



Digital Europe Programme (DIGITAL)

Call for proposals

European Master Programme for HPC (DIGITAL-EUROHPC-JU-2024-MASTER-03)

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CALL FOR PROPOSALS

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0. Introduction

This is a call for proposals for EU action grants in the field of High Performance Computing (Specific Objective 1) under the Digital Europe Programme (DIGITAL).

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

- Regulation 2018/1046 (<u>EU Financial Regulation</u>)
- the basic act (Digital Europe Regulation 2021/6941).

The call is launched in accordance with the Annual Work Programme 2024² of the **European High-Performance Computing Joint Undertaking (EuroHPC JU)**

The call covers the following **topic**:

DIGITAL-EUROHPC-JU-2024-MASTER-03: European Master Programme for HPC

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

We invite you to read the **call documentation** carefully, and in particular this Call Document, the Model Grant Agreement, the <u>EU Funding & Tenders Portal Online Manual</u> and the <u>EU Grants AGA — Annotated Grant Agreement</u>.

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

- the <u>Call Document</u> outlines the:
 - background, objectives, scope, outcomes and deliverables, KPIs to measure outcomes and deliverables, targeted stakeholders, type of action and funding rate and specific topic conditions (sections 1 and 2)
 - timetable and available budget (sections 3 and 4)
 - admissibility and eligibility conditions (including mandatory documents; sections 5 and 6)
 - criteria for financial and operational capacity and exclusion (section 7)
 - evaluation and award procedure (section 8)
 - award criteria (section 9)
 - legal and financial set-up of the Grant Agreements (section 10)
 - how to submit an application (section 11)
- the Online Manual outlines the:
 - procedures to register and submit proposals online via the EU Funding & Tenders Portal ('Portal')

Regulation (EU) 2021/694 of the European Parliament and of the Council of 29 April 2021 establishing the Digital Europe Programme (OJ L 166, 11.5.2021, p. 1).

Decision of the EuroHPC JU Governing Board No 62/2024 of 8 November 2024 Amending the Joint Undertaking's Work Programme and Budget for the year 2024 (Amendment No 6).

recommendations for the preparation of the application

- the AGA Annotated Grant Agreement contains:
 - detailed annotations on all the provisions in the Grant Agreement you will have to sign in order to obtain the grant (including cost eligibility, payment schedule, accessory obligations, etc).

You are also encouraged to visit the EuroHPC Joint Undertaking website www.eurohpc- ju.europa.eu to consult the list of projects funded previously.

1. Background

The Digital Compass provides the proposed EU's vision and concrete targets for the digital transformation by 2030. The ambitious targets for digitals skills comprise that 80% of the adult population possesses basic digital skills and to reach 20 million ICT specialists employed in the economy in 2030.³

The EIT Digital report on "The Future of Education for Digital Skills" emphasizes the urgent need for Europe's public education system, from primary schools to universities, to modernize its outdated digital programs. It calls for private digital education initiatives to be integrated into a more coordinated and comprehensive pan-European framework and outlines the need for better orchestration of digital skills initiatives, networks, and ecosystems is vital to enhance quality, efficiency, and impact across Europe.4

To meet the digital skill targets of the European Digital Compass in a fair, inclusive, and sustainable manner, collaboration at the European level is essential due to the significant challenges and costs involved. Thus several programmes were established in the past to tackle these challenges and contribute to the targets of the digital transformation. Examples are the EIT Digital Master Schools⁵ e.g., in data sciences, cyber security, cloud and network infrastructure, and the master programmes in Artificial Intelligence 4 Careers in Europe (MAICAREU)⁶.

In the same line, the EuroHPC JU launched in 2022 the project EUMaster4HPC as a pilot of the European Master of Science (MSc) programme for High Performance Computing (HPC)⁷. While the project developed a joined curriculum and established a programme where the first cohort successfully graduated in 2024, a continued commitment is needed to contribute to the European digital transformation. The availability of HPC experts such as HPC administrators and system architects, HPC proficient data scientists, HPC application developers and expert users, for example in computational modelling and artificial intelligence applications, are vital for a competitive HPC ecosystem in Europe and depends on the education of highly skilled and talented graduate students. This call addresses the implementation of a pan-European university-level education programme for HPC. It will build on and further develope preceding work towards a sustainable pan-European Master of Science (MSc)

https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/europe-fitdigital-age/europes-digital-decade-digital-targets-2030 en

⁴ https://www.eitdigital.eu/fileadmin/2022/ecosystem/makers-shapers/reports/EIT-Digital Report The-Future-of-Education-for-Digital-Skills.pdf

⁵ https://masterschool.eitdigital.eu/

⁶ https://mai4car.eu/

⁷ https://cordis.eur<u>opa.eu/project/id/101051997/de</u>

programme for HPC taking into account the lessons learned in the pilot project funded under call H2020-JTI-EuroHPC-2020-03.

Contributes to the Commission's priority 'A Europe fit for the Digital Age'

2. Objectives — Scope — Outcomes and deliverables — KPIs to measure outcomes and deliverables — Targeted stakeholders — Type of action and funding rate — specific topic conditions

DIGITAL-EUROHPC-JU-2024-MASTER-03 – European Master Programme for HPC

Objectives

Central objective of this action is to design and establish a pan-European Master of Science (MSc) programme in High Performance Computing, based on insights from the previous EUMaster4HPC pilot project. The chosen project should educate specialists in HPC, including AI and quantum computing with an HPC focus, by delivering advanced HPC-focused education and training in areas such as system architecture and design, operation, software development, and HPC utilisation. The programme will be tailored to meet industry and labour market demands, ensuring that graduates are well-prepared to address current and future challenges in the field.

Scope

Proposals under this action should detail a European master programme in HPC that aims to develop a quality-controlled educational master programme for HPC that targets to train future HPC experts according to the needs of the European labour market.

