

National Development Plan 2007—2013
Science, Technology & Innovation Programme

Marine Research Sub-Programme

**Call for Research Proposals
January 2008**

GUIDELINES FOR APPLICANTS

For

PROJECT-BASED AWARDS

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1 BACKGROUND

The Marine Research Sub-Programme is one of eight sub-programmes within the Science, Technology and Innovation (STI) Programme of the National Development Plan 2007–2013¹. Under this Sub-Programme, some €141 million has been targeted towards meeting the objectives of *Sea Change: A Marine Knowledge, Research and Innovation Strategy for Ireland (2007-2013)*², namely to:

1. Assist the existing, and largely indigenous, marine sub-sectors to improve their overall competitiveness and engage in activity that adds value to their outputs by utilising knowledge and technology arising from research in the natural sciences, engineering and commerce.
2. Build new research capacity and capability and utilise fundamental knowledge and technology to create new marine-related commercial opportunities and companies.
3. Contribute to the achievement of key national objectives in transport, energy, environment and health.
4. Inform public policy, governance and regulation of the sector and support the delivery of more innovative, customer-driven public services by applying the knowledge derived from marine research and monitoring.
5. Increase the marine sector's competitiveness and stimulate the commercialization of the marine resource in a manner that ensures its sustainability and protects marine biodiversity and ecosystems.
6. Strengthen the economic, social and cultural base of regional communities that depend on the marine resource.

As the lead implementing agency for *Sea Change*, the Marine Institute is charged with managing the NDP Marine Research Sub-Programme. From time to time, the Marine Institute may partner with other agencies to co-fund research. The Marine Research Sub-Programme will be implemented via three Research Measures and two Supporting Programmes:

Industry Research Measure—designed to address issues or opportunities faced by industry, to integrate the existing research base with market and commercial opportunities and to focus on research that will deliver sustainable growth and environmental benefits.

Discovery Research Measure—aimed at pursuing long-term development of new research and economic opportunities associated with bio-pharmaceuticals, industrial chemicals, diagnostics and environmental technologies, marine functional foods, renewable ocean energy and rapid climate change.

Policy Support Research Measure—seeks to provide guidance and support for the determination of public policy relating to the marine sector.

Infrastructure Supporting Programme—an investment programme to deliver essential infrastructure that will enable marine related research and innovation.

Innovation Supporting Programme—targeted specifically at improving R&D management, commercialisation and research dissemination activities.

Over the lifetime of the NDP, funding will be targeted at these measures and supporting programmes via a range of mechanisms. The funding mechanisms will include:

- **Project-Based Awards**
 - Strategic Research Projects
 - Applied Research Projects
 - Demonstration Projects
 - Desk/Feasibility Studies
- **Researcher Awards**
 - Strategic Research Appointments
 - Research Capacity/Competency Building
 - Post-Doctoral Fellowships
 - PhD Scholarships

¹ <http://www.ndp.ie>

² <http://www.marine.ie/SeaChange>

- **Industry-Led Research Awards**
 - Company Awards
 - Collaborative Awards
- **Infrastructure Awards**
 - Infrastructure Acquisition
 - Access to Infrastructure

2 INTRODUCTION

These **Guidelines for Applicants** for **Project-Based Awards** provide details on general issues such as eligibility, the evaluation and awarding of research grants, research costs and the application process. Successful applicants will be required to sign a Grant-aid Agreement in advance of starting any work funded by this Programme.

A description of the targeted projects to be addressed by this call for research proposals is provided in the individual project **Terms of Reference** documents. These are available to download from the *Funding* pages of the Marine Institute's website³.

Applicants should also read the **Guidelines for Grantees** for **Project-Based Awards**, which outline the key requirements for the awarding of grant-aid and the obligations for successful applicants in accepting the award. These are available to download from the *Funding* pages of the Marine Institute's website.

3 DURATION & VALUE OF AWARDS

These awards are designed to address specific RTDI priorities identified in *Sea Change*. The duration of the project will vary depending on the type (i.e. Desk Study v. larger research projects) and nature of the project. In developing a detailed work programme for their research proposals, applicants should refer to the indicative duration for individual projects outlined in the project **Terms of Reference**. Indicative funding levels are also provided in the Project **Terms of Reference**.

4 ELIGIBILITY

Who May Apply?

Applications are invited from legal entities on the island of Ireland with the appropriate scientific and technical qualifications and expertise. A partnership approach between institutions and/or industry is strongly encouraged. SMEs⁴ may participate as (a) project leader, (b) project partner or (c) sub-contractors (subject to normal public procurement procedures)⁵. Where the necessary expertise to address certain aspects of a research project does not exist on the island of Ireland, applicants are encouraged to seek international partners.

