yes (mandatory)
(c)	Studies , such as feasibility studies to explore the feasibility of new or upgraded products, technologies, processes, services and solutions	Yes (optional)
(d)	Design of a defence product, tangible or intangible component or technology as well as the definition of the technical specifications on which such a design has been developed, including any partial test for risk reduction in an industrial or representative environment	Yes (optional)
(e)	System prototyping ⁷ of a defence product, tangible or intangible component or technology	No
(f)	Testing of a defence product, tangible or intangible component or technology	No

⁷ ‘System prototype’ means a model of a product or technology that can demonstrate performance in an operational environment.

Types of activities (art 10(3) EDF Regulation)		Eligible?
(g)	Qualification ⁸ of a defence product, tangible or intangible component or technology	No
(h)	Certification ⁹ of a defence product, tangible or intangible component or technology	No
(i)	Development of technologies or assets increasing efficiency across the life cycle of defence products and technologies	No

The proposals must cover at least the following tasks as part of the mandatory activities:

- setting-up of the infrastructures for testing HLT systems in the framework of the technological challenge;
- collection and annotation of data, quality assessment, distribution and curation of databases;
- organisation of the evaluation campaigns, and in particular;
 - coordination of the exchanges with the participating teams and any other relevant stakeholders on the evaluation plans and elaboration of these plans;
 - management of the experimental test campaigns and of the objective measurements of the performances of the systems submitted to the tests by the participating teams according to the protocols and metrics described in the evaluation plans;
 - organisation of the debriefing workshops.

The proposals should include clear descriptions of the proposed criteria to assess work package completion. Criteria should include the production of detailed evaluation plans agreed upon by all stakeholders, the production of the annotated databases needed for the evaluations, the production of measurements for all systems submitted to the tests by the participating teams following these plans, and the organisation of the needed events.

Functional requirements

The proposed solutions should enable the measurement of the performances of HLT systems according to detailed evaluation plans based on the preliminary evaluation plan provided as part of the call document (cf. Annex 4). Key aspects of the foreseen detailed evaluation plans and associated data management should be described in the proposals. The proposals should in particular describe:

- the scenarios considered, and the nature and size of data to collect;
- the languages and dialects that can be covered;

⁸ 'Qualification' means the entire process of demonstrating that the design of the product, component or technology meets the specified requirements, providing objective evidence by which particular requirements of a design are demonstrated to have been met.

⁹ 'Certification' means the process by which a national authority certifies that the product, component or technology complies with the applicable regulations.

- the nature and volume of data annotation to be produced;
- a framework for trusted sharing of data during the challenge and beyond;
- a detailed plan of the test campaigns and an overall timeline/Gantt chart of the challenge;
- the evaluation procedures (rules and tools to implement the metrics) and significance tests to be performed on measurements.

A user board consisting of representative defence users should be set up and involved in the preparation of the evaluation plans and of the data. Data should be representative of use cases of interest for defence, such as peacekeeping operations, ISR¹⁰ and C2¹¹. The proposals should describe the foreseen efforts from users to test demonstrators and provide feedback.

During the challenge, detailed evaluation plans should be prepared for each evaluation campaign. Drafts of these detailed evaluation plans should be submitted for discussion to the participating teams, early enough to take into account the feedback for the actual evaluation campaigns. Any evolution of the evaluation plans should take into account several factors: technical possibilities and cost, scientific relevance of the measurement, and representativeness of the metrics and protocols with respect to military needs.

More generally, the user board and the participating teams should be involved in the steering of the challenge. The proposals should include a clear description of the foreseen governance and decision-making processes.

Expected impact

The outcome should contribute to:

- enhanced metrics and protocols to measure progress of R&D on HLT;
- standardisation of testing for HLT;
- enhanced clarity on the performances of HLT systems for all stakeholders, including system developers, funders and users;
- enhanced framework for EU and EDF associated countries (Norway) cross-border collaboration and sharing of linguistic resources, software components, systems and services;
- HLT community building at the European defence level;
- availability of databases to further develop and test HLT systems.

3. Available budget

The estimated available call budget is **EUR 25 000 000**.

Specific budget information per topic can be found in the table below:

¹⁰ Intelligence, Surveillance and Reconnaissance.

¹¹ Command and Control.

Topic	Topic budget	Fixed maximum number of projects
EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTP: Agile and robust human language technologies for defence – Participation to a technological challenge	EUR 18 000 000	No
EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTO: Agile and robust human language technologies for defence – Organisation of a technological challenge	EUR 7 000 000	1

We reserve the right not to award all available funds or to redistribute them between the call priorities (i.e. topics), depending on the proposals received and the results of the evaluation.

4. Timetable and deadlines

Timetable and deadlines (indicative)	
Call opening:	22 June 2023
<u>Deadline for submission:</u>	<u>22 November 2023 – 17:00:00 CET (Brussels)</u>
Evaluation:	November 2023 - May 2024
Information on evaluation results:	June 2024
GA signature ¹² :	June - December 2024

5. Admissibility and documents

Proposals must be submitted before the **call deadline** (see *timetable section 4*).

Proposals must be submitted **electronically** via the Funding & Tenders Portal Electronic Submission System (accessible via the Topic page in the [Search Funding & Tenders](#) section). Paper submissions are NOT possible.

Proposals (including annexes and supporting documents) must be submitted using the forms provided *inside* the Submission System (⚠ NOT the documents available on the Topic page — they are only for information).

Proposals must be **complete** and contain all the requested information and all required annexes and supporting documents:

- Application Form Part A — contains administrative information about the participants (future coordinator, beneficiaries and affiliated entities), the ethics issues table and the summarised budget for the project (*to be filled in directly online*)
- Application Form Part B — contains the technical description of the project (*to be downloaded from the Portal Submission System, completed and then assembled and re-uploaded*)

¹² In case of change in the management mode for a given action (see Section 3 of the EDF Work Programme), this timeframe may be different.

- mandatory **annexes and supporting documents** (*templates available to be downloaded from the Portal Submission System, completed, assembled and re-uploaded together with Application Form Part B*):
 - detailed budget table (EDF LS RA)
 - participant information (including previous projects, if any)
 - list of infrastructure, facilities, assets and resources
 - actual indirect cost methodology declarations (if actual indirect costs used)
 - ownership control declarations

Please be aware that since the detailed budget table serves as the basis for fixing the lump sums for the grants (and since lump sums must be reliable proxies for the actual costs of a project), the costs you include **MUST** comply with the basic eligibility conditions for EU actual cost grants (see [AGA — Annotated Grant Agreement, art 6](#)). This is particularly important for purchases and subcontracting, which must comply with best value for money (or if appropriate the lowest price) and be free of any conflict of interests. If the budget table contains ineligible costs, the grant may be reduced (even later on during the project implementation or after their end).


Please note that the amounts entered into the summarised budget table (filled in directly online) must correspond to the amounts calculated in the detailed budget table. In case of discrepancies, the amounts in the online summarised budget table will prevail.

At proposal submission, you will have to confirm that you have the **mandate to act** for all applicants. Moreover, you will have to confirm that the information in the application is correct and complete and that the participants comply with the conditions for receiving EU funding (especially eligibility, financial and operational capacity, exclusion, etc.). Before signing the grant, each beneficiary and affiliated entity will have to confirm this again by signing a declaration of honour (DoH). Proposals without full support will be rejected.

Your application must be **readable, accessible and printable**.

Proposals (Part B) are limited to maximum **100 pages**, counting the work package descriptions. Evaluators will not consider any additional pages.

You may be asked at a later stage for further documents (*for legal entity validation, financial capacity check, bank account validation, etc.*).

 For more information about the submission process (including IT aspects), consult the [Online Manual](#).

6. Eligibility

Applications will only be considered eligible if their content corresponds wholly (or at least in part) to the topic description for which it is submitted.

Eligible participants (eligible countries)


In order to be eligible, the applicants (beneficiaries and affiliated entities) must:

- be legal entities (public or private bodies)
- be established in one of the eligible countries, i.e.:
 - EU Member States (including overseas countries and territories (OCTs))
 - non-EU countries :

- listed EEA countries ('EDF associated countries', see [list of participating countries](#))
- have their executive management structure established in eligible countries
- must not be subject to control by a non-associated third country or non-associated third-country entity (unless they can provide guarantees – see *Annex 2* - approved by the Member State or EDF associated country where they are established)

Beneficiaries and affiliated entities must register in the [Participant Register](#) — before submitting the proposal — and will have to be validated by the Central Validation Service (REA Validation). For the validation, they will be requested to upload documents showing legal status and origin.