The action will deliver a master programme of pan-European reach for 100+ students per annual intake, equivalent to 120 ECTS and targeting advanced and cutting edge skills required for research and industrial HPC. Four cohorts of students should complete the master programme during the duration of the project.

Proposals should address the following aspects:

Framework, curriculum, content

- Outline a framework of a European joint master programme including learning outcomes, academic content, teaching and talent development, achieved and sustained among all partners in the consortium. Proposals should explain how the suggested programme will establish excellence including the necessary visibility and reputation in academic and private labour markets, to attract talents and partners from the public and private sector.
- Propose a general curriculum for a master programme building on the curriculum developed by the pilot project EUMaster4HPC. The curriculum should focus on advanced HPC and contain modules on, for example, the design and engineering of HPC platforms, HPC adoption in industry, expertise in HPC environments and applications using HPC, also including AI and quantum computing with an HPC focus. Generic courses to bring students up to the same level should be covered outside the curriculum in extracurricular activities, e.g., during lecture-free periods.

- Ensure a modular design of the curriculum, with clear identification of scientific disciplines, industrial applications and HPC usage profiles (designer, developer, administrator, user), that facilitate full or partial adoption of the modules into new or existing MSc programmes. The modular design should be coherent with the approach that will be developed under the EuroHPC Virtual Academy selected in call DIGITAL-EUROHPC-JU-2023-ACADEMY-02 and compatible with the micro-credential structure developed by the Academy. Furthermore proposals should explain how the project contributes to the standardisation and certification effort of the EuroHPC Virtual Academy, e.g., the master programme should establish a feedback loop on the design of a modular curriculum in HPC.
- Develop substantial content, teaching materials and online courses to complement on-site courses, which should also be provided to a broader community under an open license using a coherent structure and format to support the adoption by other education programmes. The teaching material and content developed or used within the MSc programme should embrace the micro-credential based "Skill Tree" developed by the EuroHPC Virtual Academy, and contribute the material in the required format to the Academy's repository. It is required that at least 6 ETCS are achieved through lectures and activities exclusively for the European HPC master students outside of already existing tracks.
- Explain how students will be immersed in relevant research and industry activities throughout the curriculum e.g., by using leading and emerging European HPC systems and technology as part of the MSc programme.
- Create a quality assurance strategy and implementation plan to ensure consistent and reliable course delivery, thereby guaranteeing that the master programme upholds high academic standards.

Certification and collaboration

- Describe the details of the awarded master degree, which academic institutions at pan-European level will award it and in what form (e.g. joint or multiple degrees). The consortium should ensure that joint or bilateral collaboration agreements are in place to ensure mobility of the students between the universities. It is expected that the collaboration agreements are signed by the awarding universities, at the latest, at the moment of the signature of the grant agreement. The proposal should outline exactly which mobility paths are envisaged, e. g., a global mobility scheme or mobility within tracks. In addition, letters of commitment of the university administration for the collaboration should be attached to the proposal. This letter should include the intention to waive tuition fees for student participating in the European master programme for HPC.
- The awarding universities should be composed only of universities that can comply with the collaboration requirements (e. g. student mobility, tuition fee waiver, compatible ECTS scheme) and are compatible with the proposed activities and the suggested academic calendar.
- The proposal should suggest a mechanism to include, during the implementation of the activities, additional awarding universities to the pan-European master

programme that fulfil the necessary requirements such as an established collaboration agreements and course mapping.

Student mobility

- Set up a scheme to facilitate student mobility between European universities
 designed as a part of the study programme. Proposals should also explain how
 mobility will be achieved and will contribute to the academic excellence of the
 education programme. Due to the European orientation and internationalisation of
 the master programme, students must study in two different European countries
 during the master programme. In addition, to ensure a high mobility, students
 should change university and country in the first year.
- Provide financial support to third parties in the form of mobility grants for the students. The mobility grants should cover the additional costs incurred by moving to another European country and are bound to reallocation of the student. The proposals should reason the amount of mobility funds, by e.g., taking into consideration cost differences between the place of origin and destination. The rates of the ERASMUS+ programme⁸ may provide an orientation to determine the respective additional costs.
- Overall, a minimum of EUR 3 000 000 of the requested funds should be allocated to financial support of third parties (students). It is expected that the financial support will be in the order of EUR 5 000 – 15 000 per party and it should include performance-based elements and incentives.

Selection Process and Intake

- Define and publish, with the launch of the first admission process, one common set of eligibility criteria which should be agreed between all awarding universities within the consortium. Further, the consortium must define clear requirements for the qualification of students (not limited to a formal degree). The qualification requirements and admission procedure must ensure that skills of the admitted students are sufficiently coherent that the programme will focus on HPC from the beginning and will not repeat courses on fundamental aspects, such as mathematics, which are covered in BSc programmes. Any efforts to prepare students/harmonise skills should be limited to extracurricular offers.
- Define a transparent, effective, scalable and competitive selection process for the admission of students, addressing the requirements of European stakeholders. A selection committee should jointly agree on the selected students for the master programme. The students should be chosen based on academic excellence by an independent panel of external experts. Universities hosting students are expected to provide the number of available places in advance and respect the preference of the students, geographical balance and results of the assessment of external experts. The process must be agreed in accordance with the funding authority to ensure compliance with the rules regarding financial support to third parties.

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^{8 2024-}Erasmus+Programme-Guide EN.pdf (europa.eu)

- The intake of students from participating universities must be balanced within the consortium The proposal should explain how students from universities outside of the consortium are attracted to the masters programme.
- Outline how a balanced intake of students regarding geographical origin and underrepresented groups will be achieved. In addition, the proposal should ensure that financial benefits provided through the project are only attributed to students that are national of one of the EU Member states, Iceland, Israel, Montenegro, North Macedonia, Norway, Serbia, Türkiye or United Kingdom and enjoy full rights as citizens.
- Describe how the students will be allocated within the awarding universities. The students should be grouped in each cohort such that there are at least ten students allocated at the same university.

