



ERC Support Scheme 2021

Rules for Participation – State Aid



1.0 Introduction

The Malta Council for Science and Technology for and on behalf the Foundation for Science and Technology (MCST) is receiving proposals under the ERC Support Scheme (“The Scheme”). The Scheme aims to strengthen the opportunities for talented researchers to obtain grants from the ERC (European Research Council) for excellent and ground-breaking research based on researchers’ own ideas within all areas of research. The Scheme is divided into two options. Applicants are to fill in the appropriate sections of the form; they may select either Option A or Option B, or both:

i) Option A: Mentoring initiative

The mentoring initiative will support potential ERC applicants by helping to identify international experts to provide coaching and advice.

Applicants interested to benefit from the [ERC Mentoring Initiative](#) are to indicate their interest and detail the mentoring activities they require. An expected workload and envisaged compensations for the mentors are to be specified. Following the external evaluation and upon approval of the application, MCST (the Council) will notify ERCEA with the mentoring activities required. ERCEA identifies grantees and former panel members interested in being mentors. ERCEA will then provide a list of such Mentors to the Council.

The maximum cost for Option A should be €5000.

This Scheme is developed fully in line and supports the requirements listed in the [ERC Guidelines](#).

The ERC support will consist of identifying ERC grantees and former panel members who could serve as external mentors to help national programmes. Such support will help the selected candidates to strengthen the quality of their application.

The ERC underlines that the decision for mentors to accept or otherwise the offer from the applicants, is entirely with the mentors. ERC will not intervene in assignment of a specific

mentor to a specific mentee. The mentors will be contacted by the Council as MCST is the official contact entity for ERC and the Horizon Europe programme.

Mentors that agree to participate will be potentially ready to start the activities around end of summer 2021 for the 1st call launched in June 2021.

ii) Option B: Proposal writing trainings.

The objective of this activity is to raise the capabilities of potential ERC candidates to prepare successful ERC grant applications through attending ERC proposal writing trainings.

The training activities may take place in any EU Member State or Associated Country physically or online. The trainers must have extensive experience and proven track record in running ERC workshops and helping successful ERC grantees. The duration of the physical trainings should be of minimum 1 day and maximum 5 days. No restrictions apply for the online trainings.

The scheme is not to be used for organisation of trainings and workshops in Malta.

The maximum cost for Option B should be €2000.

2.0 Definitions

- **Applicant** means anyone eligible to apply in terms of these Rules for Participation and who consequently applies for funding under this scheme.
- **Arm's length** means that the conditions of the transaction between the contracting parties do not differ from those which would be stipulated between independent enterprises and contain no element of collusion. Any transaction that results from an open, transparent and non-discriminatory procedure is considered as meeting the arm's length principle. Having family ties or a personal relationship between the service provider and the applicant will lead to a breach of the arm length principle.
- **Candidate** shall have the meaning of the ERC Principal Investigator who will apply for the ERC Grant.
- **Council** refers to the Malta Council for Science and Technology.

- **ERC Grants:** any of the following - Starting Grant, Consolidator Grant, Advanced Grant, Synergy Grant and Proof of Concept. More information is available [here](#).
- **Eligible undertakings** are defined as undertakings planning to carry out Fundamental Research, Industrial Research or Experimental Development projects that are eligible to apply for assistance under this scheme. In order to be eligible, applicants must additionally satisfy the following criteria. They must be either: a) a partnership constituted under the Companies Act, being a partnership *en nom collectif*, or *en commandite*; or b) a limited liability company; c) professional body; d) NGOs; e) Non-profit making entities (including Foundations).

‘Professional Body’ may be an organisation, an association, a chamber, society, institute or a group of professional persons not being enrolled or registered in terms of The Voluntary Organisations Act (Cap. 492 of the Laws of Malta) or not being otherwise recognised in terms of Law, and which is generally recognised and acknowledged by the professional persons it seeks to represent as their representative Body. For the purposes of this Definition, a professional person is one who has undergone a period of study at a university or a recognised institution of higher learning and has obtained the formal qualification entitling the person to practise the respective profession; and who provides a specialised service to the public, based primarily on a fiduciary relationship between herself/himself and the party to whom s/he provides such service on his own personal credibility and responsibility.

‘NGO’ means any Voluntary or Non-Governmental Organisation set up in accordance with The Voluntary Organisations Act (Cap. 492 of the Laws of Malta).