Other entities may participate in other roles, such as associated partners, subcontractors, third parties giving in-kind contributions, etc. (*see section 13*).

 Please note that, in EDF, subcontractors involved in the action¹³ and associated partners must also comply with the above-listed conditions concerning establishment and control.


Associated partners which are not established in one of the eligible countries (or which are subject to control by a non-associated third country or non-associated third-country entity) may however participate exceptionally if certain conditions are fulfilled (*not contravene EU and MS security and defence interests; consistent with EDF objectives; results not subject to control or restriction by non-associated third countries or non-associated third-country entities; no unauthorised access to classified information; no potential negative effects over security of supply of inputs which are critical for the project*), subject to agreement by the granting authority and without any funding under the grant.

Specific cases

Natural persons — Natural persons are NOT eligible (with the exception of self-employed persons, i.e. sole traders, where the company does not have legal personality separate from that of the natural person).

International organisations — International organisations are not eligible, unless they are international organisations whose members are only Member States or EDF associated countries and whose executive management structure is in a Member State or EDF associated country.

Entities without legal personality — Entities which do not have legal personality under their national law may exceptionally participate, provided that their representatives have the capacity to undertake legal obligations on their behalf, and offer guarantees for the protection of the EU financial interests equivalent to that offered by legal persons¹⁴.

Associations and interest groupings — Entities composed of members may participate as 'sole beneficiaries' or 'beneficiaries without legal personality'¹⁵.  Please note that if the action will be implemented by the members, they should also participate (either as beneficiaries or as affiliated entities, otherwise their costs will NOT be eligible).

¹³ 'Subcontractors involved in the action' means subcontractors with a direct contractual relationship to a beneficiary or affiliated entity, other subcontractors to which at least 10 % of the total eligible costs of the action are allocated, and subcontractors which may need access to classified information in order to carry out the project.

¹⁴ See Article 197(2)(c) EU Financial Regulation [2018/1046](#).

¹⁵ For the definitions, see Articles 187(2) and 197(2)(c) EU Financial Regulation [2018/1046](#).

Subcontractors involved in the action — Subcontractors with a direct contractual relationship to a recipient (*i.e. beneficiary or affiliated entity*), other subcontractors to which at least 10 % of the total eligible costs of the action is allocated, and subcontractors which may need access to classified information in order to carry out the action.

Following the [Council Implementing Decision \(EU\) 2022/2506](#), as of 16th December 2022, no legal commitments (including the grant agreement itself as well as subcontracts, purchase contracts, financial support to third parties, etc.) can be signed with Hungarian public interest trusts established under Hungarian Act IX of 2021 or any entity they maintain. Affected entities may continue to apply to calls for proposals. However, in case the Council measures are not lifted, such entities are not eligible to participate in any funded role (beneficiaries, affiliated entities, subcontractors, recipients of financial support to third parties). In this case, co-applicants will be invited to remove or replace that entity and/or to change its status into associated partner. Tasks and budget may be redistributed accordingly.

EU restrictive measures — Special rules apply for certain entities (*e.g. entities subject to [EU restrictive measures](#) under Article 29 of the Treaty on the European Union (TEU) and Article 215 of the Treaty on the Functioning of the EU (TFEU)*¹⁶ and entities covered by Commission Guidelines No [2013/C 205/05](#)¹⁷). Such entities are not eligible to participate in any capacity, including as beneficiaries, affiliated entities, associated partners, subcontractors or recipients of financial support to third parties (if any).


 For more information, see [Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment](#).

Consortium composition

Proposals must be submitted by minimum 3 independent applicants (beneficiaries; not affiliated entities) from 3 different eligible countries.

Eligible actions and activities

Eligible actions and activities are the ones set out in section 2 above.

 Please note that the evaluation will also take into account how the proposals address the 'must', 'should' and 'may' requirements included in the subsections 'Scope and types of activities' and 'Functional requirements'. Failing to address a 'must' may give grounds to consider the proposal out of scope; failing to address a 'should' may give grounds for impacting the scoring negatively; addressing a 'may' may give grounds for impacting the scoring positively.

The following actions and activities are not considered as eligible for funding under this call:

- projects that do not implement the objectives set out in Article 3 of the EDF Regulation
- projects that do not concern new defence products or technologies or the upgrade of existing defence products or technologies
- projects that do not relate to at least one of the types of activities set out in

¹⁶ Please note that the EU Official Journal contains the official list and, in case of conflict, its content prevails over that of the [EU Sanctions Map](#).

¹⁷ Commission guidelines No [2013/C 205/05](#) on the eligibility of Israeli entities and their activities in the territories occupied by Israel since June 1967 for grants, prizes and financial instruments funded by the EU from 2014 onwards (OJEU C 205 of 19.07.2013, pp. 9-11).

Article 10(3) of the EDF Regulation

- projects that do not cover the mandatory types of activities set out in section 2
- projects that concern products and technologies whose use, development or production is prohibited by international law
- projects that concern the development of lethal autonomous weapons without the possibility for meaningful human control over selection and engagement decisions when carrying out strikes against humans (with the exception of the development of early warning systems and countermeasures for defensive purposes).
- projects where background or results:
 - would be subject to control or restriction by a non-associated third country or non-associated third-country entity, directly, or indirectly through one or more intermediate legal entities, including in terms of technology transfer
 - and, for pre-existing information (background), this would impact the results.


Projects should take into account the results of projects supported by other EU funding programmes. The complementarities must be described in the project proposals (Part B of the Application Form).

Projects must comply with EU policy interests and priorities (*such as environment, social, security, industrial and trade policy, etc.*).

Financial support to third parties is not allowed.

Geographic location (target countries)

Proposals must relate to activities taking place in the eligible countries (*see above*).

 Please note that moreover, in EDF, only infrastructure, facilities, assets and resources which are located or held in an eligible country may be used. Other assets, infrastructure, facilities or resources may be used only exceptionally if certain conditions are fulfilled (*no competitive substitutes are readily available; not contravene EU and MS security and defence interests; consistent with EDF objectives; results not subject to control or restriction by non-associated third countries or non-associated third-country entities*), subject to agreement by the granting authority and without any funding under the grant.

Duration

Project duration:

- for all topics: **60 months**

Projects of longer duration may be accepted in duly justified cases. Extensions are possible, if duly justified and through an amendment.

Project budget

Project budgets (maximum grant amount):

- for topic EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTP: **should not exceed EUR 6 000 000**

- for topic EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTO: **should not exceed EUR 7 000 000**

This does not however preclude the submission/selection of proposals requesting other amounts. The grant awarded may be lower than the amount requested.

Ethics

Projects must comply with:

- highest ethical standards (including highest standards of research integrity) and
- applicable EU, international and national law.

Proposals under this call will have to undergo an ethics review to authorise funding and may be made subject to specific ethics rules (which become part of the Grant Agreement in the form of ethics deliverables, *e.g. ethics committee opinions/notifications/authorisations required under national or EU law*).

Security

Projects involving classified information must undergo security scrutiny to authorise *funding* and may be made subject to specific security rules (detailed in a security aspects letter (SAL) which is annexed to the Grant Agreement).

Projects where the Member States of the participating beneficiaries and affiliated entities decide to establish a specific security framework under Article 27(4) of the EDF Regulation, will be subject to this specific security framework and classified foreground information (results) generated by the project will be under the originatorship of these Member States.

If no such specific security framework is set up by the signature of the grant agreement, the security rules will be governed by Commission Decision [2015/444](#)¹⁸ and its implementing rules¹⁹.

These rules provide for instance that:

- projects involving information classified TRES SECRET UE/EU TOP SECRET (or equivalent) can NOT be funded
- classified information must be marked in accordance with the applicable security instructions in the SAL
- information with classification levels CONFIDENTIEL UE/EU CONFIDENTIAL or above (and RESTREINT UE/ EU RESTRICTED, if required by national rules) may be:
 - created or accessed only on premises with facility security clearing (FSC) from the competent national security authority (NSA), in accordance with the national rules
 - handled only in a secured area accredited by the competent NSA
 - accessed and handled only by persons with valid personnel security clearance (PSC) and a need-to-know

¹⁸ See Commission Decision 2015/544/EU, Euratom of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).


¹⁹ See Article 27(4) EDF Regulation.

- at the end of the grant, the classified information must either be returned or continue to be protected in accordance with the applicable rules
- action tasks involving classified information may be subcontracted only with prior written approval from the granting authority and only to entities established in an EU Member State or in a non-EU country with a security of information agreement with the EU (or an administrative arrangement with the Commission)
- disclosure of classified information to third parties is subject to prior written approval from the granting authority.

