

## MARINE INSTITUTE FUNDING GUIDELINES

For

Joint Calls (MarTERA Call 2017)

**These Guidelines should also be read in conjunction with the  
MarTERA Guidelines for Pre-Proposal Submission**

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## 1 INTRODUCTION

These **Funding Guidelines** provide details on eligibility, grant-aid rates and eligible costs for Irish (Republic of Ireland) researchers submitting proposals under Joint Calls for Proposals in which the Marine Institute is a funding partner— such as Joint Programming Initiatives (e.g. JPI-Oceans) and ERA-Nets (e.g. ERA-MBT, ERA-NET Cofund MarTERA).

Successful applicants will be required to sign a Grant-Aid Agreement in advance of stating any work funded under Joint Calls.

## 2 ELIGIBILITY

### *Who Can Be Funded?*

Legal entities in the Republic of Ireland with the appropriate scientific and technical qualifications and expertise can be funded as partners in a joint proposal. A partnership approach between institutions and/or industry is strongly encouraged. SMEs<sup>1</sup> may participate as a project partner or a sub-contractor (subject to normal public procurement procedures)<sup>2</sup>.

All industry partners must partner with a public research body (see Appendix 2). Industry partners must have their registered office address based in the Republic of Ireland.

Potential applicants for Joint Calls should familiarise themselves with the specific rules attaching to the call.

## 3 GRANT-AID RATES & ELIGIBLE COSTS

This call for research proposals is intended to fund not-for-profit or pre-commercial research on a re-imbursement 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 level of applicable grant-aid rates

Research Institutes/ Universities/Other Public Research Bodies <sup>3</sup>	Industry, Private and Other Organisations	
	Start-ups/ SME/ Other	Large Scale Enterprises/ Multinational Companies
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;
- 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**<sup>4</sup>.

<sup>1</sup> Refer to Appendix 3

<sup>2</sup> <http://etenders.gov.ie/generalprocguide.aspx>

<sup>3</sup> Refer to Appendix 2.

<sup>4</sup> 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.

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*

**Research Institutes, Universities and Other Public Research Bodies** - A core principle of the Marine Research Programme and the Irish Government's Strategy on Research and Development, Science and Technology (*Innovation 2020*) is capacity building. Accordingly, the programme **does not** support costs associated with existing staff<sup>5</sup> within public research bodies working on a project. Existing staff costs are not eligible costs.

**Industry, Private and Other Organisations** - 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 apply to the Marine Institute to transfer between cost headings, and between partners, during the grant term. All budget reallocations will be subject to approval.

Further information on the above cost categories is provided in **Appendix 1**.

#### ***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.

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<sup>5</sup> Here existing staff means staff that are permanent/core staff.

## 4 NATIONAL PROCESS

### Call Deadline

Each project co-ordinator will be responsible for submission of the pre-proposal application by the closing date on **31<sup>st</sup> March 2017, 17:00 Central European Time**. The application will be submitted via the MarTERA call portal (<https://www.martera.eu/submission/call1>).

### National Selection Process

Following the eligibility checks on pre-proposals, the national selection process for applications commences. Each participating country can only put forward applications (with national costs) up to three times the value of their budget commitment. Where the number of applications with Irish applicants exceeds this threshold (€3m) a national selection process to rank the applications will be carried out.

The national selection process will apply to each project submitted to the MarTERA call with one or more Irish partners. This process will rank the projects based on criteria describing the strategic importance and impact of the work, as well as the credibility of the project partners and the value for money of the proposed research. Therefore every project with an Irish partner(s) submitted through the online MarTERA submissions portal **must also submit the national form** from the Irish partners to [mro@marine.ie](mailto:mro@marine.ie). Only one form is required per project. The national form is available online at <http://www.marine.ie/Home/site-area/research-funding/research-funding/martera-co-funded-call-2017>.

Criteria	Score	Weighting
1. Strategic importance of project for Ireland (how specifically does the proposed research address national priorities outlined in national policy and/or strategic research/innovation agenda's)	10	30%
2. Track record of applicants (demonstrated ability to deliver based on past performance)	10	20%
3. Value for money (demonstrating cost effectiveness of the work, efficient use of existing Irish infrastructure, and the contribution of in kind resources)	10	20%
4. Impacts (demonstrating the economic benefits of the project outputs for Ireland and the capacity of the work to address issues of national importance)	10	30%

#### Score:

0/1 – Very Poor  
 2/3 – Poor  
 4/5 – Fair  
 6/7 – Good  
 8/9 – Very Good  
 10 – Excellent

The form must be submitted by email to [mro@marine.ie](mailto:mro@marine.ie) by **31<sup>st</sup> March 2017, 16:00 (Greenwich Mean Time)**.