‘Non-profit making’ is an entity where (a) the statute of the entity contains an express exclusion of the purpose to make profits; and (b) there is express provision in the statute defining the purposes of the entity which do not include the promotion of private interests, other than a private interest which is a social purpose; and (c) no part of the income, capital or property is available directly or indirectly to any promoter, founder, member, administrator, donor or any other private interest. Provided that if a promoter, founder, member, administrator or donor is another enrolled non-profit making organisation, the limitation in paragraph (c) shall not apply provided the availability of such income, capital or property is subject to conditions which are consistent with the general purposes of the grantor entity: Provided further that an organisation shall continue to be deemed as non-profit making notwithstanding that: (i) it obtains a pecuniary gain from its activities when such gain is not received or credited to its members but is exclusively utilised for its established purposes; (ii) it buys or sells or otherwise deals in goods or services where such activities are exclusively related to its principal purposes; (iii) it is established for the general entertainment, pastime, education or other similar benefit only of its members; or (iv) it is established for the promotion of the social role, ethics, education and values of a trade or profession provided it does not promote the private interests of its members.

- **Host Institution** may be any legal entity established in Malta (public or private), which has the infrastructure and capacity to carry out frontier research projects. In ERC grants, the Host Institution is the only participating entity (single beneficiary) and it engages and hosts the

Principal Investigator and the research team for at least the duration of the grant, under the condition that a formal commitment is made by the Host Institution to provide the Principal Investigator with the appropriate scientific and administrative environment to conduct the research.

- **Principal Investigator** is the project leader of the ERC project. He/she can be of any age and nationality and can be based in any country at moment of submitting the application, as long as he/she intends to establish and conduct their research activity under the ERC Grant in Malta. Specific professional experience is requested for each ERC Grant and detailed in the [ERC Annual Work Programme](#) and on the [ERC website](#).
- **Single Undertaking** includes all enterprises having at least one of the following relationships with each other:
 - i. One enterprise has a majority of the shareholders' or members' voting rights in another enterprise;
 - ii. One enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;
 - iii. One enterprise has the right to exercise a dominant influence on another enterprise pursuant to a contract entered into with that enterprise or to a provision in its memorandum or articles of association;
 - iv. One enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.

Enterprises having any of the relationships referred to in points (i) to (iv) above through one or more other enterprises shall be considered to be a single undertaking.

- **Undertaking** covers any entity engaged in an economic activity within the meaning of Article 107 TFEU, regardless of its legal status and the way in which it is financed.

3.0 Eligibility Criteria

The applicant must be an eligible undertaking (as defined in Section 2.0 of these rules under the term eligible undertakings) that carries out an economic activity within the meaning of Article 107 TFEU.

For a proposal to be eligible, the Candidate that intends to submit an ERC proposal with the Applicant legal entity as a Host Institution must:

- have a doctoral degree awarded and meets the eligibility requirements for the selected ERC type of grant;
- be employed by the Applicant legal entity/Host Institution or have established contact with the Applicant legal entity/Host entity which has agreed to host the candidate.
- not or have not been an ERC grantee;
- act as a Principal Investigator (PI) applying for the ERC grant.
- submit, within 12 months from the conclusion of the mentoring and/or training activity a proposal for an ERC grant (Starting, Consolidator, Advanced or Synergy) to finance research planned to be conducted in a Maltese Host Institution. Proof of Concept (PoC) call is not eligible.

Applications should be endorsed by the entity's legal representative. Applicants already featuring on MCST's non-compliance list will not be eligible to apply for this Awards Scheme.

4.0 Conflict of Interest

Applications are to be fully in line with the ERC's rules of conflicts of interest which can be found [here](#).

For the avoidance of doubt, a conflict of interest (COI) shall exist if the trainer/mentor/Host Researcher

- is a director / trustee / partner of the Applicant or involved in the management of the Applicant entity or is an employee of the same entity, or is otherwise related (by consanguinity or affinity) to the Candidate.

5.0 Financing

The Applicant is invited to provide a breakdown of the anticipated costs to carry out the proposed activities as part of the MCST 'ERC Support Scheme 2021 - Application Form'. MCST reserves

the right to request the reduction of any amount quoted by the Applicant should this be considered as being over-estimated.

The amount of the award available under the Scheme (the “**Award**”) to any one successful Applicant is capped at €5000 for Option A and €2000 for Option B. A maximum €7000 can be requested per candidate. A detailed breakdown of the estimated costs is to be included in the application form.

The financing will be provided to the Host Institution as follows:

- 40% pre-financing, following the Grant Agreement signature;
- 40% to be disbursed following submission of final report, including invoices and receipts; and
- 20% to be disbursed following successful submission of an ERC proposal.

The Host Entity Institution will receive the funds to finance the training/mentoring fees for the Candidate, including the funds to cover the costs of their stay abroad, if foreseen.