Please note that facility security clearing may have to be provided before grant signature. The granting authority will assess the need for clearing in each case and will establish their delivery date during grant preparation. Please note that in no circumstances can we sign any grant agreement until at least one of the beneficiaries in a consortium has facility security clearing.

Further security recommendations may be added to the Grant Agreement in the form of security deliverables (*e.g. create security advisory group, limit level of detail, use fake scenario, exclude use of classified information, etc.*).

Beneficiaries must ensure that their projects are not subject to third-country/international organisation security requirements that could affect implementation or put into question the award of the grant (*e.g. technology restrictions, national security classification, etc.*). The granting authority must be notified immediately of any potential security issues.

 More information on security aspects can be found in Annex 3.

7. Financial and operational capacity and exclusion

Financial capacity

Applicants must have **stable and sufficient resources** to successfully implement the projects and contribute their share. Organisations participating in several projects must have sufficient capacity to implement all these projects.

The financial capacity check will be carried out on the basis of the documents you will be requested to upload in the [Participant Register](#) during grant preparation (*e.g. profit and loss account and balance sheet, business plan, audit report produced by an approved external auditor, certifying the accounts for the last closed financial year, etc.*). The analysis will be based on neutral financial indicators, but will also take into account other aspects, such as dependency on EU funding and deficit and revenue in previous years.

The check will normally be done for all beneficiaries, except:

- public bodies (entities established as public body under national law, including local, regional or national authorities) or international organisations
- if the individual requested grant amount is not more than EUR 60 000.

If needed, it may also be done for affiliated entities.

If we consider that your financial capacity is not satisfactory, we may require:

- further information
- an enhanced financial responsibility regime, i.e. joint and several responsibility for all beneficiaries or joint and several liability of affiliated entities (*see below*,

section 10)

- prefinancing paid in instalments
 - (one or more) prefinancing guarantees (*see below, section 10*)
- or
- propose no prefinancing
 - request that you are replaced or, if needed, reject the entire proposal.

 For more information, see [Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment](#).

Operational capacity

Applicants must have the **know-how, qualifications** and **resources** to successfully implement the projects and contribute their share (including sufficient experience in projects of comparable size and nature).

This capacity will be assessed together with the 'Implementation' award criterion, on the basis of the competence and experience of the applicants and their project teams, including operational resources (human, technical and other) or, exceptionally, the measures proposed to obtain it by the time the task implementation starts.

If the evaluation of the award criterion is positive, the applicants are considered to have sufficient operational capacity.

Applicants will have to show their capacity via the following information:

- general profiles (qualifications and experiences) of the staff responsible for managing and implementing the project.
- description of the consortium participants (including previous projects, if any).

Additional supporting documents may be requested, if needed to confirm the operational capacity of any applicant.

Public bodies, Member State organisations and international organisations are exempted from the operational capacity check.

Exclusion

Applicants which are subject to an **EU exclusion decision** or in one of the following **exclusion situations** that bar them from receiving EU funding can NOT participate²⁰:

- bankruptcy, winding up, affairs administered by the courts, arrangement with creditors, suspended business activities or other similar procedures (including procedures for persons with unlimited liability for the applicant's debts)
- in breach of social security or tax obligations (including if done by persons with unlimited liability for the applicant's debts)
- guilty of grave professional misconduct²¹ (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)

²⁰ See Articles 136 and 141 of EU Financial Regulation [2018/1046](#).

²¹ Professional misconduct includes: violation of ethical standards of the profession, wrongful conduct with impact on professional credibility, false declarations/misrepresentation of information, participation in a cartel or other agreement distorting competition, violation of IPR, attempting to influence decision-making processes or obtain confidential information from public authorities to gain advantage.

- committed fraud, corruption, links to a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- shown significant deficiencies in complying with main obligations under an EU procurement contract, grant agreement, prize, expert contract, or similar (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- guilty of irregularities within the meaning of Article 1(2) of EU Regulation [2988/95](#) (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- created under a different jurisdiction with the intent to circumvent fiscal, social or other legal obligations in the country of origin or created another entity with this purpose (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant).

Applicants will also be rejected if it turns out that²²:

- during the award procedure they misrepresented information required as a condition for participating or failed to supply that information
- they were previously involved in the preparation of the call and this entails a distortion of competition that cannot be remedied otherwise (conflict of interest).

8. Evaluation and award procedure

The proposals will have to follow the **standard submission and evaluation procedure** (one-stage submission + one-step evaluation).

An **evaluation committee** (assisted by independent outside experts) will assess all applications. Proposals will first be checked for formal requirements (admissibility, and eligibility, *see sections 5 and 6*). Proposals found admissible and eligible will be evaluated (for each budget envelope; *see section 3*) against the operational capacity and award criteria (*see sections 7 and 9*) and then ranked according to their scores.

For proposals with the same score (within a budget envelope) a **priority order** will be determined according to the following approach:


Successively for every group of *ex aequo* proposals, starting with the highest scored group, and continuing in descending order:

- 1) Proposals will be prioritised according to the scores they have been awarded for the criterion 'Excellence and potential of disruption'. When these scores are equal, priority will be based on scores for the criterion 'Innovation and technological development'. When these scores are equal, priority will be based on scores for the criterion 'Competitiveness'. When these scores are equal, priority will be based on scores for the criterion 'Creation of new cross-border cooperation'

²² See Article 141 EU Financial Regulation [2018/1046](#).

- 2) If necessary, any further prioritisation will be based on the number of Member States or EDF associated countries, in which applicants involved in the proposal are established

All proposals will be informed about the evaluation result (**evaluation result letter**). Successful proposals will be invited for grant preparation; the other ones will be put on the reserve list or rejected.

 No commitment for funding — Invitation to grant preparation does NOT constitute a formal commitment for funding. We will still need to make various legal checks before grant award: *legal entity validation, financial capacity, exclusion check, etc.*

Grant preparation will involve a dialogue in order to fine-tune technical or financial aspects of the project and may require extra information from your side. It may also include adjustments to the proposal to address recommendations of the evaluation committee or other concerns. Compliance will be a pre-condition for signing the grant.

If you believe that the evaluation procedure was flawed, you can submit a **complaint** (following the deadlines and procedures set out in the evaluation result letter). Please note that notifications which have not been opened within 10 days after sending will be considered to have been accessed and that deadlines will be counted from opening/access (*see also [Funding & Tenders Portal Terms and Conditions](#)*). Please also be aware that for complaints submitted electronically, there may be character limitations.

9. Award criteria

The **award criteria** for this call are as follows:

1. Excellence and potential of disruption (5 points)

- Excellence of the overall concept and soundness of the proposed approach for the solution, including main ideas, technologies and methodology
- Compliance of the proposal with the objectives, scope and types of activities, functional requirements and expected impact of the topic as set out in section 2
- Extent to which the objective and expected outcome of the proposed project differs from (and represents an advantage at strategic, technological or defence operational level over) existing defence products or technologies, or has a potential of disruption in the defence domain

2. Innovation and technological development (5 points)

- Extent to which the proposal demonstrates innovation potential and contains ground-breaking or novel concepts and approaches (*e.g. new products, services or business and organizational models*), new promising technological improvements, or the application of technologies or concepts previously not applied in the defence sector
- Integration of existing knowledge and previous or ongoing R&D activities in the defence and/or civil sectors, while avoiding unnecessary duplication

- Extent to which the innovations or technologies developed under the proposal could spin-off to other defence applications and products

3. Competitiveness (5 points)

- Foreseen competitive advantage of the product/technology/solution vis-a-vis existing or planned products/technologies/solutions across the EU and beyond, including consideration given to the balance between performance and cost-efficiency of the solution
- Potential to accelerate the growth of companies throughout the EU, based on an analysis of the EU internal market and the global market place, indicating, to the extent possible, the size and the growth potential of the market it addresses, as well as expected volumes of sales both within and outside of the EU.
- Strength of the IP strategy (*e.g. patents*) associated with the solution to support the competitiveness and growth of the applicant companies

4. EDTIB autonomy (5 points)

- Extent to which the proposed project will contribute to the autonomy of the European Defence Technological and Industrial Base (EDTIB) by increasing the EU's industrial and technological non-dependency from third countries
- Beneficial impact that the proposed activities will have on the strength of the European security of supply, including the creation of a new supply chain
- Extent to which the project outcome will contribute to the defence capability priorities agreed by Member States within the framework of the Common Foreign and Security Policy (CFSP), and in particular in the context of the [Capability Development Plan](#) (EDA version releasable to the industry); where appropriate, extent to which the proposal addresses regional or an international priorities which serve the security and defence interests of the EU as determined under the CFSP and do not exclude the possibility of participation of Member States or EDF associated countries