In certain cases (e.g. Desk/Feasibility Studies) the Marine Institute recognises that the expertise to address a targeted area of research may not exist on the island of Ireland. In such cases, applications will be accepted from lead partners in international bodies/ organisations with the appropriate scientific and technical qualifications and expertise. In such cases, where appropriate, applicants should seek to include the expertise of an Irish partner in their project proposal.

5 EVALUATION OF PROPOSALS

A panel of national/international experts established by the Marine Institute's *Sea Change* Management Unit will evaluate eligible proposals. All reasonable measures will be taken to

³ www.marine.ie/home/funding/FundingCalls/

⁴ Refer to Appendix 4

⁵ www.finance.gov.ie/documents/publications/other/pubprocguidejuly04.pdf

ensure *objectivity, fairness, quality and confidentiality*. Eligible proposals will be evaluated using the following criteria:

Criteria	Marks
1. Understanding of the strategic context of the project and the specific research topic	10%
2. Extent to which the project addresses the objectives of the relevant Research Measure in <i>Sea Change</i>	15%
3. The scientific and technical quality of the research proposal	30%
4. Evidence within the research proposal of ability to address the specific deliverables required in the project Terms of Reference	10%
5. Scientific quality/track record of the project team and technical capability to carry out the project	15%
6. Proposed project management commitments/arrangements	10%
7. Costs and value for money	10%

Further information on the evaluation criteria and procedure is provided in **Appendix 1** to these Guidelines.

In accepting and evaluating research proposals the Marine Institute does not commit funding to any project or guarantee that funds will be made available to research proposals submitted under any call for proposals.

6 ETHICAL & GENDER ISSUES

Applicants should demonstrate that they have taken into account any relevant ethical issues associated with the proposed research, indicating which national and/or international regulations are applicable and how these will be adhered to.

The EU principle of gender mainstreaming applies⁶. Applicants are encouraged to take action to encourage female leads on research projects and shall be required to report the ratios of males to females working on projects.

7 GRANT-AID RATES & ELIGIBLE COSTS

This call for research proposals is intended to fund not-for-profit or pre-commercial research on a re-imbursment basis. Funding is provided for up to 100% of **eligible costs**, depending on the nature of the organisation undertaking the research. Table 1 below indicates the maximum levels of grant-aid rates applicable to each type of organisation.

Table 1 Maximum levels of applicable grant-aid rates

Higher Education Institutions	Other public bodies ⁷	Private Organisations	
		SME ⁸	Non SME
100%	100%	75%	50%

Eligible Costs

Eligible costs are defined as **direct** or **indirect costs** incurred in carrying out the research project. They must fulfil the following criteria:

- They must be **actual**;
- They must be **reasonable** and **wholly necessary** for the project;
- They must be incurred **during the lifetime** of the project;

⁶ http://ec.europa.eu/employment_social/gender_equality/gender_mainstreaming/general_overview_en.html

⁷ See Appendix 3

⁸ See Appendix 4

- They must be **recorded** in the accounts for the project, which must be maintained during the lifetime of the project and reported on as required by the Marine Institute;
- They must **not be otherwise reasonably available** or accessible; and
- They must be **incurred solely to advance the research project**⁹.

The eligible **cost categories** are:

1. Staff Costs (see note below)
2. Equipment
3. Consumables
4. Travel and Subsistence
5. Sub-contracts/external assistance
6. Publication
7. Vessel Charter
8. Other costs (e.g. sampling/analysis)
9. Overheads (see note below)

Staff Costs

Higher education institutions and other public bodies - A core principle of this programme and the Government's Strategy for Science, Technology and Innovation is capacity building. Accordingly, the programme **does not** support costs associated with existing staff within higher education institutions and public bodies working on a project. Existing staff costs are not eligible costs.

Private organisations (including SMEs) - The staff costs of all staff (permanent and temporary) allocated to the project can be used to calculate the full cost of the project, which is then grant-aided according to the maximum level of applicable grant-aid laid out in Table 1 (above).

Overheads

Overheads are indirect costs and will be paid a maximum rate of 30% of direct costs minus equipment, sub-contract/external assistance and vessel charter. The maximum overhead rate for desk-based projects is 25%.

Grantees may transfer budgeted amounts between themselves or between cost headings, according to the rules set out in the **Guidelines for Grantees**.

Further information on the above cost categories is provided in **Appendix 2**.