## 5 IMPORTANT DATES & TIMELINES

Date	Description
26-Jan-17	Open Day – Information Day at MI HQ Rinvilla Galway for potential applicants seeking Irish funding
15-Feb-17	Brokerage event at Ateliers des Tanneurs, Brussels ( <a href="http://www.b2match.eu/martera">www.b2match.eu/martera</a> )
31-Mar-17	Submission of Pre-Proposal Application (MarTERA Call Portal)
31-Mar-17	Submission of National Selection Document (Marine Institute <a href="mailto:mro@marine.ie">mro@marine.ie</a> )

31-May-17	Announcement of qualifying projects to go forward for next stage - full proposals
8-Sep-17	Submission of Full Proposal Applications
30-Nov-17	Announcement of successful proposals following evaluation
Dec-17/Jan-18	Contract negotiation and signing of Grant-Aid Agreement
Jan/Feb-18	Projects commence

## 6 FURTHER INFORMATION & CONTACT DETAILS

### ***Further Information/Clarifications***

Requests for further information/clarifications should be addressed, preferably by **email**, to the contact details below.

CONTACT DETAILS
<p>Office of Research and Development  Marine Institute  Rinville  Oranmore  Co. Galway  <a href="mailto:mro@marine.ie">mro@marine.ie</a>  Tel. 091-387200</p>

## APPENDIX 1 - COST CATEGORIES

### 1) Staff Costs

**Research Institutes, Universities and Other Public Research Bodies** – New staff appointments are allowable. The programme does not support costs associated with existing permanent/core staff within public research bodies working on a project.

**Industry, Private and Other Organisations** - 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 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 20% 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. Irish Universities Association). 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.

Costs for Masters/PhD students are eligible costs. Payments for student stipend and college/university registration fees are allowable up to a maximum of €25,000 per annum.

### 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 hire<sup>6</sup> 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.
- 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 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 =	percentage of usage of the durable equipment for the project

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 computing equipment costing <€10k are deemed to be consumables (see 3 below with respect to personal computers/laptops).

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 (fixed asset register);
- 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.

**The purchase of a personal computer/laptop** is considered part of the cost of providing facilities for a member of staff (such as desk, phone, stationery, etc.) and is therefore deemed an overhead cost and is included in the allocation for overheads.

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.

<sup>6</sup> Hire = short-term rental where title remains with the hire company



#### **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.

The approval of travel will be contingent upon adequate budget being available, based on the applicants original submission, and appropriate justification being provided by the applicant.

#### **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 (e.g. three quotations must be obtained for all sub-contractors valued at more than €5,000 (incl VAT), and subcontracts above €25,000 (incl VAT) must be published on [www.etenders.gov.ie](http://www.etenders.gov.ie));
- 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 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.

### **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 vessels<sup>7</sup> should contact Research Vessel Operations in the Marine Institute ([rv@marine.ie](mailto:rv@marine.ie)).

### **8) Other Costs (as agreed)**

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, software licences, 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%. Costs deemed to be covered by overheads include laptops, personal computers, stationery, interview expenses, advertising costs, etc.

### **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.

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<sup>7</sup> <http://www.marine.ie/Home/site-area/infrastructure-facilities/research-vessels/research-vessels?language=en>

## APPENDIX 2 – PUBLIC RESEARCH BODY

For the purpose of Joint Calls a public research body is defined as “a public sector body or a legal entity governed by private law with a public service mission providing adequate financial guarantees, who are undertaking research and are based in the Republic of Ireland”. A public research body must be a legal entity with their registered office address in the Republic of Ireland.

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.

The following organisations are considered to be eligible Public Research Bodies:

- Athlone Institute of Technology (AIT)
- Bord Iascaigh Mhara (BIM)
- Cork Institute of Technology (CIT)
- Dublin City University (DCU)
- Dublin Institute of Advances Studies (DIAS)
- Dublin Institute of Technology (DIT)
- Dundalk Institute of Technology (DkIT)
- Environmental Protection Agency (EPA)
- Galway-Mayo Institute of Technology (GMIT)
- Geological Survey of Ireland (GSI)
- Inland Fisheries Ireland (IFI)
- Institute of Technology Sligo (IT Sligo)
- Institute of Technology Tralee (IT Tralee)
- Letterkenny Institute of Technology (LyIT)
- Limerick Institute of Technology (LIT)
- Marine Institute (MI)

- Met Éireann
- National University of Ireland, Galway (NUI Galway)
- National University of Ireland, Maynooth (NUIM)
- Teagasc
- Trinity College Dublin (TCD)
- Tyndall National Institute
- University College Cork (UCC)
- University College Dublin (UCD)
- University of Limerick (UL)
- Waterford Institute of Technology (WIT)

The list above includes organisations who have previously been funded to undertake marine research in Ireland, but this list is not exhaustive and if any applicant is unsure whether they are eligible, then they should clarify with the Marine Institute by sending an email to [mro@marine.ie](mailto:mro@marine.ie).

## APPENDIX 3 - DEFINITION OF AN SME

1. Small and medium-sized enterprises (SMEs<sup>8</sup>) 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.

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<sup>8</sup> [http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition\\_en](http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition_en)