5. Creation of new cross-border cooperation (5 points)

- Extent to which the proposed project will create new cross-border cooperation between legal entities established in Member States or EDF associated countries, in particular SMEs and mid-caps, especially compared to former activities in the technological area of the call and taking into account the specificity of the market
- Planned future cross-border cooperation between legal entities established in Member States or EDF associated countries and cooperation opportunities created by the proposed activities
- Extent to which SMEs and mid-caps which cooperate cross-border participate substantially, and industrial or technological added value brought by them

6. Implementation (5 points)

- Effectiveness and practicality of the structure of the work plan (work breakdown structure), including timing and inter-relation of the different work packages and their components (illustrated by a Gantt chart, Pert chart or similar)
- Usefulness and comprehensiveness of the milestones and deliverables of the project; coherence and clarity of the criteria for reaching the milestones, which should be measurable, realistic and achievable within the proposed duration
- Appropriateness of the management structures and procedures, including decision-making mechanisms, to the complexity and scale of the project; quality of the risk management, including identification and assessment of the project specific critical risks, which could compromise the achievement of the stated project's objectives and detail of proposed risk treatments (*e.g. mitigation measures*)
- Appropriateness of the allocation of tasks and resources between consortium members, ensuring that all participants have a valid and complementary role; allocation of the work share that ensures a high level of effectiveness and efficiency for carrying out the project.

Award criteria	Minimum pass score	Maximum score	Weighting
Excellence and potential of disruption	n/a	5	2
Innovation and technological development	n/a	5	2
Competitiveness	n/a	5	1
EDTIB autonomy	n/a	5	1
Creation of new cross-border cooperation	n/a	5	2
Implementation	n/a	5	1
Overall weighted (pass) scores	30	45	N/A

Maximum points: 45 points.

There is no minimum pass score for individual criteria.

Overall threshold: 30 points.

Proposals that pass the overall threshold will be considered for funding — within the limits of the available budget (i.e. up to the budget ceiling). Other proposals will be rejected.

10. Legal and financial set-up of the Grant Agreements²³

If you pass evaluation, your project will be invited for grant preparation, where you will be asked to prepare the Grant Agreement together with the EU Project Officer.

This Grant Agreement will set the framework for your grant and its terms and conditions, in particular concerning deliverables, reporting and payments.

The Model Grant Agreement that will be used (and all other relevant templates and guidance documents) can be found on [Portal Reference Documents](#).

Starting date and project duration

The project starting date and duration will be fixed in the Grant Agreement (*Data Sheet, point 1*). Normally the starting date will be after grant signature. A retroactive starting date can be granted exceptionally for duly justified reasons — but never earlier than the proposal submission date.

Project duration: see *section 6 above*

Milestones and deliverables

The milestones and deliverables for each project will be managed through the Portal Grant Management System and will be reflected in Annex 1 of the Grant Agreement.

The following deliverables will be mandatory for all projects:

- progress reports (every 6 to 12 months, to be agreed during grant agreement preparation)
- a special report²⁴

Form of grant, funding rate and maximum grant amount

The grant parameters (*maximum grant amount, funding rate, total eligible costs, etc.*) will be fixed in the Grant Agreement (*Data Sheet, point 3 and art 5*).

Project budget (maximum grant amount): see *section 6 above*.

The grant will be a lump sum grant. This means that it will reimburse a fixed amount, based on a lump sum or financing not linked to costs. The amount will be fixed by the granting authority on the basis of the estimated project budget and funding rates that depend on the type of activities and participants (see *section 2*).

Budget categories and cost eligibility rules

The budget categories and cost eligibility rules are fixed in the Grant Agreement (*Data Sheet, point 3, art 6 and Annex 2*).

Budget categories for this call:


- Lump sum contributions²⁵

²³ In case of change in the management mode for a given action (see Section 3 of the EDF Work Programme), these rules may be different.

²⁴ 'Special report' means a specific deliverable of a research action summarising its results, providing extensive information on the basic principles, the aims, the outcomes, the basic properties, the tests performed, the potential benefits, the potential defence applications and the expected exploitation path of the research towards development, including information on the ownership of IPRs but not requiring the inclusion of IPR information (see art 2(23) EDF Regulation).

Specific cost eligibility rules for this call:

- the lump sum amount must be calculated in accordance with the methodology set out in the lump sum decision and using the detailed budget table/calculator provided (if any)
- the lump sum calculation should respect the following conditions:
 - for lump sums based on estimated project budgets: the estimated budget must comply with the basic eligibility conditions for EU actual cost grants (see [AGA — Annotated Grant Agreement, art 6](#)), in particular:
 - personnel costs:
 - average personnel costs (unit cost according to usual cost accounting practices)²⁶: Yes
 - SME owner/natural person unit cost²⁷: Yes
 - subcontracting costs:
 - country restrictions for subcontracting costs: Yes, subcontracted work must be performed in the eligible countries
 - travel and subsistence unit cost²⁸: No (only actual costs)
 - equipment costs:
 - depreciation only
 - other cost categories:
 - costs for financial support to third parties: not allowed
 - internally invoiced goods and services (unit cost according to usual cost accounting practices)²⁹: Yes
 - indirect cost:
 - flat-rate: 25% of the eligible direct costs (categories A-D, except subcontracting costs, financial support to third parties and exempted specific cost categories, i.e. internally invoiced goods and services and PCP procurement costs)
 - or
 - actual costs
- VAT: non-deductible VAT is eligible (but please note that since 2013 VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible)

 The indirect cost method selected will be fixed for the project and cannot be changed later on.

²⁵ [Decision](#) of 30 November 2021 authorising the use of lump sums for specific actions under the European Defence Fund.

²⁶ [Decision](#) of 27 February 2023 authorising the use of unit costs for staff costs and costs for internally invoiced goods and services for specific actions under the European Defence Programme.

²⁷ Commission [Decision](#) of 20 October 2020 authorising the use of unit costs for the personnel costs of the owners of small and medium-sized enterprises and beneficiaries that are natural persons not receiving a salary for the work carried out by themselves under an action or work programme (C(2020)7715).

²⁸ Commission [Decision](#) of 12 January 2021 authorising the use of unit costs for travel, accommodation and subsistence costs under an action or work programme under the 2021-2027 multi-annual financial framework (C(2021)35).

²⁹ [Decision](#) of 27 February 2023 authorising the use of unit costs for staff costs and costs for internally invoiced goods and services for specific actions under the European Defence Programme.

- other:
 - in-kind contributions for free are allowed, but cost-neutral, i.e. they cannot be declared as cost
 - kick-off meeting: costs for kick-off meeting organised by the granting authority are eligible (travel costs for maximum 2 persons, return ticket to Brussels and accommodation for one night) only if the meeting takes place after the project starting date set out in the Grant Agreement; the starting date can be changed through an amendment, if needed
 - project websites: communication costs for presenting the project on the participants' websites or social media accounts are eligible; costs for *separate* project websites are not eligible
 - other ineligible costs: Yes, costs related to the use of assets, infrastructure, facilities or resources located or held outside the eligible countries are not eligible (even if their use was authorised, *see section 6*)
- the lump sum breakdown must comply with the following:
 - the types of activity (*see section 2*) may be broken down into several work packages
 - a work package must cover one type of activity only
 - the funding rate to be used for WP 1 — Project management and coordination must be the one for the type of activity (c) Studies.
- other:
 - eligible cost country restrictions: Yes, only costs/contributions for activities carried out in eligible countries are eligible

Reporting and payment arrangements

The reporting and payment arrangements are fixed in the Grant Agreement (*Data Sheet, point 4 and art 21 and 22*).


After grant signature, you will normally receive a **prefinancing** to start working on the project (float of normally **55%** of the maximum grant amount; exceptionally less or no prefinancing). The prefinancing will be paid 30 days from entry into force/starting date/financial guarantee (if required) — whichever is the latest.

For projects of more than 18 months, there may be one or more **additional prefinancing payments** linked to a prefinancing report and one or more **interim payments**.

In addition, you will be requested to submit one or more progress reports not linked to payments.

Payment of the balance: At the end of the project, we will calculate your final grant amount. If the total of earlier payments is higher than the final grant amount, we will ask you (your coordinator) to pay back the difference (recovery).

All payments will be made to the coordinator.

 Please be aware that payments will be automatically lowered if one of your consortium members has outstanding debts towards the EU (granting authority or

other EU bodies). Such debts will be offset by us — in line with the conditions set out in the Grant Agreement (*see art 22*).