Non-eligible Costs

No costs other than eligible costs will be allowed. **Non-eligible costs** include the following:

- any interest, or return on capital employed;
- provisions for possible future losses or charges;
- interest owed;
- provisions for doubtful debts;
- resources made available to a Grantee free of charge;
- unnecessary or ill-considered expenses;
- marketing, sales and distribution costs for products & services;
- entertainment or hospitality expenses, except such reasonable expenses accepted as wholly and exclusively necessary for carrying out the work under the grant-aid.

8 GRANT AWARD

All applicants will be notified in writing of the results of the evaluation. The letter will outline the contractual obligations and conditions that apply to the award. Applicants must acknowledge receipt of the award letter and acceptance of the conditions attached to the

⁹ If items benefit both the research project and other work the costs shall be eligible only in the proportion that can be attributed as benefiting the project.

award. In accepting the award, applicants agree to carry out the work according to the work programme in the project proposal (taking into account modifications arising from the evaluators' recommendations) and the agreed budget.

Applicants **should** read the **Guidelines for Grantees for Project-based Awards**, which outlines the standard terms and conditions for granting of awards.

9 FREEDOM OF INFORMATION ACT

Information supplied to the Marine Institute may be disclosed in response to a request under the Freedom of Information Act, 1997 and Freedom of Information (Amendment) Act, 2003. It is the responsibility of the applicant to indicate at the time of making an application which information should not be disclosed and the reasons for non-disclosure. The Marine Institute will consult with applicants about this information before making a decision on any Freedom of Information.

10 DATA PROTECTION

Personal information supplied to the Marine Institute will be stored by electronic means (e.g. database) for use only in connection with applications for grant-aid. The provisions of the Data Protection Act, 1988 and the Data Protection (Amendment) Act, 2003 will be fully complied with.

11 INTELLECTUAL PROPERTY RIGHTS

It is the responsibility of the applicant to ensure procedures for managing intellectual property are maintained and appropriately applied. This programme provides funds for not-for-profit, public good research. The Marine Institute expects that outputs and findings should be widely disseminated and made publicly available.

However, the Marine Institute acknowledges research outputs with commercial potential may arise during the completion of the work programme. Where the researcher(s) want to restrict access to intellectual property for the purpose of commercialisation of research results, the Marine Institute should be informed in advance. Costs associated with registration of patents, registered designs, registered trademarks etc are not eligible costs.

Applicants should consult the relevant sections on IPR and datasets contained in the **Guidelines for Grantees**.

12 APPLICATION PROCEDURE & DEADLINE

Research proposal applications should be prepared with reference to the relevant **Terms of Reference**.

Applications must be submitted using the appropriate **Application Form**. An electronic copy of this application form can be downloaded from the *Funding* pages of the Marine Institute's website¹⁰. The application form includes instructions for its completion.

Only applications made on the appropriate application form will be accepted for evaluation and no other materials are required. The application forms are structured to capture the information required to evaluate proposals and applicants are requested to adhere strictly to the stipulated headings and word limits.

A detailed project budget must be provided using the **MS EXCEL budget template** provided as part of the application form. An electronic copy of this budget template can be downloaded from the *Funding* pages of the Marine Institute's website. The application form includes instructions for its completion.

¹⁰ www.marine.ie/home/funding/FundingCalls/

Four signed copies of the completed application form must be provided. One of these must be unbound. An **electronic version**, as one complete document, should also be supplied on CD/Disk in MS Word/PDF format.

The closing date for receipt of proposals is:

NOT LATER THAN 16:00 HOURS ON THURSDAY 20th MARCH 2008

Completed application forms should be posted or hand-delivered to **arrive no later** than the time and dates indicated above to:

**NDP Marine Research Sub-Programme
Project-Based Awards**

Sea Change Management Unit
Funding & Administration Office
Marine Institute
Rinville,
Oranmore,
Co. Galway.

The *Sea Change* Management Unit, Funding & Administration Office will acknowledge receipt of all applications.

Applicants should complete all sections of the application form, which must be signed by the VP for Research (or other authorised position) in the lead institution.

Late, faxed or email applications will not be accepted.

13 FURTHER INFORMATION & CONTACT DETAILS

Further Information/Clarifications

Requests for further information/clarifications should be addressed, preferably by **email**, to the contact details below. Responses to requests for further information/clarifications will be made available to all interested parties via the *Funding* pages of the Marine Institute's website. Requests for further information/clarifications must be received **before** Friday 29th February 2008.

It is the responsibility of all applicants to ensure that they keep informed of any responses to clarifications prior to submitting an application.