Industry involvement

- Address the requirements and needs of relevant European industry players (supply and user industry). Expectations and commitment of industry partners, e. g. in mentorship programmes, should be described in detail and the added value clearly identified. The proposal should describe how the requirements of SMEs will be taken into account in the education programme.
- Ensure the connection of the students with related industries. The project should organise together with industry partners within or outside the consortium activities to support a seamless entrance in the private labour market after graduation. The proposal should demonstrate an action plan on related activities using existing links to industry, entrepreneurship centres, business incubators, academic partners and other European initiatives.
- Include industry in the design and execution of courses and the development of cutting edge teaching paradigms of HPC. A lecture or similar activity of at least 3-6 ETCS should be given by industry representatives.
- The programme should provide for the possibility to write the final master thesis with an industry partner or research institution. The consortium should implement appropriate measures to ensure a high quality and comprehensive supervision of the students from academic and industry side (clear work plan, personal supervisor, monitoring and on-site visits by coordinator, feedback loop etc.). The proposal should contain a list of relevant established links and cooperations with industry partners and where external master thesis could be hosted for each beneficiary.

Outreach and dissemination

 Detail a credible dissemination strategy to ensure a high visibility for the target groups, especially students, of the project and its master programme in Europe. The proposal should provide a list of specific events and activities that the project plans to attend to reach out to new students, e.g., student fairs, career days etc.

- Promote the programme across Europe and specifically in countries where HPC adoption is low to increase diversity, participation by underrepresented groups and to support a broad geographical coverage of applicants.
- Every consortium partner should state in a commitment letter that they agree to promote the master programme and disseminate it through their own networks and publication offices.
- Include a strategic sustainability plan for a European master programme for HPC that will be part of the portfolios of academic programmes at as many European universities as possible.

The JU considers that proposals requesting a contribution from the EU of up to EUR 10 million and a duration of 6 years would allow this specific challenge to be addressed appropriately. Nonetheless, this does not preclude submission and selection of proposals requesting another duration or other amounts. Only one proposal will be selected.

Proposals Outcomes and deliverables

Expected Outcomes:

- A quality, internationally competitive MSc programme in HPC across the Union with measurable key performance indicators and addressing requirements and needs of the European industry
- Advancing European expertise and leadership for HPC by improved coordination and increased availability of educational activities on HPC
- Skilled workforce and a large number of new specialists, in particular from underrepresented groups, trained in the use possessing advanced skills of current and future generation HPC and HPC-related technologies and application, making them highly qualified professionals capable of designing, optimizing, and implementing complex computational solutions ready to be employed by the European industry.
- Increased competitiveness and innovation by contributing to the development of a more skilled and knowledgeable HPC workforce, which would enhance the competitiveness and innovation potential of European companies and research institutions.
- Transfer of knowledge between academia and industry, ensuring that theoretical concepts are effectively applied in practical contexts.
- A new generation of researchers equipped to tackle grand challenges in various fields, driving advancements in HPC, also addressing pressing societal challenges, such as climate modelling, drug discovery, and healthcare optimisation, through advanced computational methods.
- Collaboration between universities and institutions across Europe to promote the exchange of best practices, educational resources, and teaching methodologies.

 Increased mobility and employability by facilitating the recognition and validation of HPC skills and qualifications across Europe, making it easier for HPC professionals to move between different countries and for employers to compare and assess the qualifications of potential candidates.

Mandatory deliverables:

- curriculum and list of offered courses including module description and mobility options updated at least annually and whenever necessary
- regularly updated course materials compatible with the format and skills framework defined by the EuroHPC Virtual Academy where possible
- clearly structured website providing all details on the application process and clear information for each awarding university with background on e.g., living costs, public transportation, benefits etc.
- report on financial support to third parties for the mobility grants and costs including country specific statistics, also in electronic form as requested by the JU
- statistics on student intake, allocations and certificates
- dissemination and outreach strategy with updated implementation plan detailing dissemination events to attract students to the master programme
- regularly updated quality assurance strategy and implementation plan
- impact analysis (reached target groups, enhanced education of HPC skills, employment statistics of master students after graduation)
- regularly updated report and evaluation on the adoption of innovative teaching techniques, technologies and pedagogical approaches
- regularly updated report on the development of the alumni community: career achievements, leadership roles, and involvement of alumni in activities of the programme

KPIs to measure outcomes and deliverables

KPIs on the following information should be collected centrally in a structured format to measure the progress of the action towards the proposed targets. The KPIs should be reported to the JU on request and at least every six months. Unless provided below, baseline and target values should be provided by the applicants in the proposal.

- number of applications, number of enrolments, diversity (geographical, backgrounds, gender)
- statistics on the intake of students. Intake from outside of the participating universities should be at least 50% with the target to maximise the intake of students from other universities to at least 70% towards the end of the project.
- employment rate within a specific time after graduation
- statistics on the portfolio of MSc theses: number of completed theses and graduated students, geographical and topic coverage, number of theses completed at academic institutions, public organisations and private companies

- curriculum: number of different tracks available in the programme including number of possible options for mobility (combinations of universities in first and second year)
- outreach and dissemination: number of events attended to reach students (student and job fairs, introductorily presentations, seminars etc.), number of student reached by medium (events, internet, social media, recommendation etc.).
- number of partnerships with employers offering relevant internships, projects, or job opportunities to students of the MSc programme
- number with partnerships with EuroHPC hosting entities offering relevant internships, projects or job opportunities to students of the MSc programme
- KPIs on the programme's accreditation status and recognition from relevant accrediting bodies

Targeted stakeholders

The consortium which will implement the action must demonstrate an established track record of HPC, training and education and proven experience with the design and implementation of complex higher education programmes. The coordinator and key contributors should be higher education institutions with proven excellence in teaching, which should be explained and substantiated in the application, and strong education programmes in the broader areas of HPC such as computer science/engineering, numerical simulation and quantum computing.