Please also note that you are responsible for keeping records on all the work done.

Prefinancing guarantees

If a prefinancing guarantee is required, it will be fixed in the Grant Agreement (*Data Sheet, point 4*). The amount will be set during grant preparation and it will normally be equal or lower than the prefinancing for your grant.

The guarantee should be in euro and issued by an approved bank/financial institution established in an EU Member State. If you are established in a non-EU country and would like to provide a guarantee from a bank/financial institution in your country, please contact us (this may be exceptionally accepted, if it offers equivalent security).

Amounts blocked in bank accounts will NOT be accepted as financial guarantees.

Prefinancing guarantees are formally NOT linked to individual consortium members, which means that you are free to organise how to provide the guarantee amount (*by one or several beneficiaries, for the overall amount or several guarantees for partial amounts, by the beneficiary concerned or by another beneficiary, etc.*). It is however important that the requested amount is covered and that the guarantee(s) are sent to us in time to make the prefinancing (scanned copy via Portal AND original by post).

If agreed with us, the bank guarantee may be replaced by a guarantee from a third party.

The guarantee will be released at the end of the grant, in accordance with the conditions laid down in the Grant Agreement.

Certificates

Depending on the type of action, size of grant amount and type of beneficiaries, you may be requested to submit different certificates. The types, schedules and thresholds for each certificate are fixed in the Grant Agreement (*Data Sheet, point 4 and art 24*).

Liability regime for recoveries

The liability regime for recoveries will be fixed in the Grant Agreement (*Data Sheet point 4.4 and art 22*).

For beneficiaries, it is one of the following:

- limited joint and several liability with individual ceilings — *each beneficiary up to their maximum grant amount*
 - unconditional joint and several liability — *each beneficiary up to the maximum grant amount for the action*
- or
- individual financial responsibility — *each beneficiary only for their own debts*.

In addition, the granting authority may require joint and several liability of affiliated entities (with their beneficiary).

Provisions concerning the project implementation

Security rules: *see Model Grant Agreement (art 13 and Annex 5)*

Ethics rules: *see Model Grant Agreement (art 14 and Annex 5)*

IPR rules: *see Model Grant Agreement (art 16 and Annex 5):*

- background and list of background: Yes
- protection of results: Yes
- limitations to transfers and licensing: Yes
- rights of use on results: Yes
- for Research Actions: access to results for policy purposes: Yes
- for Research Actions: access to special report: Yes
- for Research Actions: access rights to further develop results: Yes

Communication, dissemination and visibility of funding: *see Model Grant Agreement (art 17 and Annex 5):*

- additional communication and dissemination activities: Yes

Specific rules for carrying out the action: *see Model Grant Agreement (art 18 and Annex 5):*

- specific rules for EDF actions: Yes
- specific rules for PCP Grants for Procurement: No
- place of performance obligation for PCP Grants for Procurement: No
- specific rules for Grants for Financial Support: No
- specific rules for blending operations: No

Other specificities

n/a

Non-compliance and breach of contract

The Grant Agreement (chapter 5) provides for the measures we may take in case of breach of contract (and other non-compliance issues).

 For more information, see [AGA — Annotated Grant Agreement](#).

11. How to submit an application

All proposals must be submitted directly online via the Funding & Tenders Portal Electronic Submission System. Paper applications are NOT accepted.

Submission is a **2-step process**:

a) create a user account and register your organisation

To use the Submission System (the only way to apply), all participants need to [create an EU Login user account](#).

Once you have an EULogin account, you can [register your organisation](#) in the Participant Register. When your registration is finalised, you will receive a 9-digit participant identification code (PIC).


b) **submit the proposal**

Access the Electronic Submission System via the Topic page in the [Search Funding & Tenders](#) section (or, for calls sent by invitation to submit a proposal, through the link provided in the invitation letter).

Submit your proposal in 2 parts, as follows:

- Part A includes administrative information about the applicant organisations (future coordinator, beneficiaries, affiliated entities and associated partners) and the summarised budget for the proposal. Fill it in directly online
- Part B and Annexes through a password-protected single zip archive:
 - Part B (description of the action) covers the technical content of the proposal. Download the mandatory word template from the Submission System, fill it in and add to the zip archive as a PDF
 - Annexes (*see section 5*). Download the templates, and add to zip archive as PDFs (— unless other format specified).

The zip archive must be submitted password-protected (using AES-256 encryption method), with a size of less than 100 MB. The password (and any other passwords used in the documents) must be communicated before the deadline for submission to the following email address: DEFIS-EDF-PROPOSALS-PWD@ec.europa.eu (together with the proposal ID and the name of the zip archive).

 If your proposal includes **classified information**, please contact us at DEFIS-EDF-PROPOSALS@ec.europa.eu — well in time before the deadline, in order to arrange the delivery of the classified documents. Please be aware that such documents **MUST NOT** under any circumstances be submitted online through the Funding & Tenders Portal.

The proposal must keep to the **page limits** (*see section 5*); excess pages will be disregarded.

Documents must be uploaded to the **right category** in the Submission System otherwise the proposal might be considered incomplete and thus inadmissible.

The proposal must be submitted **before the call deadline** (*see section 4*). After this deadline, the system is closed and proposals can no longer be submitted.

Once the proposal is submitted, you will receive a **confirmation e-mail** (with date and time of your application). If you do not receive this confirmation e-mail, it means your proposal has NOT been submitted. If you believe this is due to a fault in the Submission System, you should immediately file a complaint via the [IT Helpdesk webform](#), explaining the circumstances and attaching a copy of the proposal (and, if possible, screenshots to show what happened).

Details on processes and procedures are described in the [Online Manual](#). The Online Manual also contains the links to FAQs and detailed instructions regarding the Portal Electronic Exchange System.

12. Help

As far as possible, ***please try to find the answers you need yourself***, in this and the other documentation (we have limited resources for handling direct enquiries):

- [Online Manual](#)
- FAQs on the Topic page (for call-specific questions in open calls; not applicable for actions by invitation)
- [Portal FAQ](#) (for general questions).

Please also consult the Topic page regularly, since we will use it to publish call updates. (For invitations, we will contact you directly in case of a call update).

Contact

For individual questions on the Portal Submission System, please contact the [IT Helpdesk](#).

Non-IT related questions should be sent to the following email address: DEFIS-EDF-PROPOSALS@ec.europa.eu.

Please indicate clearly the reference of the call and topic to which your question relates (*see cover page*).

13. Important



IMPORTANT

- **Don't wait until the end** — Complete your application sufficiently in advance of the deadline to avoid any last minute **technical problems**. Problems due to last minute submissions (*e.g. congestion, etc.*) will be entirely at your risk. Call deadlines can NOT be extended.
- **Consult** the Portal Topic page regularly. We will use it to publish updates and additional information on the call (call and topic updates).
- **Funding & Tenders Portal Electronic Exchange System** — By submitting the application, all participants **accept** to use the electronic exchange system in accordance with the [Portal Terms & Conditions](#).

- **Registration** — Before submitting the application, all beneficiaries, affiliated entities, associated partners must be registered in the [Participant Register](#). The draft participant identification code (PIC) (one per participant) is mandatory for the Application Form.

If your project applies for the SME/Mid-cap bonuses, registration (draft PIC and SME self-assessment wizard) is also mandatory for all participants claiming SME/Mid-cap status (beneficiaries, affiliated entities and subcontractors involved in the action; *see section 2*).

Moreover, registration (draft PIC) is required for entities that must submit an ownership control assessment declaration (beneficiaries, affiliated entities, subcontractors involved in the action and associated partners).

- **Consortium roles** — When setting up your consortium, you should think of organisations that help you reach objectives and solve problems.

The roles should be attributed according to the level of participation in the project. Main participants should participate as **beneficiaries** or **affiliated entities**; other entities can participate as associated partners, subcontractors, third parties giving in-kind contributions. **Associated partners** and third parties giving in-kind contributions should bear their own costs (they will not become formal recipients of EU funding). **Subcontracting** should normally constitute a limited part and must be performed by third parties (not by one of the beneficiaries/affiliated entities). Subcontracting going beyond 30% of the total eligible costs per beneficiary/affiliated entity must be justified in the application and may be accepted by the granting authority if the topic is not subject to a fixed subcontracting limit (*see section 10*).