CONTACT DETAILS

Sea Change Management Unit
Funding & Administration Office
Marine Institute
Rinville
Oranmore
Co. Galway
funding@marine.ie
Tel. 091-387200

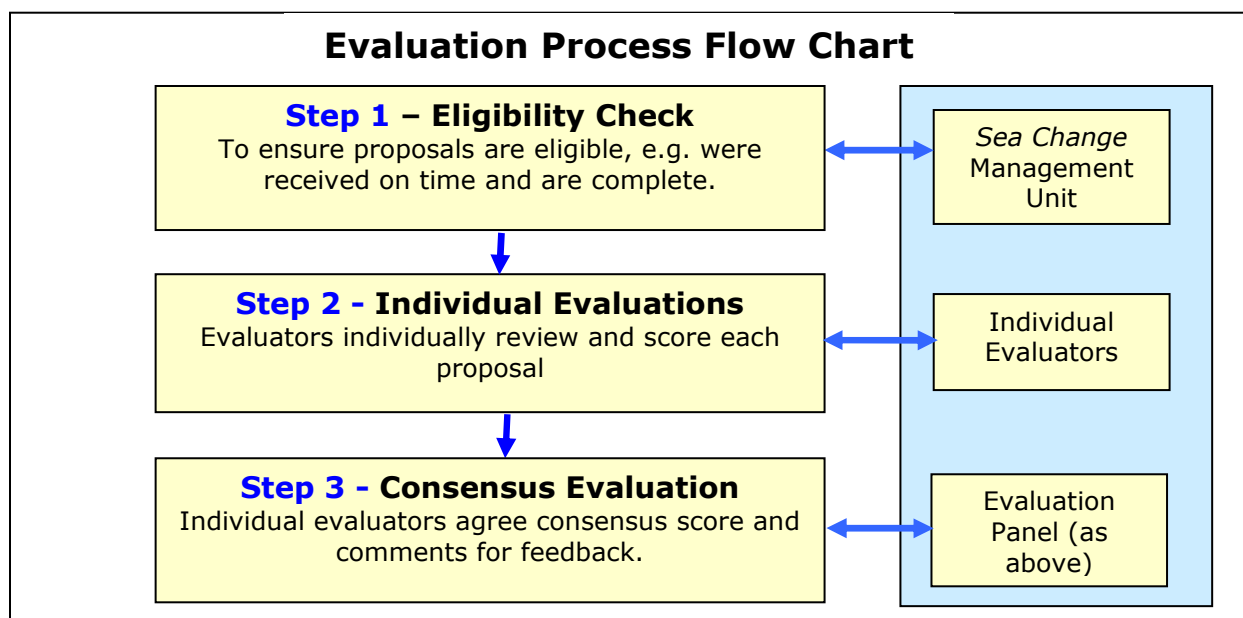
APPENDIX 1 - EVALUATION PROCEDURE

The evaluation of proposals is managed by the *Sea Change* Management Unit Funding and Administration Office. The process aims to be fair and transparent and to provide constructive feedback to applicants. Evaluation of proposals is based on the established principles of **Transparency, Equality of Treatment, Impartiality, and Efficiency and Speed.**

Evaluation is conducted in three steps, as follows:

Step	Undertaken by
1. Eligibility Check	<i>Sea Change</i> Management Unit
2. Individual Expert Evaluation	Independent Experts, overseen by the <i>Sea Change</i> Management Unit
3. Consensus Evaluation	Independent Experts, overseen by the <i>Sea Change</i> Management Unit

In accepting and evaluating research proposals the Marine Institute does not commit funding to any project or guarantee that funds will be made available to research proposals submitted under any call for proposals.



1) Eligibility Check

Proposals for funding received by the notified submission date are checked for compliance with the general **Eligibility Criteria**. These criteria include:

- Was a completed application received on time?
- Is the proposal from an eligible institution/company?
- Are all sections of the application form completed correctly - including the statement by the lead institution, with appropriate signatures?
- Does the application form contain adequate information to allow the proposal to be properly evaluated?

Proposals considered to be ineligible are returned to the applicant with a note explaining why they were considered to be ineligible. Proposals meeting the eligibility criteria will be allocated a unique reference number and a letter of receipt will be sent to the applicant. The unique reference number should be used in any subsequent correspondence or enquiry with the Marine Institute.

2) Individual Expert Evaluation

The Marine Institute maintains a panel of independent expert evaluators to assist in the evaluation of all proposals for funding. The names of the experts assigned to individual proposals are not made public. However, the Marine Institute makes available lists of all the experts participating on its evaluation panels at regular intervals.

