

RESEARCH & INNOVATION (R&I) HEALTH & LIFE SCIENCES AND RENEWABLE ENERGY

Background to the call

The INTERREG VA Programme has set a **Smart Growth Priority**:

Thematic Objective 1 – Strengthening Research, Technological Development and Innovation.

The key aim of this investment priority is to encourage investment in sectors that offer the most growth potential, whilst building on existing strengths, and helping the region to become more competitive in a global marketplace. The Cooperation Programme will tackle two key weaknesses in the programme region's competitiveness, namely the lower level of R&I expenditure and an under representation of higher added value sectors and innovation inactive SMEs.

Investment Priority One: Enhanced Research and Innovation

The INTERREG VA Programme encourages the creation of new and further developed existing cross-border R&I partnerships to collaborate to increase the level of research and innovation competence and activity across the programme area in a strategic way that contributes towards the development of a more competitive, high value-added economy.

Support will be directed towards two sectors: Health and Life Sciences; and Renewable Energy to further develop research areas in which there is existing critical mass and those where the region has distinct advantages. This approach is aligned with the EU's Smart Specialisation strategic approach.

1. Summary of the call

**To increase business and industry relevant research and innovation capacity across the region within two target sectors:
'Health & Life Sciences' and 'Renewable Energy'**

The INTERREG VA Programme is making a call for applications under the Specific Objective 1.1:

The total value of the call is €45 million ERDF.

Opening Date: 21st March 2016

Stage 1 Closing Date: 6th May 2016 at 15:00

Stage 1 Steering Committee Date: 1st July 2016

1a. Aim of Call

The economies of the region have a low proportion of high value sectors and have low levels of R&I. The three regions working together have the critical mass to pursue R&I of the scale and quality necessary to achieve impact. The research institutions in the region have complementary strengths and capacities. There is an opportunity to build effective Cross-border collaboration partnerships that significantly impacts on the overall regional capacity for R&I in targeted sectors.

The SEUPB is seeking to award funds to a small number of ambitious, large-scale project proposals that do not duplicate existing activity. Applications are particularly encouraged that demonstrate a unique and creative approach to addressing present market failures and that combine a willingness to take risks with strong and diverse partnerships; and an implementation approach that will improve the chances of success and provide good value for money.

Projects should clearly aim their interventions to bridge the gap between Public and Private R&I that typically occurs from technology readiness levels (TRL) 2 to 6. The investment will be targeted at the key sectors that have been identified as having a critical mass across the region with the potential for stronger market performance and a stronger innovation pipeline. In effect, the programme aims to create critical mass in the region by the melding of the research capacity across the three jurisdictions in one large super-cluster. Such critical mass would make the regional research clusters less fragile.

Applicants must demonstrate clearly in their application how their proposed project will meet the selection criteria, including but not limited to making a significant contribution to the Interreg VA Cooperation Programme common output indicators, specific objective and result orientation.

1b. Result Indicator

The impact of the investment will be measured by contribution to the Result Indicator:

The annual number of peer reviewed journal and conference publications in two target sectors (Health and Life Sciences and Renewable Energy) with cross border authorship and with the potential to create economic impact.

The baseline value is 4. The 2023 target value is a cumulative total of 75 publications

1c. Output Indicators. (See also Output Indicator Guidance)

- The number of new researchers in supported entities.
Target: 514 (full time equivalent person years of research activity at or above PhD level)
- The number of enterprises cooperating with research institutions.
Target: 10
- The number of enterprises participating in cross-border, transnational or interregional research projects.
Target: 10
- Number of research institutions participating in cross-border, transnational or interregional research projects.
Target: 5
- The number of enterprises receiving support.
Target: 20
- The number of enterprises receiving grants.
Target: 10
- The number of enterprises receiving non-financial support
Target: 20

Projects should be designed in a coherent manner consistent with the Output Indicator Guidance so that the overall concept yields outputs and delivers impact. Projects should focus on new researchers (at or above PhD level) and associated support to enterprises. Support to Enterprises can take the form of both financial and non-financial activities with enterprises being directly involved in collaborative research projects. Support to enterprise that does not involve direct financial transfer may include for example; guidance/expert advice, research support, use of equipment etc. It is expected that all supported enterprises will receive non-financial support and that a proportion of these will also receive financial support.

Project activities should be designed so that participation at a cross border, transnational and / or interregional reach is clearly an aspect of the project for both Research Institutes and enterprises.