Type of action and funding rate

DIGITAL JU CSA - 100% funding rate

For more information on Digital Europe types of action, see Annex 1.

Specific topic conditions

- For this topic, multi-beneficiary applications are mandatory and specific conditions for the consortium composition apply (see section 6)
- For this topic, following reimbursement option for equipment costs applies: depreciation only (see section 10)
- For this topic, access rights to ensure continuity and interoperability obligations apply (see section 10)
- The following parts of the award criteria in section 9 are exceptionally NOT applicable for this topic:
 - extent to which the proposal can overcome financial obstacles such as the lack of market finance*
 - extent to which the proposal addresses environmental sustainability and the European Green Deal goals, in terms of direct effects and/or in awareness of environmental effects*
- The granting authority can fund a maximum of one project.

3. Available budget

The available call budget is **EUR 10 000 000**.

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

Торіс	Topic budget
DIGITAL-EUROHPC-JU-2024- MASTER-03	EUR 10 000 000

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

4. Timetable and deadlines

Timetable and deadlines (indicative)	metable and deadlines (indicative)		
Call opening:	03 December 2024		
Deadline for submission:	27 May 2025 - 17:00:00 CET (Brussels)		
Evaluation:	June 2025		
Information on evaluation results:	July 2025		
GA signature:	November 2025		

5. Admissibility and documents

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

Proposals must be submitted **electronically** via the Funding & Tenders Portal Electronic Submission System (accessible via the Topic page in the <u>Search Funding & Tenders</u> section. Paper submissions are NOT possible.

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

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

- Application Form Part A contains administrative information about the participants (future coordinator, beneficiaries and affiliated entities) and the summarised budget for the project (to be filled in directly online)
- Application Form Part B contains the technical description of the project (to be downloaded from the Portal Submission System, completed and then assembled and re-uploaded)
- mandatory annexes and supporting documents (to be uploaded):
 - detailed budget table/calculator: not applicable
 - CVs of core project team: not applicable

- activity reports of last year: not applicable
- list of previous projects (key projects for the last 4 years)
 (template available in Part B): applicable
- ethics issues table: not applicable
- security issues table: not applicable
- ownership control declaration: not applicable
- commitment letters from all partners to disseminate the master programme through their own networks and publication offices. For awarding universities this letter should also include a commitment by the legal representative in the proposal on good and effective collaboration with the consortium partners, including the intention to waive tuition fees for students participating in the European master programme for HPC.

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

Your application must be readable, accessible and printable.

Proposals are limited to maximum **70 pages** (Part B) for topic DIGITAL-EUROHPC-JU-2024-MASTER-03. Evaluators will not consider any additional pages.

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

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

6. Eligibility

Eligible participants (eligible countries)

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

- be legal entities (public or private bodies)
- be established in one of the eligible countries, i.e.:
 - EU Member States (including overseas countries and territories (OCTs))
 - non-EU countries:
 - listed EEA countries and countries associated to the Digital Europe Programme or countries which are in ongoing negotiations for an association agreement and where the agreement enters into force before grant signature (<u>list of participating countries</u>)

Beneficiaries and affiliated entities must register in the <u>Participant Register</u> — before submitting the proposal — and will have to be validated by the Central Validation Service (REA Validation). For the validation, they will be requested to upload documents

showing legal status and origin.

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

Specific cases

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

International organisations — International organisations are not eligible, unless they are International organisations of European Interest within the meaning of Article 2 of the Digital Europe Regulation (i.e. international organisations the majority of whose members are Member States or whose headquarters are in a Member State).

Entities without legal personality — Entities which do not have legal personality under their national law may exceptionally participate, provided that their representatives have the capacity to undertake legal obligations on their behalf, and offer guarantees for the protection of the EU financial interests equivalent to that offered by legal persons9.

EU bodies — EU bodies (with the exception of the European Commission Joint Research Centre) can NOT be part of the consortium.

Associations and interest groupings — Entities composed of members may participate as 'sole beneficiaries' or 'beneficiaries without legal personality' 10. 🗘 Please note that if the action will be implemented by the members, they should also participate (either as beneficiaries or as affiliated entities, otherwise their costs will NOT be eligible).

Countries currently negotiating association agreements — Beneficiaries from countries with ongoing negotiations (see above) may participate in the call and can sign grants if the negotiations are concluded before grant signature (with retroactive effect, if provided in the agreement).

EU restrictive measures — Special rules apply for certain entities (e.g. entities subject to EU restrictive measures under Article 29 of the Treaty on the European Union (TEU) and Article 215 of the Treaty on the Functioning of the EU (TFEU) 11 and entities covered by Commission Guidelines No 2013/C 205/05¹²). Such entities are not eligible to participate in any capacity, including as beneficiaries, affiliated entities, associated partners, subcontractors or recipients of financial support to third parties (if any).

For more information, see Rules for Legal Entity Validation, LEAR Appointment and Financial Capacity Assessment.

Consortium composition

Proposals must be submitted by:

a consortium of a minimum of 5 independent entities (beneficiaries; not affiliated entities) from 5 different eligible countries which are higher education

See Article 197(2)(c) EU Financial Regulation 2018/1046.

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

Please note that the EU Official Journal contains the official list and, in case of conflict, its content prevails

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

institutions and functioning as awarding universities. Awarding universities will enrol students to their universities and award a master degree after successful completion.

- the consortium may include awarding universities and other contributing partners.
- the coordination and central administrational process should be located within the awarding universities. The proposal should outline that sufficient resources are allocated for an effective professional administration of the project.

Eligible activities

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

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

Projects must be implemented on behalf of EuroHPC JU with clear visibility of EuroHPC JU as funding body of the action, clear association of the master programme with the EuroHPC JU and appropriate prominence of the EuroHPC JU logo in all related communication and dissemination activities. Projects must comply with EU policy interests and priorities (such as environment, social, security, industrial and trade policy, etc).