Proposals meeting the eligibility criteria are evaluated based on their individual merit by a minimum of three individual experts chosen from the Panel of Experts. Where feasible, the same experts evaluate all eligible proposals received for a particular topic/project. The experts examine the proposal(s) assigned to them and score and comment on each proposal under each of the **Evaluation Criteria** using an **Individual Evaluation Form**. Applicants are advised of these evaluation criteria in the **Guidelines for Applicants**.

3) Consensus Evaluation

Once the individual experts to whom proposals have been assigned have completed their individual evaluations, a **Consensus Meeting** is convened to enable joint consideration of proposals by the individual experts. An officer from the *Sea Change* Management Unit may act as moderator/rapporteur for each consensus meeting. Their role is to support the process and ensure that the panel evaluation is carried out in a fair and proper fashion.

During the consensus meeting the experts consider each proposal and agree on a final mark for each of the evaluation criteria and an overall mark (score) for the proposal. They justify their marks with constructive and informative comments suitable for feedback to the applicant and agree on an overall **Consensus Evaluation Report**. All applicants, whether successful or unsuccessful, receive a copy of the Consensus Evaluation Report for their proposal.

4) Evaluation criteria

Criteria	Marks
1. <i>Understanding of the strategic context of the project and the specific research topic</i> <ul style="list-style-type: none"> • Understanding of current state of knowledge • Relevance of the proposed research to relevant national/international research objectives • Extent to which the project builds on current knowledge • Relevant bibliography/references 	10%
2. <i>Extent to which the project addresses the objectives of the relevant Research Measure of Sea Change</i> <p>Industry Measure</p> <ul style="list-style-type: none"> • Will the research undertaken be directed at improving the growth and competitiveness of the marine sector by adding value to services, products or processes? • Will the research undertaken influence or create new industrial and commercial opportunities for firms in the marine sector? • Will the research undertaken stimulate the application or use of scientific or technical knowledge and expertise to advance the competitiveness or environmental sustainability of marine businesses? <p>Discovery Measure</p> <ul style="list-style-type: none"> • Will the research undertaken develop new research capacity and capabilities in areas that demonstrate high-growth potential? • Will the research undertaken support the generation of new knowledge in areas of importance to Ireland's economy? • Will the research undertaken enable the application of fundamental scientific and technological knowledge and expertise from relevant disciplines to advance the sustainable development and management of marine resources? 	15%
	Cont..

Criteria	Marks
Policy Support Measure	
<ul style="list-style-type: none"> • Will the research undertaken capture data and create knowledge of relevance to the management of Ireland's future economic, social and environmental well-being? • Will the research undertaken generate scientific knowledge that enhances our understanding of marine and coastal ecosystems and supports the development of evidence-based marine related public policy? • Will the research undertaken advance the development of scientific data management systems and standards based on best practise in data capture, storage, management, access visualisation etc.? 	
3. The scientific and technical quality of the research proposal	30%
<ul style="list-style-type: none"> • Scientific & technical scope and complexity of the research proposal • Scientific excellence of the research proposal • Originality/degree of novelty in the proposed approach/methodology • Scientific and technical competences to be developed by the project 	
4. Evidence within the research proposal of ability to address the specific deliverables required in the project Terms of Reference	10%
<ul style="list-style-type: none"> • Proposed approach to meeting the specific deliverables of the project • Track record and expertise of the team in areas targeted by the deliverables 	
5. Scientific quality/track record of the project team and technical capability to carry out the project	15%
<ul style="list-style-type: none"> • Qualifications of the proposed research team • Suitability of the expertise and experience of the proposed research team • Participation in other research programmes (past & current) • Publication and citation record 	
6. Proposed project management commitments/arrangements	10%
<ul style="list-style-type: none"> • Project management plan/personnel • Proposed team/work package interaction • Data & quality management plans • Dissemination proposals 	
7. Costs and value for money	10%
<ul style="list-style-type: none"> • Total cost • Detail of costs • Cost allocation between partners 	

Successful applicants may be asked to make changes to their proposals during the grant-aid negotiation phase to accommodate the comments of the evaluators.

Declaration of Confidentiality and Conflict of Interest

Evaluators are required to read and sign a Declaration of Confidentiality and Conflict of Interest Form. If an expert considers that they may have a vested interest in a proposal or that potential conflict of interest may arise as a result of their participation in the evaluation of any proposal they are asked to declare this and may not participate in the evaluation process.