Anticipated Research Areas

This call is to support research in the fields of Health & Life Sciences and Renewable Energy.

The following is an indicative list of associated research areas:

- Medical engineering related to connected health
- Personalised medicine
- Experimental medicine
- Mass energy storage
- Wave and tidal energy
- Renewable energy production
- Advanced manufacturing research
- Projects within the above mentioned areas, which incorporate ICT as an enabler technology.

This list is not exhaustive as the programme will be responsive to emerging needs and opportunities within the sectors.

2. Essential information

This call for applications should be read in conjunction with the following:

- INTERREG VA Cooperation Programme, and associated Citizens' Summary (available in both English and Irish languages).
- The Programme Rules;
- Guide for Applicants;
- Output Indicator Guidance.

Please consult these documents before completing the application form as they contain essential information to assist you in making the best application possible.

Applicants may also find it useful to consult 'Impact Assessment Toolkit for Cross Border Cooperation'. This toolkit has been developed by the Centre for Cross Border Studies, as part of an INTERREG IVA funded project and is intended to be a practical guide to assist with planning cross-border projects. A copy of the toolkit can be downloaded from our website.

3. Project Selection Criteria

The following selection criteria will be used:

I. Contribution of the project to the defined output indicators and results of the programme.

Projects should meet a minimum of 1 of all the stated output indicators. Projects failing to meet this criterion must put forward arguments as to why they cannot meet at least 1 of each of the output indicators.

II. Quality of the project design

Ambitious, unique with added value: The chosen topic or area should be sufficiently large-scale to support an ambitious, but realistic research and innovation agenda. Proposals should not duplicate existing activity at a comparable scale in the region. Proposed research activity should demonstrate impact that will have substantial added value compared to smaller initiatives in the same area of R&I.

Excellence and impact: This is about ensuring excellence in research but also increasingly about ensuring the impact of research by working in partnership with industry and creating critical mass ensuring less fragile regional clusters. Projects should target areas of 'hand-over' between public and private R&D – typically levels 2 to 6 on the Technology Readiness Level Scale (TRL).

Capacity, potential and regional benefit: Projects should be able to demonstrate that they have the capacity to become an internationally-recognised cluster of research and innovation excellence in the chosen area with the potential to realise near term, mid-term and long term economic benefits and sustainable regional development through R&I. Benefits may include, for example, jobs created and sustained and/ or entry in to international markets via export of a new product or service.

Public Private Perspectives and expertise: Projects must demonstrate that they have the potential to draw on a range of disciplinary perspectives and public and private sector expertise to address a significant challenge presently underpinned by a lack of critical mass, The following aspects will be assessed:

a. Research programme of high standard as determined by international peer review.

Project proposals should indicate the number of excellent publications they realistically expect to be able to produce over the duration of the project; the name or type of journal to which they anticipate submitting papers; the names and years of conferences at which they anticipate participating.

b. Demonstration of research being informed by industry;

Project proposals should indicate how the business intelligence of industry partners has shaped the overall project concept including identification of existing market failures and emerging opportunities. Concepts should address sector specific issues including trends and drivers. The problems being addressed should be described in sufficient depth and detail that the proposal can be seen to be a feasible and practical solution.

c. Inclusion of industry partners;

Proposed industry partners should be appropriate for the project concept, the activities envisaged and the output indicators to be achieved. They should clearly reflect the overall aims and objectives of the program. The inclusion of SME partners is welcomed but proposed industry partners should be selected based on their appropriateness for the project concept, the activities envisaged and the output indicators to be achieved and not primarily on their size.

d. Strategy on how it is planned to disseminate and promote the business take up of research outcomes, and how capitalisation will contribute to delivering innovation across the region;

The strategy should demonstrate both the existing commercial interest and commercialisation potential of the project. It should address impact and valorisation of the project results including provision of a convincing and realistic strategy related to intellectual property identification, protection and management; a clear communication plan and an exploitation strategy to promote the business take up of research outcomes and ensure that valorisation will contribute to deliver innovation across the region. Proposals should indicate the individual long term benefits that partners will receive if the project fully meets its aims and objectives.

III. Quality of the project team and implementation arrangements:

The following aspects will be assessed:

a. Collaboration and partnership approach

Demonstration of strong and relevant partnership between research institutions, relevant agencies and private sector on a cross border basis.