Financial support to third parties is allowed in this call under the following conditions:

- the calls must be open, published widely and conform to EU standards concerning transparency, equal treatment, conflict of interest and confidentiality¹³
- the outcome of the call must be published on the participants' websites, including information on the number of received applications, awarded grants, gender and geographical distribution.
- the calls must have a clear European dimension.
- the consortium must set specific objectives, guidelines and acceptance criteria before payment for each supported third-party project and ensure appropriate monitoring, quality checks and reporting with qualitative and quantitative KPIs.
- the consortium must establish fair and transparent assessment criteria for the success of the supported third party projects
- financial support is limited to citizens of an EU Member state, Iceland, Israel, Montenegro, North Macedonia, Norway, Serbia, Türkiye or United Kingdom and with their primary place of residence and employment in a EU Member state, Iceland, Israel, Montenegro, North Macedonia, Norway, Serbia, Türkiye or United Kingdom.

The EuroHPC JU reserves the right to monitor and participate in the selection and allocation process of the students in the Master programme including access to all applications, committee and panel meetings, and other related documents.

Your project application must clearly specify why financial support to third parties is needed, how it will be managed and provide a list of the different types of activities for which a third party may receive financial support. The proposal must also clearly describe the results to be obtained.

Security

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

These rules (governed by Decision $2015/444^{14}$ and its implementing rules and/or national rules) provide for instance that:

- projects involving information classified TRES SECRET UE/EU TOP SECRET (or equivalent) can NOT be funded
- classified information must be marked in accordance with the applicable security instructions in the SAL
- information with classification levels CONFIDENTIEL UE/EU CONFIDENTIAL or above (and RESTREINT UE/ EU RESTRICTED, if required by national rules) may be:
 - created or accessed only on premises with facility security clearing (FSC) from the competent national security authority (NSA), in accordance with the national rules
 - handled only in a secured area accredited by the competent NSA
 - accessed and handled only by persons with valid personnel security clearance (PSC) and a need-to-know
- at the end of the grant, the classified information must either be returned or continue to be protected in accordance with the applicable rules
- action tasks involving EU classified information (EUCI) may be subcontracted only with prior written approval from the granting authority and only to entities established in an EU Member State or in a non-EU country with a security of information agreement with the EU (or an administrative arrangement with the Commission)
- disclosure of EUCI to third parties is subject to prior written approval from the granting authority.

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

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

Beneficiaries must ensure that their projects are not subject to national/third-country security requirements that could affect implementation or put into question the award

 $^{^{14}}$ See Commission Decision 2015/544/EU, Euratom of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

of the grant (e.g. technology restrictions, national security classification, etc). The granting authority must be notified immediately of any potential security issues.

7. Financial and operational capacity and exclusion

Financial capacity

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

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

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

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

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

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

- further information
- an enhanced financial responsibility regime, i.e. joint and several responsibility for all beneficiaries or joint and several liability of affiliated entities (see below, section 10)
- prefinancing paid in instalments
- (one or more) prefinancing guarantees (see below, section 10)

or

- propose no prefinancing
- request that you are replaced or, if needed, reject the entire proposal.

For more information, see <u>Rules for Legal Entity Validation, LEAR Appointment and</u> Financial Capacity Assessment.

Operational capacity

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

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

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

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

- general profiles (qualifications and experiences) of the staff responsible for managing and implementing the project
- description of the consortium participants
- list of previous projects (key projects for the last 4 years).

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

Exclusion

Applicants which are subject to an **EU exclusion decision** or in one of the following **exclusion situations** that bar them from receiving EU funding can NOT participate¹⁵:

- bankruptcy, winding up, affairs administered by the courts, arrangement with creditors, suspended business activities or other similar procedures (including procedures for persons with unlimited liability for the applicant's debts)
- in breach of social security or tax obligations (including if done by persons with unlimited liability for the applicant's debts)
- guilty of grave professional misconduct¹⁶ (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- committed fraud, corruption, links to a criminal organisation, money laundering, terrorism-related crimes (including terrorism financing), child labour or human trafficking (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- shown significant deficiencies in complying with main obligations under an EU procurement contract, grant agreement, prize, expert contract, or similar (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- guilty of irregularities within the meaning of Article 1(2) of EU Regulation 2988/95 (including if done by persons having powers of representation, decision-making or control, beneficial owners or persons who are essential for the award/implementation of the grant)
- created under a different jurisdiction with the intent to circumvent fiscal, social
 or other legal obligations in the country of origin or created another entity with
 this purpose (including if done by persons having powers of representation,
 decision-making or control, beneficial owners or persons who are essential for
 the award/implementation of the grant).

Applicants will also be refused if it turns out that 17:

See Articles 136 and 141 of EU Financial Regulation 2018/1046.

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

See Article 141 EU Financial Regulation 2018/1046.

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

8. Evaluation and award procedure

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

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

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

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

- 1) Proposals focusing on a theme that is not otherwise covered by higher ranked proposals will be considered to have the highest priority.
- 2) The ex aequo proposals within the same topic will be prioritised according to the scores they have been awarded for the award criterion 'Relevance'. When these scores are equal, priority will be based on their scores for the criterion 'Impact'. When these scores are equal, priority will be based on their scores for the criterion 'Implementation'.
- 3) If this does not allow to determine the priority, a further prioritisation can be done by considering the overall proposal portfolio and the creation of positive synergies between proposals, or other factors related to the objectives of the call. These factors will be documented in the panel report.
- 4) After that, the remainder of the available call budget will be used to fund projects across the different topics in order to ensure a balanced spread of the geographical and thematic coverage and while respecting to the maximum possible extent the order of merit based on the evaluation of the award criteria.

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

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

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

If you believe that the evaluation procedure was flawed, you can submit a **complaint** (following the deadlines and procedures set out in the evaluation result letter). Please note that notifications which have not been opened within 10 days after sending are

considered to have been accessed and that deadlines will be counted from opening/access (see also <u>Funding & Tenders Portal Terms and Conditions</u>). Please also be aware that for complaints submitted electronically, there may be character limitations.