Freedom of Information

The Freedom of Information (FOI) Act provides a legal right to individuals to obtain access to information held by public bodies, to the greatest extent possible consistent with the public interest and the right to privacy. The Act provides strong protections for information supplied in applications that is confidential, commercially sensitive or personal (Sections 26, 27 and 28 of the FOI Act refer). The Act also gives certain rights to individuals or companies who supply such information. These rights ensure that information that is confidential, commercially sensitive or personal cannot be released under FOI without the person supplying such information being consulted. There is also a right of appeal to the Information Commissioner, who is an independent authority for FOI matters.

APPENDIX 2 - COST CATEGORIES

1) Staff Costs

Higher education institutions and public bodies - A core principle of this programme and the Government's SSTI is capacity building. Accordingly, the programme does not support costs associated with existing staff within higher education institutions and public bodies working on a project. Existing staff costs are not eligible costs.

Private organisations (including SMEs) - The staff costs of all staff (permanent and temporary) allocated to the project can be used to calculate the full cost of the project, which is then grant-aided according to the maximum level of applicable grant-aid laid out in Table 1 (above).

Staff costs are deemed to be the gross salary of eligible staff members together with the grantee's contribution to their pension and PRSI costs. Only the costs of the actual hours/days worked by the persons directly carrying out work under the project may be charged. All personnel who are employed on a specific project will be required to maintain and make available timesheets. Such personnel must:

- Be directly hired by the participant in accordance with its national legislation;
- Work under the sole technical supervision and responsibility of the latter, and
- Be remunerated in accordance with the normal practices of the participant.

Person-day costs are limited to the actual salary cost including employers PRSI and statutory pension contributions made on behalf of the employee into a defined pension scheme. This rate must be specified in the budget and is subject to a maximum of 15% of salary. The employer's pension contributions will only be eligible for payment when relevant documentation is provided to the Marine Institute (or its agents) and where these contributions are made to an appropriate pension scheme.

Where applicants are uncertain at the time of submitting an application as to the exact identity of personnel involved in the project then salary rates may be used for categories of staff, where staff are paid on specified salary grades or scales (e.g. IUA). This rate must be verifiable and where an application is successful, must be adjusted to the actual rate of pay for each individual at the time of submitting a claim for reimbursement of expenditure.

Costs for remuneration of salary should be taken from the payroll records of the participant and should reflect the total gross remuneration plus the employer's portion of PRSI and pension contributions. Remuneration costs must be calculated individually for each staff member and the use of average salary or pay scale levels (other than as indicated above) is not permitted.

2) Equipment

The purchase and leasing of durable equipment, when acquired based on best price and in compliance with Public Procurement Guidelines, is considered to be an eligible cost.

The cost of purchased equipment if acquired specifically for the purposes of a project will be considered to be eligible in full. Appropriate justification for the purchase of durable equipment should be demonstrated in the proposal. Costs relating to the hire or leasing of durable equipment may be charged to the project in accordance with the following conditions:

- The eligible costs for hire¹¹ or lease of durable equipment shall not exceed the costs that would have been incurred in case of purchase of equipment, taking account of the formula below.

¹¹ Hire = short-term rental where title remains with the hire company

- The lease or purchase costs to be charged to the Agreement shall be calculated according to the following (depreciation rule) formula:

$$(A/B) \times C \times D$$

Where

A =	period in months during which the durable equipment is used for the project after invoicing
B =	the depreciation period (in months) for the durable equipment - 36 months (33% p.a.) for computer equipment costing less than €25,000 or 60 months (20% p.a.) for other equipment
C =	actual cost of the durable equipment
D =	fraction of usage of the durable equipment for the project (e.g. 0.5 for half-time usage or 1 for full-time usage)

This represents the eligible costs for durable equipment for the duration of the project and is reimbursed on a pro rata basis upon the submission of each financial cost statement.

Off-the-shelf software and personal computing equipment costing <€10k are deemed to be consumables.

Durable equipment, which has been purchased or leased for a previous agreement with the Marine Institute, is an eligible cost providing that the depreciation period has not been exceeded i.e. only the costs relating to the unexpired depreciation period may be charged.

If value for money becomes an issue due to the limitations of suppliers then this should be documented and a case made to justify expenditure outside the general rule. Such cases must be submitted to the Marine Institute for prior approval before any commitments can be made on expenditure.

Non-recoverable VAT is an eligible part of equipment acquisition cost.

3) Consumables

Consumables usually relate to the purchase, fabrication, repair or use of any materials, goods or equipment and software which:

- Are not placed in the inventory of durable equipment of the participant;
- Are not treated as capital expenditure in accordance with the accounting conventions and policies of the participant; and
- Have a short life expectancy, certainly not greater than the duration of the project.

All consumables and material costs related to the project are deemed to be eligible. Off the shelf software and personal computing equipment (including laptops) costing less than €10,000 are considered to be consumable items and are fully reimbursable.