It is not an eligibility requirement that project proposals include both public and private sector partners. However, projects must be able to demonstrate that they have the necessary formal or informal relationships in place to fully realise the aims and objectives and output indicators of their project and the programme. Inclusion of private sector partners will be considered an advantage.

b. Target groups include (list not exhaustive):

- Universities and Institutes of Technology
- Colleges of Further Education
- Health Care sector partners including Trusts and Boards
- Private sector partners in the field of Health and Life sciences or renewable energy / energy storage
- Third level institutions and / or research centres outside of the eligible area if their expertise and capacities are exceptional and essential for the successful delivery of the project
- Appropriate public sector bodies

Proposals should provide clarity as to the contribution a partner's individual involvement would bring in terms of realising the aims and objectives of the programme and why partnerships are clearly greater than the sum of their parts. They should address management and reporting structures with named management and research personnel with the necessary experience, qualifications, competence and leadership skills to successfully manage and implement the project.

The implementation plan should address SMART goals, achievable milestones, realistic usage and timing of resources and appropriate verifiable indicators. Clear linkages should be made between the different work packages and risks that have been both identified and addressed.

IV. Value for money

The Budget should demonstrate that project costs have been identified and justified and integrated in a coherent way. The overall budget for the project must be adequate and proportionate for the scope of work.

Projects must demonstrate market failure in the RDTI landscape, where risk associated with the long term nature of strategic research cannot be addressed by individual companies; this is particularly relevant for R&D that bridges the TRL from level 2 to 6.

V. Quality of cross-border co-operation with demonstrable added value

Projects should clearly apply the principles of joint development, implementation, and/or financing, and staffing.

Projects should identify the added value of the project partners working on a cross-border basis and describe the benefits and advantages of the cross-border approach for the project and its objectives

VI. Contribution towards sustainable development

Applicants should consider how they will promote sustainable development for all relevant aspects of their project and reflect this clearly in project design. Sustainable development must consider the integration of environmental, economic and social issues. Applicants may wish to consult the 2015 Publication 'Sustainable development in the European Union' when they consider the issue of sustainability in their proposed project.

VII. Contribution towards equality.

Applicants are encouraged to develop an equality dimension in their projects whenever relevant. A topic is considered equality relevant when it concerns individuals or groups of persons and/or when its findings may affect individuals or groups. Applicants may wish to consult 'Promoting Gender Equality in Research and Innovation when designing their projects.

4. Background to INTERREG Programme

The INTERREG VA 2014-2020 Programme is one of approximately 60 programmes across the European Union designed to promote greater levels of cross-border cooperation. Northern Ireland, the Border Region of Ireland and Western Scotland share a number of common features with other border areas across Europe where developmental problems are exacerbated by the existence of borders. Borders can distort infrastructure and communication networks resulting in reduced economic development and different policy approaches which hinder joined-up service delivery.

The INTERREG VA Programme has been designed to address many of these issues in order to promote greater economic, social and territorial cohesion across the region.

5. Eligible Region

The eligible area for the INTERREG VA Programme is:

- Northern Ireland;
- The Border Counties of Ireland (Monaghan, Leitrim, Cavan, Louth, Sligo and Donegal);
and
- Western Scotland (Dumfries & Galloway, East Ayrshire and North Ayrshire mainland; South Ayrshire; Lochaber, Skye & Lochalsh, Arran & Cumbrae and Argyll & Bute and Eilean Siar/Western Isles).

Projects must comply with the cross border requirements of Article 12 of EC 1299/2013 as detailed in the Programme rules.

6. What is the theme “Research and Innovation” going to achieve?

The aim of this call is to improve and increase economically relevant, research and innovation capacity by creating effective cross-border research partnerships between those with existing capability / capacity and those with more limited experience for the attainment of critical mass.

The investment will be targeted at two key sectors - Health & Life Sciences and Renewable Energy - which have been identified as offering the potential for stronger market performance and the creation of a stronger innovation pipeline for the region. The Programme aims to increase critical mass in the region by combining the research capabilities / capacities across the three jurisdictions into larger clusters. A cluster may be dispersed over a number of geographical locations where participating third level education institutions and private and public sector partners will design and implement integrated research.

The creation of these ‘clusters’ does not imply the need to invest in significant capital expenditure, it is intended that this investment will largely utilise existing capacity and physical assets. The clusters will be enabled by partnership arrangements and will complement existing R&I strategies within individual jurisdictions by promoting economically relevant cross-border cooperation. Programme support may be provided for the further

development of existing competence centers to facilitate increased levels of cross-border collaboration.

7. Budget and co-financing rate

€45m million ERDF is available under this call. Successful projects will be offered a grant in Euro.