9. Award criteria

The award criteria for this call are as follows:

Relevance

- Alignment with the objectives and activities as described in section 2
- Contribution to long-term policy objectives, relevant policies and strategies, and synergies with activities at European and national level
- Extent to which the project would reinforce and secure the digital technology supply chain in the EU*
- Extent to which the project can overcome financial obstacles such as the lack of market finance*

- Implementation

- Maturity of the project
- Soundness of the implementation plan and efficient use of resources
- Capacity of the applicants, and when applicable the consortium as a whole, to carry out the proposed work

Impact

- Extent to which the project will achieve the expected outcomes and deliverables referred to in the call for proposals and, where relevant, the plans to disseminate and communicate project achievements
- Extent to which the project will strengthen competitiveness and bring important benefits for society
- Extent to which the project addresses environmental sustainability and the European Green Deal goals, in terms of direct effects and/or in awareness of environmental effects *

^{*}May not be applicable to all topics (see specific topic conditions in section 2).

Award criteria	Minimum pass score	Maximum score
Relevance	3	5
Implementation	3	5
Impact	3	5
Overall (pass) scores	10	15

Maximum points: 15 points.

Individual thresholds per criterion: 3/5, 3/5 and 3/5 points.

Overall threshold: 10 points.

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

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

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

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

The Model Grant Agreement that will be used (and all other relevant templates and guidance documents) can be found on <u>Portal Reference Documents</u>.

Starting date and project duration

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

Project duration:

- 72 months for topic DIGITAL-EUROHPC-JU-2024-MASTER-03

Extensions are possible, if duly justified and through an amendment.

Milestones and deliverables

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

The following deliverables will be mandatory for all projects:

 additional deliverable on dissemination and exploitation, to be submitted in the first six months of the project

Form of grant, funding rate and maximum grant amount

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

Project budget (maximum grant amount):

EUR 10 000 000 per project for topic DIGITAL-EUROHPC-JU-2024-MASTER-03

The grant awarded may be lower than the amount requested.

The grant will be a budget-based mixed actual cost grant (actual costs, with unit cost and flat-rate elements). This means that it will reimburse ONLY certain types of costs (eligible costs) and costs that were actually incurred for your project (NOT the budgeted

costs). For unit costs and flat-rates, you can charge the amounts calculated as explained in the Grant Agreement (see art 6 and Annex 2 and 2a).

The costs will be reimbursed at the funding rate fixed in the Grant Agreement . This rate depends on the type of action which applies to the topic (see section 2). Grants may NOT produce a profit (i.e. surplus of revenues + EU grant over costs). For-profit organisations must declare their revenues and, if there is a profit, we will deduct it from the final grant amount (see art 22.3).

Moreover, please be aware that the final grant amount may be reduced in case of non-compliance with the Grant Agreement (e.g. improper implementation, breach of obligations, etc).

Budget categories and cost eligibility rules

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

Budget categories for this call:

- A. Personnel costs
 - A.1 Employees, A.2 Natural persons under direct contract, A.3 Seconded persons
 - A.4 SME owners and natural person beneficiaries
- B. Subcontracting costs
- C. Purchase costs
 - C.1 Travel and subsistence
 - C.2 Equipment
 - C.3 Other goods, works and services
- D. Other cost categories
 - D.1 Financial support to third parties
 - D.2 Internally invoiced goods and services
- E. Indirect costs

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Specific cost eligibility conditions for this call:

- personnel costs:
 - average personnel costs (unit cost according to usual cost accounting practices): Yes
 - SME owner/natural person unit cost¹⁸: Yes
- travel and subsistence unit costs¹⁹: Yes
- other cost categories:
 - costs for financial support to third parties: allowed for grants

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

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

- maximum amount per third party as described in the call text
- at least EUR 1 Million of the total grant amount must be provided as financial support to third parties.
- internally invoiced goods and services (costs unit cost according to usual cost accounting practices): Yes
- indirect cost flat-rate: 7% of the eligible direct costs (categories A-D, except costs declared in category D.1, volunteers costs and other exempted specific cost categories, if any)
- VAT: non-deductible VAT is eligible (but please note that since 2013 VAT paid by beneficiaries that are public bodies acting as public authority is NOT eligible)
- other:
 - in-kind contributions for free are allowed, but cost-neutral, i.e. they cannot be declared as cost
 - kick off meeting: costs for kickoff meeting organised by the granting authority are eligible (travel costs for maximum 2 persons, return ticket to Brussels and accommodation for one night) only if the meeting takes place after the project starting date set out in the Grant Agreement; the starting date can be changed through an amendment, if needed
 - project websites: communication costs for presenting the project on the participants' websites or social media accounts are eligible; costs for separate project websites are not eligible

Reporting and payment arrangements

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

After grant signature, you will normally receive a **prefinancing** to start working on the project (float of normally **50%** of the maximum grant amount; exceptionally less or no prefinancing). The prefinancing will be paid 30 days from entry into force/10 days before starting date/financial guarantee (if required)— whichever is the latest.

There will be one or more **interim payments** (with cost reporting through the use of resources report).

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

All payments will be made to the coordinator.

Please be aware that payments will be automatically lowered if one of your consortium members has outstanding debts towards the EU (granting authority or other EU bodies). Such debts will be offset by us — in line with the conditions set out in the Grant Agreement (see art 22).

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

Prefinancing guarantees

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

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

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

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

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

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

Certificates

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

Liability regime for recoveries

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

For beneficiaries, it is one of the following:

- limited joint and several liability with individual ceilings each beneficiary up to their maximum grant amount
- unconditional joint and several liability each beneficiary up to the maximum grant amount for the action

or

individual financial responsibility — each beneficiary only for their own debts.

