**Call for Applications to Participate in the
2024 CEOI Collaboration and Creative Ideas Lab**

# INTRODUCTION

On behalf of the UK Space Agency, the Centre for Earth Observation Instrumentation (CEOI) invites applications from early career researchers to participate in a Collaboration and Creative Ideas Lab. This call, released on 9 July 2024, is open to early career researchers working in academia, industry or other research institutions based in the UK.

This is an exciting opportunity to experience the process of building collaborative relationships, generating new ideas, proposing and running small projects. The Lab will take the form of a series of professionally facilitated online workshop sessions, culminating with the opportunity to win up to £15k of seed-corn funding per project to explore your ideas further. Project teams will receive guidance throughout the process from experienced mentors.

The Lab workshop sessions will run in October 2024, with a participant briefing on 27 September. Projects arising from the workshops must be completed by 14 February 2025. On 18 and 19 February there will be a residential Writers’ Retreat where results from the projects will be written up and shared with the workshop group, the mentors, the CEOI Leadership Team and UKSA. A final report from each project will be due on 14 March 2025.

**The closing date for applications to participate in the Lab is noon on 9 August 2024.** By applying you will be committing to be available for the briefing, all of the Lab workshop sessions and the Writers’ Retreat. It is anticipated that the review of participant applications will be completed by mid-September 2024, with applicants notified shortly afterwards. **Please note that participation in the Lab does not guarantee project funding.**

The CEOI has the objective to realise an excellent, internationally competitive national Earth observation instrument and technology research and development programme. This Lab will contribute to this aim by providing training through experience to early career researchers, who may go on to lead exciting EO technology developments in the future.

Further information about the CEOI may be found at [www.ceoi.ac.uk](http://www.ceoi.ac.uk). The CEOI welcomes enquiries from potential applicants for clarification of any aspect of the Call.

# WORKSHOP DETAILS

This Collaboration and Creative Ideas Lab is a novel format for CEOI and will offer to its participants:

* A space for exploration of new ideas around the application of technology to Earth observation challenges.
* The chance to foster new collaborations and expand your network of contacts across the sector.
* First-hand experience of preparing and defending a project proposal.
* The chance to win seed-corn funding to further explore the ideas generated in the workshops.
* Involvement in running a small collaborative project and reporting on its outcomes to peers and funders.

We expect there to be around thirty participants in total. The Lab workshop sessions will be professionally facilitated and held online using Zoom. Other online tools will be used to assist with collaborative activities.

The Lab timetable will be as follows:

* Participants briefing session on 27 September.
* Workshop 1 on 11 October.
* Workshop 2 on 18 October.
* Workshop 3 on 25 October.
* Workshop 4 on 1 November.
* The deadline for fully costed proposals will be 8 November.
* A Writers’ Retreat will be held on 18 and 19 February 2025.
* The Final Report deadline will be 14 March 2025.

In addition, project teams are expected to work together outside of the formal workshop sessions to progress their project ideas and proposals.

Seed-corn funding of up to £15k per project will be available through a competitive process to those who generate successful collaborative project proposals during the workshops. Projects are expected to commence from 18 November 2024 and conclude no later than 14 February 2025. Projects must be collaborative, involving at least three Lab participants from different organisations. Mentors, highly experienced in EO technology development, will work with participants throughout the process.

The theme of the workshop has deliberately been left broad to be inclusive as possible. However, CEOI would welcome projects that aim towards:

* Development of new measurement techniques.
* Reducing size or power consumption of flight hardware.
* Delivering improvements in instrument performance.
* Improved sustainability in manufacturing.
* Reducing costs.

# GUIDELINES FOR PREPARING AN APPLICATION

Applicants should complete the proforma provided and attach a covering letter.

The covering letter must:

* Confirm the applicant’s availability to attend the briefing session, all the workshop sessions and the Writers’ Retreat. In addition, please confirm that the applicant has capacity to work on a seed-corn project between November 2024 and March 2025.
* Where appropriate, see section 6, include an attachment containing company information.