Failure to submit an ERC proposal within 12 months from the date of the completion of the activity will result in a requirement to return 50% of the funds awarded to the research Host Institution in pursuant to the Call, unless MCST agrees otherwise.

Eligible costs:

For Option A:

- Mentoring costs such as fees
- flights for travel related to the mentoring initiative (the total amount for each flight should be estimated as costing no more than €500 for EU countries and €1000 for non-EU countries and should be an economy class ticket);
 - travel insurance; airport transfers; subsistence allowance (inclusive of accommodation)

For Option B:

- online ERC trainings/workshop fees;
- fees for attending physical ERC trainings/workshops

- flights for travel related to the training (the total amount for each flight should be estimated as costing no more than €500 for EU countries and €1000 for non-EU countries and should be an economy class ticket);
- travel insurance; airport transfers; and subsistence allowance (inclusive of accommodation) - when subsistence costs are calculated the local entity's pre-approved subsistence allowances should be used;

Expenses related to loans, interests and recoverable value added tax are considered as ineligible costs.

The Applicant must follow applicable procurement regulations and the Council can request evidence that the services were good value for money. eg. quotations, etc.

Award holders/ERC candidates will be responsible for arranging all relevant activities including, but not limited to, travel plans, accommodation, logistics planning, insurance coverage for any participant travel, etc. The Applicant should provide an estimated breakdown of the anticipated costs to carry out the project's activities in the application form.

No double funding is permitted for the **same** activities carried out under the Scheme and in conjunction with other schemes.

6.0 Submission of Application Form

The Scheme will open twice in 2021- in June and October/November 2021.

Interested Applicants are to submit their application form electronically to horizon.malta@gov.mt with "ERC Support Scheme - Application 2021" as a subject heading by not later than noon (CET) of 20th August 2021.

The application must be dated and signed by the Candidate and the legal representative of the Applicant. Late or incomplete applications will not be considered.

Submissions should include the following documents:

- ‘ERC Support Scheme Application Form’ in such template format as published by MCST in connection with the Call.
- For Option B quotation for the training event/s

It is the responsibility of the Applicant to ensure the timely and correct delivery of the application form to MCST. It should be noted that emails larger than **6MB** will be automatically rejected by the mail system. The Applicant may make use of data transfer via cloud storage for the purpose of the application.

7.0 Selection Process

Eligible applications will be assessed by a selection panel set up by the Council against the following criteria:

- Research achievements of the Candidate;
- Excellence of the ERC proposed project idea (project’s brief) and relevance to the pre-identified call topic.
- For Option B, proven track record of the ERC proposed trainer/s.

Proposals are subject to an eligibility check and a peer review.

Priority will be given to well-defined proposals which demonstrates increased odds of success for securing third party-funding or which demonstrate a clear benefit to enhancing the international dimension of local research & innovation activity.

8.0 Award Duration

Upon successful completion of the evaluation stage, it may be necessary for MCST to negotiate the amount of the Award requested in the application form. MCST retains the right to provide Awards of a different sum should the amount in the ‘breakdown of costs’ appears to have been overestimated.

The deadline for completion of the projects/activities funded under the Award is 12 months from the starting date on the applicable grant agreement, although projects may be completed within a shorter period. Upon completion of the activities/projects, the Applicant is to submit a final report within 30 days according to a standard template provided by MCST. The final report will need to be accompanied by all relevant documentation, including receipts demonstrating how the Award was spent. MCST retains the right to audit the financial documentation and to request further proof of expenditure of the Award. Should there be a significant discrepancy between the sum of the Award disbursed by MCST and the amount spent by the applicant (as substantiated through receipts or other financial documentation) MCST retains the right to request a reimbursement of unspent funds.

Any requests for change of use of the Award should be addressed in writing to horizon.malta@gov.mt. Such request needs to receive consent from MCST prior to being effected. Requests for the extension of an Award needs to be sent by a formal letter from the Applicant at least 2 months before the deadline of the applicable grant agreement. The Council will review the request and reply within 2 weeks from the date of receipt of the said request. Requests for an extension cannot be for more than 3 months. Applicants are reminded of the importance of retaining all documents proving expenditure of the awarded funds for submission with the final report.

9.0 State aid

This scheme is being implemented in line with [Commission Regulation \(EU\) No. 1407/2013](#) of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (OJ L 352/1), as amended by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments, hereinafter referred to as the de minimis Regulation.