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

<u>Provisions concerning the project implementation</u>

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

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

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

- background and list of background: Yes
- protection of results: Yes
- exploitation of results: Yes
- rights of use on results: Yes
- access to results for policy purposes: Yes

- access to results in case of a public emergency: Yes
- access rights to ensure continuity and interoperability obligations: Yes

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

- communication and dissemination plan: Yes
- dissemination of results: Yes
- additional dissemination obligations: No
- additional communication activities: Yes
- special logo: Yes

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

- specific rules for PAC Grants for Procurement: No
- specific rules for Grants for Financial Support: Yes
- specific rules for blending operations: No

Other specificities

n/a

Non-compliance and breach of contract

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



11. How to submit an application

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

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

a) create a user account and register your organisation

To use the Submission System (the only way to apply), all participants need to <u>create</u> an <u>EU Login user account</u>.

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

b) submit the proposal

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

Submit your proposal in 3 parts, as follows:

- Part A includes administrative information about the applicant organisations (future coordinator, beneficiaries, affiliated entities and associated partners) and the summarised budget for the proposal. Fill it in directly online
- Part B (description of the action) covers the technical content of the proposal.
 Download the mandatory word template from the Submission System, fill it in and upload it as a PDF file
- Annexes (see section 5). Upload them as PDF file (single or multiple depending on the slots). Excel upload is sometimes possible, depending on the file type.

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

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

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

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

Details on processes and procedures are described in the <u>Online Manual</u>. The Online Manual also contains the links to FAQs and detailed instructions regarding the Portal Electronic Exchange System.

12. Help

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

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

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

Contact

For individual questions on the Portal Submission System, please contact the \coprod Helpdesk.

Non-IT related questions should be sent to: info@eurohpc-ju.europa.eu

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

13. Important

IMPORTANT

- **Don't wait until the end** Complete your application sufficiently in advance of the deadline to avoid any last minute technical problems. Problems due to last minute submissions (e.g. congestion, etc) will be entirely at your risk. Call deadlines can NOT be extended.
- Consult the Portal Topic page regularly. We will use it to publish updates and additional information on the call (call and topic updates).
- Funding & Tenders Portal Electronic Exchange System By submitting the application, all participants accept to use the electronic exchange system in accordance with the Portal Terms & Conditions.
- **Registration** Before submitting the application, all beneficiaries, affiliated entities and associated partners must be registered in the Participant Register. The participant identification code (PIC) (one per participant) is mandatory for the Application Form.
- Consortium roles When setting up your consortium, you should think of organisations that help you reach objectives and solve problems.
 - The roles should be attributed according to the level of participation in the project. Main participants should participate as beneficiaries or affiliated entities; other entities can participate as associated partners, subcontractors, third parties giving in-kind contributions. Associated partners and third parties giving in-kind contributions should bear their own costs (they will not become formal recipients of EU funding). Subcontracting should normally constitute a limited part and must be performed by third parties (not by one of the beneficiaries/affiliated entities). Subcontracting going beyond 30% of the total eligible costs must be justified in the application.
- Coordinator In multi-beneficiary grants, the beneficiaries participate as consortium (group of beneficiaries). They will have to choose a coordinator, who will take care of the project management and coordination and will represent the consortium towards the granting authority. In mono-beneficiary grants, the single beneficiary will automatically be coordinator.
- Affiliated entities Applicants may participate with affiliated entities (i.e. entities linked to a beneficiary which participate in the action with similar rights and obligations as the beneficiaries, but do not sign the grant and therefore do not become beneficiaries themselves). They will get a part of the grant money and must therefore comply with all the call conditions and be validated (just like beneficiaries); but they do not count towards the minimum eligibility criteria for consortium composition (if any).
- Associated partners Applicants may participate with associated partners (i.e. partner organisations which participate in the action but without the right to get grant money). They participate without funding and therefore do not need to be validated.
- **Consortium agreement** For practical and legal reasons it is recommended to set up internal arrangements that allow you to deal with exceptional or unforeseen circumstances (in all cases, even if not mandatory under the Grant Agreement). The consortium agreement also gives you the possibility to redistribute the grant money according to your own consortium-internal principles and parameters (for instance, one beneficiary can reattribute its grant money to another beneficiary). The consortium agreement thus allows you to customise the EU grant to the needs inside your consortium and can also help to protect you in case of disputes.

- **Balanced project budget** Grant applications must ensure a balanced project budget and sufficient other resources to implement the project successfully (e.g. own contributions, income generated by the action, financial contributions from third parties, etc). You may be requested to lower your estimated costs, if they are ineligible (including excessive).
- **No-profit rule** Grants may NOT give a profit (i.e. surplus of revenues + EU grant over costs). This will be checked by us at the end of the project.
- **No double funding** There is a strict prohibition of double funding from the EU budget (except under EU Synergies actions). Outside such Synergies actions, any given action may receive only ONE grant from the EU budget and cost items may under NO circumstances declared to two different EU actions.
- **Completed/ongoing projects** Proposals for projects that have already been completed will be rejected; proposals for projects that have already started will be assessed on a case-by-case basis (in this case, no costs can be reimbursed for activities that took place before the project starting date/proposal submission).
- **Combination with EU operating grants** Combination with EU operating grants is possible, if the project remains outside the operating grant work programme and you make sure that cost items are clearly separated in your accounting and NOT declared twice (see AGA Annotated Model Grant Agreement, art 6.2.E).
- **Multiple proposals** Applicants may submit more than one proposal for *different* projects under the same call (and be awarded a funding for them).

Organisations may participate in several proposals.

BUT: if there are several proposals for *very similar* projects, only one application will be accepted and evaluated; the applicants will be asked to withdraw one of them (or it will be rejected).