- **Coordinator** — In multi-beneficiary grants, the beneficiaries participate as consortium (group of beneficiaries). They will have to choose a coordinator, who will take care of the project management and coordination and will represent the consortium towards the granting authority. In mono-beneficiary grants, the single beneficiary will automatically be coordinator.
- **Affiliated entities** — Applicants may participate with affiliated entities (i.e. entities linked to a beneficiary which participate in the action with similar rights and obligations as the beneficiaries, but do not sign the grant and therefore do not become beneficiaries themselves). They will get a part of the grant money and must therefore comply with all the call conditions and be validated (just like beneficiaries); but they do not count towards the minimum eligibility criteria for consortium composition (if any).
- **Associated partners** — Applicants may participate with associated partners (i.e. partner organisations which participate in the action but without the right to get grant money). They participate without funding and therefore do not need to be validated.

- **Consortium agreement** — For practical and legal reasons it is recommended to set up internal arrangements that allow you to deal with exceptional or unforeseen circumstances (in all cases, even if not mandatory under the Grant Agreement). The consortium agreement also gives you the possibility to redistribute the grant money according to your own consortium-internal principles and parameters (for instance, one beneficiary can reattribute its grant money to another beneficiary). The consortium agreement thus allows you to customise the EU grant to the needs inside your consortium and can also help to protect you in case of disputes.
- **Balanced project budget** — Grant applications must ensure a balanced project budget and sufficient other resources to implement the project successfully (*e.g. own contributions, income generated by the action, financial contributions from third parties, etc.*). You may be requested to lower your estimated costs, if they are ineligible (including excessive).
- **No-profit rule** — Grants may in principle NOT give a profit (i.e. surplus of revenues + EU grant over costs). Where the no-profit rule is activated in the Grant Agreement, this will be checked by us at the end of the project.
- **No double funding** — There is a strict prohibition of double funding from the EU budget (except under EU Synergies actions). Outside such Synergies actions, any given action may receive only ONE grant from the EU budget and cost items may under NO circumstances be declared to two different EU actions.
- **Completed/ongoing projects** — Proposals for projects that have already been completed will be rejected; proposals for projects that have already started will be assessed on a case-by-case basis (in this case, no costs can be reimbursed for activities that took place before the project starting date/proposal submission).
- **Combination with EU operating grants** — Combination with EU operating grants is possible, if the project remains outside the operating grant work programme and you make sure that cost items are clearly separated in your accounting and NOT declared twice (see [AGA — Annotated Grant Agreement, art 6.2.E](#)).
- **Multiple proposals** — Applicants may submit more than one proposal for *different* projects under the same call (and be awarded a funding for them).
Organisations may participate in several proposals.
BUT: if there are several proposals for *very similar* projects, only one application will be accepted and evaluated; the applicants will be asked to withdraw one of them (or it will be rejected).
- **Resubmission** — Proposals may be changed and re-submitted until the deadline for submission.
- **Rejection** — By submitting the application, all applicants accept the call conditions set out in this Call Document (and the documents it refers to). Proposals that do not comply with all the call conditions will be **rejected**. This applies also to applicants: All applicants need to fulfil the criteria; if any one of them doesn't, it must be replaced or the entire proposal will be rejected.
- **Cancellation** — There may be circumstances which may require the cancellation of the call. In this case, you will be informed via a call or topic update. Please note that cancellations are without entitlement to compensation.
- **Language** — You can submit your proposal in any official EU language (project abstract/summary should however always be in English). For reasons of efficiency, we strongly advise you to use English for the entire application. If you need the call documentation in another official EU language, please submit a request within 10 days after call publication (for the contact information, see *section 12*).

- **Transparency** — In accordance with Article 38 of the [EU Financial Regulation](#), information about EU grants awarded is published each year on the [Europa website](#).

This includes:

- beneficiary names
- beneficiary addresses
- the purpose for which the grant was awarded
- the maximum amount awarded.

The publication can exceptionally be waived (on reasoned and duly substantiated request), if there is a risk that the disclosure could jeopardise your rights and freedoms under the EU Charter of Fundamental Rights or harm your commercial interests.

- **Data protection** — The submission of a proposal under this call involves the collection, use and processing of personal data. This data will be processed in accordance with the applicable legal framework. It will be processed solely for the purpose of evaluating your proposal, subsequent management of your grant and, if needed, programme monitoring, evaluation and communication. Details are explained in the [Funding & Tenders Portal Privacy Statement](#).

Annex 1

EDF types of action

EDF uses the following actions to implement grants:

Research Actions

Description: Research Actions (RA) target activities consisting primarily of research activities, in particular applied research and where necessary fundamental research, with the aim of acquiring new knowledge and with an exclusive focus on defence applications.

Funding rate: 100%

Payment model: Prefinancing — (x) additional prefinancing payment(s) — (x) interim payment(s) — final payment

Development Actions

Description: Development Actions (DA) target activities consisting of defence-oriented activities primarily in the development phase, covering new defence products or technologies or the upgrading of existing ones, excluding the production or use of weapon.

Funding rate: variable per activity (rates depend on activity and bonuses for SME and mid-cap participation and PESCO)

Payment model: Prefinancing — (x) additional prefinancing payment(s) — (x) interim payment(s) — final payment

PCP Grants for Procurement

Description: PCP Grants for Procurement (PCP) target activities that aim to help a transnational buyers' group to strengthen the public procurement of research, development, validation and, possibly, the first deployment of new solutions that can significantly improve quality and efficiency in areas of public interest, while opening market opportunities for industry and researchers active in Europe. Eligible activities include the preparation, management and follow-up, under the coordination of a lead procurer, of one joint PCP and additional activities to embed the PCP into a wider set of demand-side activities.

Funding rate: variable (to be defined in the work programme)

Payment model: Prefinancing — (x) additional prefinancing payment(s) — (x) interim payment(s) — payment of the balance

Lump Sum Grants for Research Actions

Description: Lump Sum Grants (LS-RA) reimburse a general lump sum for the entire project and the consortium as a whole. The lump sum is fixed ex-ante (at the latest at grant signature) on the basis of a methodology defined by the granting authority (either on the basis of a detailed project budget or other pre-defined parameters). The lump sum will cover all the beneficiaries' direct and indirect costs for the project. The beneficiaries do not need to report actual costs, they just need to claim the lump sum once the work is done. If the action is not properly implemented, only part of the lump sum will be paid.

Lump Sum Grants for Research Actions cover the same type of activities as Research Actions and follow — where relevant — similar rules (*e.g. for funding rates, etc.*).

Funding rate: 100%

Payment model: Prefinancing — (x) additional prefinancing payment(s) — (x) interim payment(s) — final payment

Lump Sum Grants for Development Actions

Description: Lump Sum Grants (LS-DA) reimburse a general lump sum for the entire project and the consortium as a whole. The lump sum is fixed ex-ante (at the latest at grant signature) on the basis of a methodology defined by the granting authority (either on the basis of a detailed project budget or other pre-defined parameters). The lump sum will cover all the beneficiaries' direct and indirect costs for the project. The beneficiaries do not need to report actual costs, they just need to claim the lump sum once the work is done. If the action is not properly implemented, only part of the lump sum will be paid.

Lump Sum Grants for Development Actions cover the same type of activities as Development Actions and follow — where relevant — similar rules (*e.g. for funding rates, etc.*).

Funding rate: variable per activity (rates depend on activity and bonuses for SME and mid-cap participation and PESCO)

Payment model: Prefinancing — (x) additional prefinancing payment(s) — (x) interim payment(s) — final payment

Framework Partnerships (FPAs) and Specific Grants (SGAs)

FPAs

Description: FPAs establish a long-term cooperation mechanism between the granting authority and the beneficiaries of grants. The FPA specifies the common objectives (action plan) and the procedure for awarding specific grants. The specific grants are awarded via identified beneficiary actions (with or without competition).

Funding rate: no funding for FPA

SGAs

Description: The SGAs are linked to an FPA and implement the action plan (or part of it). They are awarded via an invitation to submit a proposal (identified beneficiary action). The consortium composition should in principle match (meaning that only entities that are part of the FPA can participate in an SGA), but otherwise the implementation is rather flexible. FPAs and SGAs can have different coordinators; other partners of the FPA are free to participate in an SGA or not. There is no limit to the amount of SGAs signed under one FPA.

Funding rate: depending on the type: 100% or variable per activity

Payment model: Prefinancing — (x) additional prefinancing payment(s) — (x) interim payment(s) — final payment

Annex 2

Guarantees pursuant to Article 9(4) of the EDF Regulation

All calls under the EDF Programme are subject to ownership control restrictions, meaning that they exclude the participation of legal entities which are established in the EU territory or in an EDF associated country, but are controlled by a non-associated third country or non-associated third country legal entity.