# GRANT CONFORMANCE INFORMATION

All CEOI awards are made as grants. Accompanying this announcement is a model Grant Funding Agreement that will be used as the basis of the funding agreement between CEOI and Lab participants that are successful in bidding for seed-corn funding. Any requested changes to the Agreement must be notified to the CEOI at the time of applying to attend the Lab. Changes requested after this call’s closing date will not be considered.

Should the applicant be successful in bidding for project funding during the workshops, the University of Leicester will issue grants on behalf of CEOI.

This CEOI activity has been assessed by HMRC as outside the scope of VAT, because no taxable supply to the UK Space Agency or to CEOI is taking place. The IPR will not in the normal course of events pass to the Agency or the CEOI.

All relevant costs, including any taxes on procurements, must be included within the total amount of the grant application. Note that a direct procurement for services from another organisation implies that they are not a Partner and may therefore attract VAT which must be borne from within the Grant funds.

Bidders should note that Grants cannot be provided to the project lead or dispersed through the project lead to companies in financial difficulties.

## Reference Documents

The following documents contain information that is relevant to this Call:

1. National Space Strategy:
<https://www.gov.uk/government/publications/national-space-strategy>
2. Companies House accounts guidance

<https://www.gov.uk/government/publications/life-of-a-company-annual-requirements>

1. Subsidy Control Act 2022: Statutory Guidance for the United Kingdom Subsidy Control Regime, 30th June 2023: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1163028/subsidy-control-statutory-guidance.pdf>
2. Subsidy Control Act 2022: Research, Development and Innovation Streamlined Subsidy Scheme: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1128056/research-development-innovation-streamlined-route.pdf>
3. Subsidy Control Act 2022: Research, Development and Innovation Streamlined Route Guidance: <https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1128060/research-development-innovation-streamlined-route-guidance.pdf>
4. UK EO Technology Strategy:

<https://www.gov.uk/government/publications/uk-earth-observation-technology-strategy>

1. UKRI T&Cs and Guidance for Full Economic Costs (FEC) for academic Partners – <https://www.ukri.org/wp-content/uploads/2020/10/UKRI-291020-guidance-to-fEC-grant-terms-and-conditions.pdf>
2. NERC Research Grants and Fellowships Handbook, Edition Oct 2021 - 2.0

<https://www.ukri.org/publications/nerc-research-grants-and-fellowships-handbook-guidance-for-applicants/>

## Subsidy Control

The seed-corn funding that is available for projects following the workshops falls under the Subsidy Control Act 2022. Before awarding subsidies, the CEOI must ensure that the subsidy scheme meets the terms of the principles set out in the Act as described in in [RD3] and [RD5]. This call shall be issued under the Streamlined Subsidy Scheme for Research, Development and Innovation [RD 3, 5]. This Streamlined Scheme is similar to the last CEOI (16th) call, and thus has significant differences to anterior schemes:

* There is a more advantageous intervention rate for Small Enterprises performing Industrial Research.
* There is a cap of £3 million on the amount of subsidy that can be awarded for a given project to a single enterprise within a 3-year window, and this is cumulative.
* Bidders must detail all related funding that has been received by a given project since the start of FY 2021-2022 (i.e., from April 2021), including all UK grants and other subsidies, but excluding international funding from e.g., ESA.
* A declaration of previous subsidy is required from each project partner. See Table 4 and Table 5 in section 14.4.
* Bidders are responsible for ensuring their proposal align to the guidance documents provided under this call and they should read them thoroughly to ensure compliance.

During 2023 there were several significant changes to the assessment, regulation and award process which are described briefly in Section 10, and in more detail in [RD 3] and [RD 5].

## Payment plan

For applicants leading seed-corn projects, two grant payments will be made. The first on kick off (50%) and the second on delivery of the final report.