Consumable or material costs must be separately identifiable and necessary for the project. Where it is the usual practice of the contractor to consider consumable costs as indirect costs, those costs therefore cannot be charged as direct eligible costs of the project. Any exceptions to the above must be clearly documented and a case made to justify expenditure outside the general rule. Such cases must be submitted to the Marine Institute for prior approval before any commitments can be made on expenditure.

4) Travel and Subsistence

Actual travel and related subsistence costs (including those based on approved mileage and subsistence rates) for personnel working on the project are fully reimbursable and may be charged to the project, provided that the costs comply with the participants normal practices in this regard.

Where such costs are incurred they must be reasonable, separately identifiable, limited to the actual cost and should be a specific requirement for the implementation of the funded project.

Where travel costs are incurred by employees involved in the project and such costs are reimbursed by the participant on the basis of a lump sum or *per diem* basis then it is the lump sum or *per diem* payment that is considered to be the eligible cost. All lump sums or *per diem* payments in this regard must be in keeping with the normal practices of the participant.

Where individuals are reimbursed for use of their private vehicle for business travel by way of mileage then the relevant rate per mile, destination, number of miles travelled and purpose of journey, must be clearly stated and the necessity for such travel demonstrated to the Marine Institute. In all cases such rates must not exceed the current civil service or other Revenue Commissioner approved rates and must be in keeping with the participants' normal practices.

Where researchers outside of the State are required by the project co-ordinator to attend project meetings in Ireland, their costs will be deemed eligible and will not require prior approval. The approval of such travel will be contingent upon adequate budget being available, based on the applicants original submission, and appropriate justification being provided by the relevant participant. Failure to do so will result in all costs relating to travel from outside of the country being disallowed.

5) Sub-contracts/external assistance

In general, participants should ensure that they have the necessary skills within the project team to carry out the work programme. However, the Marine Institute recognises that this may not be possible in all cases. In particular, where specialist resources are required, it may be necessary to obtain external assistance in the form of sub-contract or consultancy arrangements. These costs may only be charged as external assistance to the project if:

- they are incurred in compliance with the conditions set out in the Grant-aid Agreement;
- they do not exceed 20% of the overall grant-aid allocated to the project;
- the subcontracts for external assistance are awarded and concluded in accordance with the normal Irish government grant-aid procedures as set out in the Department of Finance public procurement regulations (three quotations must be obtained for all sub-contractors valued at more than €6,500 (incl VAT)/annum);
- they are in accordance with market prices;
- copies, certified by the Grantees concerned, of relevant invoices are attached to the corresponding cost statements; and
- a clear explanation is given as to why the project team could not have included these specialist skills.

Sub-contract arrangements between participants are not permitted. Core elements of any project funded under the NDP Marine Research Sub-Programme may not be subcontracted.

As sub-contracting and consultancy arrangements invariably relate to the production of a service, it should be clear in all consulting or sub-contracting arrangements that any intellectual property arising from such work remains the property of the participant and must be at the entire disposal of the participant.

6) Publication

Costs should be included to cover the preparation and publication of research outputs, e.g. reports, brochures, books and other publications.

In the case of **Desk/Feasibility Studies**, applicants should include:

1. A list of the costs associated with the preparation of the final report in camera ready format, including photography and preparation of tables and diagrams; and
2. A notional cost of €5,000 in the project cost for publication of the final report to a design format and layout approved by the Marine Institute.

In the case of **larger projects** provision should be made in the budget to cover such costs up to a maximum of 2% of the total project cost. Patent costs are excluded.

7) Vessel Charter

Essential vessel charter, of the National Research Vessels or other vessels, is an eligible project cost. Where it is required, the vessel specification and charter costs should reflect the project requirements.

Applicants who wish to charter one of the national research vessels¹² should contact Research Vessel Operations in the Marine Institute (rv@marine.ie).

8) Other Costs

This allows for specific actual costs, which do not come into any of the above eligible cost categories. They may include costs associated with facilities, sampling and analysis. Such costs may only be claimed subject to prior approval by the Marine Institute.

9) Overheads

A contribution to overheads of a **maximum** of 30% of modified costs is allowed for all projects. Modified costs are defined as all eligible costs excluding durable equipment, sub-contracts/external assistance and vessel charter. The overhead rate for desk-based projects is 25%.