- Resubmission Proposals may be changed and re-submitted until the deadline for submission.
- **Rejection** By submitting the application, all applicants accept the call conditions set out in this this Call Document (and the documents it refers to). Proposals that do not comply with all the call conditions will be **rejected**. This applies also to applicants: All applicants need to fulfil the criteria; if any one of them doesn't, they must be replaced or the entire proposal will be rejected.
- **Cancellation** There may be circumstances which may require the cancellation of the call. In this case, you will be informed via a call or topic update. Please note that cancellations are without entitlement to compensation.
- **Language** You can submit your proposal in any official EU language (project abstract/summary should however always be in English). For reasons of efficiency, we strongly advise you to use English for the entire application. If you need the call documentation in another official EU language, please submit a request within 10 days after call publication (for the contact information, see section 12).

Annex 1

Digital Europe types of action

The Digital Europe Programme uses the following actions to implement grants:

Simple Grants

Description: Simple Grants (SIMPLE) are a flexible type of action used by a large variety of topics and can cover most activities. The consortium will mostly use personnel costs to implement action tasks, activities with third parties (subcontracting, financial support, purchase) are possible but should be limited.

Funding rate: 50%

Payment model: pre-financing – (x) interim payment(s) – final payment

SME Support Actions

Description: SME Support Actions (SME) are a type of action primarily consisting of activities directly aiming to support SMEs involved in building up and the deployment of the digital capacities. This type of action can also be used if SMEs need to be in the consortium and make investments to access the digital capacities.

Funding rate: 50% except for SMEs where a rate of 75% applies

Payment model: pre-financing – (x) interim payment(s) – final payment

Coordination and Support Actions (CSAs)

Description: Coordination and Support Actions (CSAs) are a small type of action (a typical amount of 1-2 Mio) with the primary goal to support EU policies. Activities can include coordination between different actors for accompanying measures such as standardisation, dissemination, awareness-raising and communication, networking, coordination or support services, policy dialogues and mutual learning exercises and studies, including design studies for new infrastructure and may also include complementary activities of strategic planning, networking and coordination between programmes in different countries.

Funding rate: 100%

Payment model: pre-financing – (x) interim payment(s) – final payment

Grants for Procurement

Description: Grants for Procurement (GP) are a special type of action where the main goal of the action (and thus the majority of the costs) consist of buying goods or services and/or subcontracting tasks. Contrary to the PAC Grants for Procurement (see below) there are no specific procurement rules (i.e. usual rules for purchase apply), nor is there a limit to 'contracting authorities/entities'. Personnel costs should be limited in this type of action; they are in general used to manage the grant, coordination between the beneficiaries, preparation of the procurements.

Funding rate: 50%

Payment model: pre-financing - second pre-financing (to provide the necessary cashflow to finance the procurements) – payment of the balance

PAC Grants for Procurement

Description: PAC Grants for Procurement (PACGP) are a specific type of action for procurement in grant agreements by 'contracting authorities/entities' as defined in the EU Public Procurement Directives (Directives 2014/24/EU , 2014/25/EU and 2009/81/EC) aiming at innovative digital goods and services (i.e. novel technologies on the way to commercialisation but not yet broadly available).

Funding rate: 50%

Payment model: pre-financing - second pre-financing (to provide the necessary cashflow to finance the procurements) – payment of the balance

Grants for Financial Support

Description: Grants for Financial Support (GfS) have a particular focus on cascading grants. The majority of the grant will be distributed via financial support to third parties with special provisions in the grant agreement, maximum amounts to third parties, multiple pre-financing and reporting obligations.

Annex 5 of the model grant agreements foresees specific rules for this type of action regarding conflict of interest, the principles of transparency, non-discrimination and sound financial management as well as the selection procedure and criteria.

In order to assure the co-financing obligation in the programme, the support to third parties should only cover 50% of third party costs.

Funding rate: 100% for the consortium, co-financing of 50% by the supported third party

Payment model: pre-financing - second pre-financing (to provide the necessary cashflow to finance sub-grants) – payment of the balance

Lump Sum Grants

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

Funding rate: 50%

Payment model: pre-financing – second (third) pre-financing (as there is no cost reporting) – final payment

Framework Partnerships (FPAs) and Specific Grants (SGAs)

FPAs

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

Funding rate: no funding for FPA

EU Grants: Call document (DEP): V1.0 - 03.03.2022

SGAs

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

Funding rate: 50%

Payment model: pre-financing – (x) interim payment(s) – final payment

Annex 2

Eligibility restrictions under Articles 12(5) and (6) and 18(4) of the Digital Europe Regulation

Security restrictions Article 12(5) and (6)

If indicated in the Digital Europe Work Programme, and if justified for security reasons, topics can exclude the participation of legal entities *established* in a third country or DEP associated country, or established in the EU territory but *controlled* by a third country or third country legal entities (including DEP associated countries)²⁰.

This restriction is applicable for SO1 (High Performance Computing), SO2 (Artificial Intelligence) and SO3 (Cybersecurity), but at different levels.

- In the case of SO3, the provision is implemented in the strictest way. When activated, only entities established in the EU and controlled from EU MS or EU legal entities will be able to participate with no exceptions.
- In SO1 and SO2, entities controlled by third countries or third country legal entities may be able to participate if they comply with certain conditions set up in the Work Programme. To that end, additional rules will be imposed on those legal entities, which need to be followed if they want to participate.

The activation of this article will be make a number of specific provisions in the Grant Agreement applicable, such as country restrictions for eligible costs, country restrictions for subcontracting, and special rules for implementation, exploitation of results and transfers and exclusive licensing of results.

Strategic autonomy restrictions Article 18(4)

If indicated in the Digital Europe Work Programme, calls can limit the participation to entities *established* in the EU, and/or entities established in third countries associated to the programme for EU strategic autonomy reasons²¹.

The application of this article will make a number of specific provisions in the Grant Agreement applicable, such as country restrictions for eligible costs, country restrictions for subcontracting, and special rules for implementation, exploitation of results and transfers and exclusive licensing of results.

For more information, see <u>Guidance on participation in DEP, HE, EDF and CEF-DIG</u> restricted calls.

See Article 12(5) and (6) of the Digital Europe Regulation 2021/694

See Article 18(4) of the Digital Europe Regulation 2021/694.