## Grants to Industry - Funding Contribution

Industry in receipt of a CEOI Grant as Project Lead or as a Partner in the team is required to provide a contribution to eligible project costs in accordance with the Subsidy Control requirements. Note that other funds from public sources are not eligible as a source of these contributions.

Bidders must identify and justify the Subsidy Category type of the work proposed, and this must be consistent with the work programme. Note that [RD5] Chapter 14 provides a clear definition of each Category. Note that the type of activity and company size defines the maximum ‘Intervention’ rate (and hence the minimum required contribution level) that is permitted for that activity. There are concessions for collaborative activities. See section 14.

Bidders must ensure that they supply the correct information that allows CEOI to award Grants within the scheme and it is the responsibility of the bidder to ensure compliance with the relevant Subsidy Control requirements. Further guidance is available in Section 14 of this AO, and in [RD3], [RD4], and [RD5].

## Academic contribution

Academic Partners will be funded at no more than 80% of Full Economic Cost (FEC). Refer to [RD7] for further information on FEC.

Grant applications for Academic partners should use the same method for calculating eligible costs as used by the Natural Environment Research Council. This includes the rules regarding equipment purchases and sub-contractors. Bidders with Academic partners should ensure that their financial bid conforms to this approach. The reference document is the most recent published edition of the NERC Research Grants and Fellowships Handbook [RD8].

## Type of Award

The award will be made on a firm fixed price basis.

## Intellectual Property

The IP generated during the project will belong to the originators.

## Grant Pre-conditions

If the project is selected for grant offer, the following conditions must be met before the CEOI will initiate preparation of the award:

* The company type (SE, ME, LE) and Subsidy Category are correctly defined.
* The source and amount of additional funding from other national funding bodies is fully defined in order to ensure compliance with Subsidy Control constraints, starting from beginning of FY21-22.
* The financial viability of all members of the project consortium and funding sources are established through a due diligence process.
* The consortium is judged by the UK Space Agency to be eligible to receive a Grant from UK government under HM Treasury regulations and Subsidy Control requirements.

# PROJECT MONITORING AND REPORTING

Following an award and completion of formalities, the workshop mentor who guided the project team during their proposal writing will be available to oversee the project. It is suggested, at a bare minimum, the project team meets (virtually or in person) with their mentor for a formal kick-off meeting. The mentor will endeavour to be available via email or short video calls (by prior arrangement) during the project.

At the end of the project, participants will attend a Writers’ Retreat and present their work to the other project teams, the mentors, CEOI and UKSA. Following the Retreat a Final Report and Executive Summary, both suitable for publication, shall be produced.

The Executive Summary should consist of a short plain-language description of the project, its objectives, and benefits to describe its purpose in a way that can be widely understood by non-experts.

# ELIGIBILITY

We welcome bids from early career researchers employed by a variety of organisations including academia, industry and government research institutes based in the UK.

The details of some organisations may not be known by the UK Space Agency or the CEOI, especially for newer entrants. Such applicants should provide as an attachment to the cover letter giving brief and relevant background information for the organisation, including areas of expertise and contact information including registration and official address.

The University of Leicester, in accordance with Trusted Research methodology, will conduct due diligence on all applicants to this announcement of opportunity and may seek further clarification.

Before award of any Grant, new entrants may be required to provide additional eligibility details:

* It would normally be expected that 3 years of audited accounts are available for all project Partners. In the absence of 3 years of company accounts the bid response should provide details of the specific measures that will be taken to protect the UK Space Agency’s grant investment.
* Evidence of company legitimacy and financial solvency, supported by e.g., company Annual Reports.
* Details of company quality processes and accreditation.
* Track record, supported by reputation or by statements from referees and customer testimonials.
* Micro SMEs and single-person (Sole Trader) companies will need to show robust risk mitigation against single point resource failure and the measures in place to protect the grant investment.