The total amount of *de minimis* aid granted to a single undertaking shall not exceed the amount of €200,000 over any period of three consecutive fiscal years. The total amount of *de minimis* aid granted to a single undertaking performing road freight transport for hire or reward shall not exceed €100,000 over any period of three fiscal years. This period covers the fiscal year concerned

as well as the previous two fiscal years. 'Fiscal year' means the fiscal year as used for tax purposes by the undertaking concerned.

This aggregate maximum threshold applies in principle to all economic sectors with the exception of the agriculture and fisheries sectors for which different thresholds and criteria apply.

The term 'single undertaking' shall have the meaning as established in *Commission Regulation (EU) No 1407/2013*.

This maximum threshold would include all State aid granted under this aid scheme and any other State aid measure granted under the *de minimis* rule including that received from any entity other than the Malta Council for Science and Technology. Any *de minimis* aid received in excess of the established threshold will have to be recovered, with interest, from the undertaking receiving the aid.

The *de minimis* declaration form must be filled in and submitted together with the application form.

Assistance approved under this aid scheme is NOT:

- i. Aid granted to undertakings active in the fishery and aquaculture sector, as covered by Council Regulation (EC) No. 104/2000.
- ii. Aid granted to undertakings active in the primary production of agricultural products.
- iii. Aid granted to undertakings active in the sector of processing and marketing of agricultural products, in the following cases:
 - a. Where the amount of the aid is fixed based on the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned.
 - b. Where the aid is conditional on being partly or entirely passed on to primary producers.
- iv. Aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, to the establishment and operation of a distribution network or to other current expenditure linked to the export activity.
- v. Aid contingent upon the use of domestic over imported goods.

- vi. Aid for the acquisition of road freight transport vehicles granted to undertakings performing road freight transport for hire or reward.

Where an undertaking is active in the sectors referred to in points (i), (ii) and (iii) above as well as in other sectors falling within the scope of the *de minimis Regulation*, the Council will ensure a separation of the activities or distinction of costs. Only those sectors eligible for assistance under the *de minimis Regulation* will be assisted. Activities in the sectors excluded from the scope of the *de minimis Regulation* will not benefit from assistance under this aid scheme.

In terms of Article 5 of the *de minimis Regulation*, *de minimis* aid granted under this initiative may be cumulated with *de minimis* aid granted in accordance with Commission Regulation (EU) No 360/2012 up to the ceiling laid down in that Regulation. It may be cumulated with *de minimis* aid granted in accordance with other *de minimis regulations* up to the relevant ceiling fixed in terms of these National Rules for Participation.

De minimis aid shall not be cumulated with State aid in relation to the same eligible costs or with State aid for the same risk finance measure, if such cumulation would exceed the highest relevant aid intensity or aid amount fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the Commission.

De Minimis aid which is not granted for or attributable to specific eligible costs may be cumulated with other State aid granted under a block exemption regulation or a decision adopted by the Commission.

10.0 Correspondence

Successful applicants will be required to communicate to horizon.malta@gov.mt and to Lili Kankaya at lili.vasileva@gov.mt at MCST regularly of any direct or indirect outputs resulting from the Award during and beyond the lifetime of the Scheme.

Successful Applicants are also required to submit a detailed report on the activities undertaken under the Award within thirty days from the date of completion of the activities funded by the Scheme. For those activities extending for the full duration of this Scheme (i.e. one year from the starting date on the grant agreement), final reports should be submitted to MCST by no later than

30 days from the said starting date. MCST reserves the right to take any necessary legal action should such reporting not be submitted.

Reference to the Award under the Scheme should be made on any publication, marketing or PR material that is generated in relation to the project or activity undertaken.

11.0 Confidentiality of Submissions

Unless otherwise indicated, all application submissions shall be treated in strict confidence.

The data collected by the Council via the application for the aid and its subsequent processing by the Council to evaluate data subject's request for aid under the Scheme is in line with:

- i. The National Rules for Participation;
- ii. Commission Regulation (EU) No 1407/2013 of 18 December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, as amended by Commission Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) No 1407/2013 as regards its prolongation and amending Regulation (EU) No 651/2014 as regards its prolongation and relevant adjustments (de minimis Regulation);
- iii. Data Protection Act, Chapter 586 of the Laws of Malta and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
- iv. The legitimate basis to process personal data submitted by the data subject by virtue of his/her written application for aid is Regulation 6 (1)(b) of the General Data Protection Regulation ("GDPR"), as 'processing is necessary in order to take steps at the request of the data subject prior to entering into a contract'.

12.0 Further Information

For further information on the Scheme or the ERC, please send an email to horizon.malta@gov.mt

or to:

Lili Kankaya

Senior Executive

Framework Programmes Unit

Email: lili.vasileva@gov.mt