Thus, for the purposes of participating in EDF actions, beneficiaries, affiliated entities, associated partners and subcontractors involved in the action must not be subject to control by a non-associated third country or non-associated third-country entity and undergo an ownership control assessment procedure before grant signature.

Entities that do not comply with this requirement may however exceptionally nevertheless participate, if they can provide guarantees approved by the Member State/EDF associated country in which they are established. Such guarantees must be provided at the latest by grant signature.

The guarantees must provide assurance to the granting authority that the participation of the entity will not contravene the security and defence interests of the EU and its Member States as established in the framework of the Common Foreign and Security Policy (CFSP) pursuant to Title V of the TEU, or the objectives set out in Article 3 of the EDF Regulation. They must also comply with the provisions on ownership and intellectual property rights (Articles 20 and 23 of the EDF Regulation).

They must in particular substantiate that, for the purposes of the action, measures are in place to ensure that:


- **control** over the legal entity is not exercised in a manner that would restrain or restrict its ability to carry out the action and to deliver results, that would impose restrictions concerning its infrastructure, facilities, assets, resources, intellectual property or knowhow needed for the purposes of the action, or that would undermine its capabilities and standards necessary to carry out the action
- **access** by a non-associated third country or non-associated third-country entity to sensitive information relating to the action is prevented and the employees or other persons involved in the action have national security clearance issued by a Member State or an EDF associated country, where appropriate
- **ownership** of the intellectual property arising from, and the results of, the action remain within the beneficiary or affiliated entity during and after completion of the action, are not subject to control or restriction by a non-associated third country or non-associated third-country entity, and are neither exported outside the EU/EDF associated countries nor accessible from outside the EU/EDF associated countries without the approval of the Member State/EDF associated country in which the legal entity is established and in accordance with the objectives set out in Article 3 of the EDF Regulation.

The guarantees may refer to the fact that the legal entity's executive management structure is established in the EU/EDF associated country or, if considered appropriate, to specific governmental rights in the control over the legal entity.

If considered appropriate by the Member State/EDF associated country, additional guarantees may be provided.

Call: EDF-2023-LS-RA-CHALLENGE — Call for EDF research actions, in the form of a technological challenge, implemented via lump sum grants

EU Grants: Call document (EDF): V1.1 – 22.06.2023

 For more information, see also [Guidance on participation in DEP, HE, EDF and CEF-DIG restricted calls.](#)

Annex 3

Security aspects

Introduction

Pursuant to Article 27(4) of the EDF Regulation, in case the implementation of the grant involves the handling of classified information, Member States on whose territory the beneficiaries and affiliated entities are established must decide on the originatorship of the classified foreground information (results) generated in the performance of the project. For that purpose, those Member States may decide on a specific security framework for the protection and handling of classified information relating to the project and must inform the granting authority. Such a security framework must be without prejudice to the possibility for the granting authority to have access to necessary information for the implementation of the action.

If no such specific security framework is set up by those Member States, the security framework will be put in place by the granting authority in accordance with Decision 2015/444.

In either case, the security framework will be put in place at the latest by the signature of the Grant Agreement.

The applicable security framework will be detailed in the security aspect letter (SAL) which will be annexed to the Grant Agreement.

When you implement a classified grant, please bear in mind the following key rules.

Access to classified information

The creation, handling or access to information classified CONFIDENTIAL or SECRET (or RESTRICTED where required by national rules) on the premises of a participant is only possible if a valid Facility Security Clearance (FSC) at the appropriate level exists for the premises. This FSC must be granted by the National Security Authority (NSA/DSA) of the participant concerned.

The participant must hold a duly confirmed FSC at the appropriate level. Until a secured area is in place and accredited by the national NSA, the handling of classified information above RESTRICTED level on their premises is not allowed.

Access to and handling of classified information for the purposes of the project must be limited to individuals with a need-to-know and which are in possession of a valid personnel security clearance.

At the end of the Grant Agreement when EUCI is no longer required for the performance of the grant, the participant must return any EUCI they hold to the contracting authority immediately. If authorised to retain EUCI after the end of the grant, the EUCI must continue to be protected in accordance with Decision 2015/444.

Marking of classified information

Classified information generated for the performance of the action must be marked in accordance with the applicable security framework, as described in the SAL.

Grants must not involve information classified 'TRES SECRET UE/EU TOP SECRET' or any equivalent classification.

Other provisions

Where a participant has awarded a classified subcontract, the security provisions of the grant agreement must apply *mutatis mutandis* to the subcontractor(s) and their personnel. In such case, it is the responsibility of the participant to ensure that all subcontractors apply these principles to their own subcontracting arrangements.

All security breaches related to classified information will be investigated by the competent security authority and may lead to criminal prosecution under national law.

Table of equivalent security classification markings

	Secret	Confidential	Restricted
EU	SECRET UE/EU SECRET	CONFIDENTIEL UE/EU CONFIDENTIAL	RESTREINT UE/EU RESTRICTED
Austria	GEHEIM	VERTRAULICH	EINGESCHRÄNKT
Belgium	SECRET (Loi du 11 Dec 1998) or GEHEIM (Wet van 11 Dec 1998)	CONFIDENTIEL (Loi du 11 Dec 1998) or VERTROUWELIJK (Wet van 11 Dec 1998)	(Note 1, see below)
Bulgaria	СЕКРЕТНО	ПОВЕРЛИВО	ЗА СЛУЖЕБНО ПОЛЗВАНЕ
Croatia	TAJNO	POVJERLJIVO	OGRANIČENO
Cyprus	ΑΠΟΡΡΗΤΟ ABR:(ΑΠ)	ΕΜΠΙΣΤΕΥΤΙΚΟ ABR:(ΕΜ)	ΠΕΡΙΟΡΙΣΜΕΝΗΣ ΧΡΗΣΗΣ ABR:(ΠΧ)
Czech Republic	TAJNĚ	DŮVĚRNĚ	VYHRAZENĚ
Denmark	HEMMELIGT	FORTROLIGT	TIL TJENESTEBRUG
Estonia	SALAJANE	KONFIDENTSIAALNE	PIIRATUD
Finland	SALAINEN or HEMLIG	LUOTTAMUKSELLINEN or KONFIDENTIELL	KÄYTTÖ RAJOITETTU or BEGRÄNSAD TILLGÅNG

France	SECRET SECRET DÉFENSE (Note 2, see below)	CONFIDENTIEL DÉFENSE (Notes 2 and 3, see below)	(Note 4, see below)
Germany (Note 5, see below)	GEHEIM	VS - VERTRAULICH	VS - NUR FÜR DEN DIENSTGEBRAUCH
Greece	ΑΠΟΡΡΗΤΟ ABR:(ΑΠ)	ΕΜΠΙΣΤΕΥΤΙΚΟ ABR:(ΕΜ)	ΠΕΡΙΟΡΙΣΜΕΝΗΣ ΧΡΗΣΗΣ ABR:(ΠΧ)
Hungary	TITKOS!	BIZALMAS!	KORLÁTOZOTT TERJESZTÉSŰ!
Ireland	SECRET	CONFIDENTIAL	RESTRICTED
Italy	SEGRETO	RISERVATISSIMO	RISERVATO
Latvia	SLEPENI	KONFIDENCIĀLI	DIENESTA VAJADZĪBĀM
Lithuania	SLAPTAI	KONFIDENCIALIAI	RIBOTO NAUDOJIMO
Luxembourg	SECRET LUX	CONFIDENTIEL LUX	RESTREINT LUX
Malta	SIGRIET	KUNFIDENZJALI	RISTRETT
Netherlands	Stg. GEHEIM	Stg. CONFIDENTIEEL	Dep. VERTROUWELIJK
Poland	TAJNE	POUFNE	ZASTRZEŻONE
Portugal	SEGRETO	CONFIDENCIAL	RESERVADO (Note 6, see below)
Romania	STRICT SECRET	SECRET	SECRET DE SERVICIU
Slovakia	TAJNÉ	DÔVERNÉ	VYHRADENÉ
Slovenia	TAJNO	ZAUPNO	INTERNO
Spain	RESERVADO (Note 6, see below)	CONFIDENCIAL	DIFUSIÓN LIMITADA
Sweden	HEMLIG	KONFIDENTIELL	BEGRÄNSAT HEMLIIG

Notes:

Note 1 Belgium: 'Diffusion Restreinte/Beperkte Verspreiding' is not a security classification in Belgium. Belgium handles and protects RESTREINT UE/EU RESTRICTED information and classified information bearing the national classification markings of RESTRICTED level in a manner no less stringent than the standards and procedures described in the security rules of the Council of the European Union.