Value Added Tax (VAT)

Where a participant organisation is registered for Value Added Tax (VAT) and able to reclaim any VAT they incur on their costs then all expenditure items included in their application for funding and subsequent claims for reimbursement should be shown at the VAT exclusive amount. Where an organisation is not entitled to reclaim the VAT that they incur in relation to their costs then the amounts included in their application for funding and subsequent claims for reimbursement should be the VAT inclusive amount. Applicants will be required to specify their VAT status in the Application Form for funding.

¹² <http://www.marine.ie/home/Research+Vessels.htm>

APPENDIX 3 - DEFINITION OF A PUBLIC BODY

The European Commission defines a public body as "a public sector body or a legal entity governed by private law with a public service mission providing adequate financial guarantees".

Therefore, there are two clear cases of entities that are considered public bodies:

1) Public sector bodies

Any public authority or entity set up under public law by a state or one of its authorities (e.g. government). Even if such an entity has a legal personality, it acts on behalf of the State with regard to and within the limits of its specific areas or competencies. Activities carried out by such authorities or entities may be of a commercial nature.

2) Legal entities established under private law with a public service mission and providing adequate financial guarantees

With respect to the "public service mission":

a) where an entity established under private law is owned by a public sector body or the state, it can be deemed to have a public service mission.

b) for an entity established under private law that is not owned by a public sector body, the entity must be explicitly granted such a mission through a decision by a public sector body. Secondary and higher education establishments that deliver diplomas recognised by a public authority according to criteria established by the state or perform research with public funding and in accordance with objectives agreed by the state would meet this criterion. In cases of doubt proof of the public service mission can be required from the potential contractor showing that it falls into one of the two categories above.

With respect to the "adequate financial guarantees":

a) if the entity is owned by the state then it can be presumed to provide adequate financial guarantees as the state will honour its obligations.

b) if the entity is not owned by the state or a public sector body then it must prove that it will provide adequate financial guarantees (except for the secondary and higher education establishments that are presumed to provide such guarantees). In cases of doubt proof of the existence and adequacy of a financial guarantee can be required from the potential contractor showing that it falls into one of the two categories above.

APPENDIX 4 - DEFINITION OF AN SME

1. Small and medium-sized enterprises (SMEs¹³) are defined as enterprises which:
 - have fewer than 250 employees, **and**
 - have either,
 - an annual turnover not exceeding €50 million, or
 - an annual balance-sheet total not exceeding €43 million, **and**
 - conform to the criterion of independence as defined in paragraph 4.
2. Where it is necessary to distinguish between small and medium-sized enterprises, the **'small enterprise'** is defined as an enterprise which:
 - has fewer than 50 employees **and**
 - has either,
 - an annual turnover not exceeding €10 million, or
 - an annual balance-sheet total not exceeding €10 million,
 - conform to the criterion of independence as defined in paragraph 4.
3. Where it is necessary to distinguish **micro-enterprises** from other SMEs, these are defined as:
 - enterprises having fewer than 10 employees;
 - annual turnover not exceeding €2 million; or
 - annual balance sheet total not exceeding €2 million.
4. Independent enterprises are those which are not owned as to 25% or more of the capital or the voting rights by one enterprise, or jointly by several enterprises, falling outside the definitions of an SME or a small enterprise, whichever may apply. This threshold may be exceeded in the following two cases:
 - if the enterprise is held by public investment corporations, venture capital companies or institutional investors, provided no control is exercised either individually or jointly,
 - if the capital is spread in such a way that it is not possible to determine by whom it is held and if the enterprise declares that it can legitimately presume that it is not owned as to 25% or more by one enterprise, or jointly by several enterprises, falling outside the definitions of an SME or a small enterprise, whichever may apply.
5. In calculating the thresholds referred to in paragraphs 1 and 2, it is therefore necessary to cumulate the relevant figures for the beneficiary enterprise and for all the enterprises that it directly or indirectly controls through possession of 25% or more of the capital or of the voting rights.
6. Where, at the final balance-sheet date, an enterprise exceeds or falls below the employee thresholds or financial ceilings, this is to result in it acquiring or losing the status of 'SME', 'medium-sized enterprise', 'small enterprise' or 'micro-enterprise' only if the phenomenon is repeated over two consecutive financial years.
7. The number of persons employed corresponds to the number of annual working units (AWU), that is to say, the number of full-time workers employed during one year with part-time and seasonal workers being fractions of AWU. The reference year to be considered is that of the last approved accounting period.
8. The turnover and balance-sheet total thresholds are those of the last approved 12-month accounting period. In the case of newly established enterprises whose accounts have not yet been approved, the thresholds to apply shall be derived from a reliable estimate made in the course of the financial year.

¹³ http://ec.europa.eu/enterprise/enterprise_policy/sme_definition/sme_user_guide.pdf