The SEUPB is seeking to award funds to a small number of ambitious, large-scale but realistic project proposals. The SEUPB considers that proposals requesting a contribution of between EUR €3 and €6 million would allow this specific challenge to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting other amounts.

The maximum intervention rate that can be applied is 85 %. This means that applicants are required to bring a minimum of up to 15% match funding to the eligible project costs over the lifetime of the project. Applicants may request 15% match funding from the Member States through the application process. Please refer to the programme rules for further details on match funding.

Please be aware the intervention rate (grant rate) may decrease depending upon whether or not State aid is present in your project and the regulations through which State aid cover is obtained. Specifically but not exclusively you should have regard to EU Commission Regulation (EU) No 651/2014 (Article 25) which sets out aid intensity for research and development projects. It details that dependant on the type of research the aid intensity for each beneficiary is unlikely to exceed the following aid limits:

- 50 % of the eligible costs for industrial research
- 25 % of the eligible costs for experimental development

However, the aid intensities for the above research may be increased up to a maximum aid intensity of 80 % in specific circumstances.

It is the responsibility of the SEUPB to assess whether State aid is present in individual projects and, if State aid is present, to ensure that appropriate State aid cover is in place. The application should clearly contain sufficient detail to allow SEUPB to assess the State aid implications of the project, and to demonstrate how the project will be designed and managed to ensure it is compliant with the relevant State aid legislation throughout its lifetime e.g. respecting maximum aid intensities and document retention periods etc.

The level of grant aid may also be adjusted to take due account of anticipated future revenue streams. Please consult the Programme rules for further details.

Grants and payments may take any of the following forms:

- a) Reimbursement of eligible costs actually incurred and paid;
- b) Standard scales of unit costs;
- c) Flat rate financing, available for overhead costs or salary costs.

The above options may be combined only where each option covers different categories of cost or where they are used for different projects forming a part of an operation or for successive phases of an operation.

7.1 Simplified Cost Options (SCO)

In order to simplify the administration of grant aid, the SEUPB would propose to use simplified costs options for the administration of this theme. Simplified costs will be established at Stage 2 of the application process in consultation with the successful applicant and in accordance with the Commission guidance. It is envisaged that the relevant simplified cost options will include both flat rates and unit costs, as outlined in the Programme Rules.

7.2 Flat Rate

Office and administration costs will be funded at a flat rate of 25% of total direct costs, excluding direct eligible costs for subcontracting and the cost of resources made available by third parties which are not used on the premises of the beneficiary, as well as financial support to third parties. No justification is required (Reference: Regulation (EU) no 1290/2013 of the European Parliament and of the Council (Article 25))

7.3 Unit Costs

Applicants are encouraged to present unit costs, where appropriate. Where applicants take this opportunity, unit costs are to be presented and evidenced in accordance with the Commission's guidance for the preparation on unit costs

Unit costs must be:

- Fair – based on reality, not excessive or extreme
- Equitable – it does not favour some beneficiaries or projects over others
- Verifiable – determination of flat rates, standard scales of unit costs or lump sums should be based on documentary evidence which can be verified.

Applicants must document as a minimum:

- The description of the calculation method, including key steps of the calculation
- The sources of data used for the analysis and the calculations, including an assessment of the relevance of the data to the project(s), and an assessment of the quality of the data
- The calculation itself to determine the value of the Simplified Cost Option (unit cost).

The Common Provisions Regulation (CPR) specifies that the following may be used in evidence to support Simplified Cost Options:

- 'Statistical' data or other objective information
- The verified historical data of individual beneficiaries
- The application of the usual cost accounting practices of individual beneficiaries.

When providing calculations of unit costs, applicants must provide accounting data over at least three years so as to identify any potential exceptional circumstance which would have affected costs in a specific year as well as the tendencies in the cost amounts.

Where alternative unit costs are presented, applicants will be able to suggest modifications to the overall financial allocations.

Unit Costs are not to be used where a project is outsourced or implemented exclusively through the procurement of works, goods or services.

8. Application process.

A two stage process will be in place for this call as detailed in the Guide for Applicants. Full details of the assessment process, including admissibility criteria are available in the Guide for Applicants.

Completed Applications should be submitted to applications@seupb.eu

9. Contact Us

For general enquiries about this call, please contact the SEUPB on: Tel: +44 28 8225 5750

Contact Name: Paul Boylan Programme Manager

Special EU Programmes Body

Email: paul.boylan@seupb.eu