Note 2 France: Information generated by France before 1 July 2021 and classified SECRET DÉFENSE and CONFIDENTIEL DÉFENSE continues to be handled and protected at the equivalent level of SECRET UE/EU SECRET and CONFIDENTIEL UE/EU CONFIDENTIAL respectively.

Note 3 France: France handles and protects CONFIDENTIEL UE/EU CONFIDENTIAL information in accordance with the French security measures for protecting SECRET information.

Note 4 France: France does not use the classification 'RESTREINT' in its national system. France handles and protects RESTREINT UE/EU RESTRICTED information in a manner no less stringent than the standards and procedures described in the security rules of the Council of the European Union. France will handle classified information bearing the national classification markings of RESTRICTED level in accordance with its national rules and regulations in force for 'DIFFUSION RESTREINTE'. The other Participants will handle and protect information marked 'DIFFUSION RESTREINTE' according to their national laws and regulations in force for the level RESTRICTED or equivalent, and according to the standards defined in the present document.

Note 5 Germany: VS = Verschlusssache.

Note 6 Portugal and Spain: Attention is drawn to the fact that the markings RESERVADO used by Portugal and Spain refer to different classifications.

Annex 4

Preliminary evaluation plan for the EDF Challenge on Human Language Technologies

(Topics EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTP and EDF-2023-LS-RA-CHALLENGE-DIGIT-HLTO)

Introduction

This annex is the preliminary evaluation plan for the EDF Challenge on Human Language Technologies (HLT). It provides a general description of the testing environment, metrics and protocols under which the research teams participating to the challenge will evaluate their systems. It is provided as part of the call document for the topics of the EDF call EDF-2023-LS-RA-CHALLENGE in order to enable applicants to prepare projects that can cooperate smoothly with one another. For each actual test campaign, a more detailed evaluation plan will be produced by the challenge organisers.

Overall concept and timeline

The challenge aims at measuring, in an objective and comparable way, the performances of different HLT systems developed by the participants to the challenge, and at supporting their progress.

The challenge covers **a wide range of language technologies** including speech recognition, printed and handwritten document recognition, translation, and semantic information extraction, **for multiple EU and non-EU languages**.

It builds on the experience of previous challenges in the domain, while taking into account the on-going technological evolutions toward **multi-domain recognition**³⁰. Tests are conducted on a mix of data from various domains without providing any indications of the domain. Similarly, the challenge addresses the issue of **dialects** and **accents**, as well as **code switching**³¹. Tests are conducted on data files that can include several languages, dialects or accents, without providing any labelling of such information to the systems, and the performance metrics are measured over the whole files. The challenge thus evaluates system performances across a wide range of conditions, which is an indicator of their ability to generalise from the training data to new conditions. This relies on classical metrics and protocols, but on more varied test data.

Besides, the challenge addresses the issue of **user-driven system adaptation**. The difficulty for the evaluated systems is to avoid any regression in the process. In order to evaluate adaptation performances in an objective way, an oracle-based user simulation is used. The oracle provides error corrections in batches to the system, which can use these corrections to update its output on the next part. The process is iterated until the whole file is corrected. If systems have active-learning abilities³², they can select a part of the data for which they request the corrections, thus guiding the oracle. The best systems are those that need a minimum amount of corrections to yield a correct output. This evaluation protocol can rely on various existing error metrics.

³⁰ Recognition of various types of inputs (e.g. various contexts, sources, styles, or channels). Modern systems trained on huge amounts of various types of data now often offer better performances than systems trained only on in-domain data, i.e. they manage to benefit from out-of-domain data rather than being hindered by the mismatch. This is especially important for defence, which generally has little in-domain data available.

³¹ Change of language or dialect (or any feature that is generally stable over time) within a given data segment and possibly even within a sentence.

³² Abilities to guide the users in providing the supervision most needed by the systems to learn and progress.

The above-mentioned process for the interactive correction of system output is expected to help focus annotation efforts on the parts that are most useful for system adaptation. More generally, it is expected to enable a more **efficient production of annotated data** than annotating the data from scratch. Experimenting and developing such a production process is one goal of the challenge. Systems should therefore include user-friendly interfaces for the interactive correction process and more generally for model adaptation, and be made available to the challenge organisers.

The challenge lasts five years and covers five evaluation campaigns, each lasting about a year. Test data for one evaluation campaign can be used as training or development data for the next ones. The first evaluation campaign is a dry run, whereby setting up the testing protocols is a goal in itself and the meaningfulness of measurements might not be guaranteed, but any measurement issues should be identified and remedied in order to ensure that subsequent campaigns yield meaningful measurements. Subsequent evaluation campaigns can also include dry runs for specific new tasks, next to more established protocols.

All four main tasks described below should be covered in all evaluation campaigns, including for the dry run in the first year.

The first evaluation campaign covers a reduced number of languages, possibly even one (or one pair for translation). The coverage is then extended for each campaign. Non-EU languages are covered no later than the second campaign. All EU languages are covered as translation target languages at least for the last campaign. The exact choice of the languages and dialects to be covered in a given campaign is part of the definition of the evaluation plan, taking into account the possibilities of the organisers and of the participants as well as the orientations provided by the user board.

The draft evaluation plan for each campaign is presented and discussed well in advance of the tests.

Tests are followed by a debriefing workshop, where the organisers present the consolidated performance measurements and all teams present an analysis of their results.

Systems

Systems should include a user-friendly interface to correct the system output, and automatically compute the performance evaluation metrics using the corrected outputs and display the result. They should also allow users to import a set of reference annotations, compute the metrics in the same way as for corrected outputs, and enable further editing and export the updated references.

Systems can request corrections per batches, and correct their hypothesised outputs after each batch of corrections. They can nevertheless display their preliminary outputs on the parts that have not yet been submitted to the user review.

Data

The challenge organisers annotate the data with common references which can be used to score any submitted system, by including authorised variants encountered in the system outputs, and which are designed with reusability in mind.

Special care is granted to the cases of languages without well-established transcription rules.

In order to enable a meaningful evaluation of user-driven system adaptation, data should include significant redundancies, especially for new information that can be expected to need user supervision.

File formats are described in the detailed evaluation plans.

Tasks and metrics

Overview

The challenge covers the wide range of targeted technologies through a few high-level tasks, while addressing more specific tasks when needed for analytic purposes. It covers four main tasks, which are compulsory:

- Speech recognition;
- Printed and handwritten document recognition;
- Translation from text, speech, and documents;
- Named entity recognition.

For each main task, a classical evaluation is done without interaction (batch processing of the whole test data set) and another evaluation is conducted with interactive corrections (relying on an oracle-based user simulation and possibly active-learning capabilities of the systems). For the non-interactive evaluation, systems should associate recognition confidence scores to the recognised items.

For each specific task, a given team can submit several variants of a system. However, one of these submissions should then be designated as the primary one and be used for the official performance measurement.

Details per main task are provided in the following subsections.

Speech recognition

The metric for the main task is the Character Error Rate (CER), averaged over all conditions (languages, domain...). Word Error Rate (WER) is also measured for languages for which the segmentation into words is well defined. When interactive adaptation is used, the metric is a CER-based minimum supervision rate, in order to measure the benefit by comparison to batch processing. A WER-based minimum supervision rate is also be measured where relevant. Recognition rates per language are also reported.

Language identification is also evaluated.

Printed and handwritten document recognition

The metric for the main task is the Character Error Rate (CER), measured on image blocks for which the word order is unambiguous, and averaged over all conditions. Word Error Rate (WER) is also measured for languages for which the segmentation into words is well defined. When interactive adaptation is used, the metric is a CER-based minimum supervision rate, in order to measure the benefit by comparison to batch processing. A WER-based minimum supervision rate is also be measured where relevant. Recognition rates per language are also reported.

Language identification is also evaluated.

Document structuration may also be evaluated for certain types of documents.

Translation

The metric for the main task is the Translation Error Rate (TER), averaged over all conditions. The BLEU metric³³ is also measured. When interactive adaptation is used, the metric is a TER-based minimum supervision rate, in order to measure the benefit by comparison to batch processing.

Translation of speech and of printed or handwritten documents is evaluated end-to-end. Evaluation of the corrected speech or document recognition outputs is also evaluated as a contrast.

Named entity recognition

The metric for the main task is the slot error rate (SER), for named entity (NE) recognition (detection and classification). NE types cover at least locations, persons, organisations, timing information, and identifiers that are typically encountered in defence contexts.

³³ BLEU (Bilingual Evaluation Understudy) is a measure of the degree of correlation between two translations.