# CONFIDENTIALITY

The procedure for handling and assessing the applications to attend the workshop, and any proposals arising from the workshop, will be as follows:

* Applications will be submitted to the University of Leicester administrator who will act on behalf of the CEOI. The administrator will hold all applications in confidence and will not propagate the applications internally in the University or elsewhere.
* When the application deadline passes, electronic copies of the application documents will be distributed to an independent assessment panel, to the CEOI Director and to the CEOI Technology Programme Director. The UK Space Agency confidentiality rules will apply. For this call the assessment panel will be comprised of the project mentors.
* Applications not recommended by the Panel will be destroyed. They will not be visible to the wider CEOI Leadership Team or to any others.
* Applications recommended by the Panel will be visible to the CEOI Leadership Team and UKSA.

If the applicant is successful in bidding for seed-corn funding during the workshop, the project mentor will monitor the funded project. A standard CEOI Non-Disclosure Agreement can be used to cover information exchange between the project participants and mentor at any stage during the project. A copy is available on the CEOI website.

# TEAMING AGREEMENT

If a grant is awarded, following submission of a project proposal after the workshop and prior to the commencement of work, the project team will be required to establish a Teaming Agreement (TA) between its Partners. The TA should establish agreements regarding how the results of the work, including IPR and spinouts will be exploited by the project consortium members. A model agreement is available from the CEOI website, referred to as a Model Technology Collaboration Agreement.

# APPLICATION INFORMATION

Applications to participate in the workshops and the Writers’ Retreat should be sent by email to the CEOI Technology Call Administrator, Nicola Oldham **by noon on 9 August 2024**. Your application will be acknowledged by email.

Ms Nicola Oldham Email: ceoiadmin@leicester.ac.uk
CEOI Technology Call Administrator

After the workshop, if the applicant is part of a successful project team, only the lead institution should submit a grant application. Details of the grant application process will be available before the workshop and will follow a streamlined version of the standard CEOI process.

For further information and formal enquiries contact:

Dr Kevin Smith Email: kevin.smith@stfc.ac.uk
CEOI Technology Programme Director

# SUBSIDY CONTROL

Details of subsidy control arrangements are provided here for information, as they may be relevant to seed-corn project proposals arising from the workshops.

## Introduction to Subsidy Control (and State aid where relevant)

UKSA supports UK based businesses to invest in research, development and innovation. The support we provide is consistent with the UK’s international obligations and commitments to Subsidy Control. These include:

* [WTO rules](https://www.gov.uk/guidance/trading-under-wto-rules).
* The Subsidy Control Act 2022.
* in certain circumstances (e.g. under the [Northern Ireland Protocol](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/840230/Revised_Protocol_to_the_Withdrawal_Agreement.pdf)) EU State aid regulations may also be applied.
* other bilateral [UK FTAs](https://www.gov.uk/government/collections/the-uks-trade-agreements) (Free Trade Agreements) where relevant.

## What is a subsidy?

For the purposes of UK international commitments, a subsidy is a measure which:

1. Is given by a public authority. This can be at any level; central, devolved, regional or local government or a public body.
2. Makes a contribution (this could be a financial or an in-kind contribution) to an enterprise, conferring an economic advantage that is not available on market terms. Examples of a contribution are grants, loans at below market rate, or a loan guarantee at below market rate or allowing a company to use publicly owned office space rent-free. An enterprise is anyone who puts goods or services on a market. An enterprise could be a government department or a charity if they are acting commercially.
3. Affects international trade. This can be trade with any World Trade Organisation member or, more specifically, between the UK and a country with whom it has a [Free Trade Agreement](https://www.gov.uk/government/collections/the-uks-trade-agreements). For example, if the subsidy is going towards a good which is traded between the UK and the EU this could affect trade between the EU and the UK. It is not necessary to consider whether the subsidy could harm trade, just whether there could be some sort of effect. Subsidies to very local companies or a small tourist attraction are unlikely to be a problem as this is unlikely to affect international trade.

The Subsidy Control Act 2022 is designed to prevent unfair advantages and distortion of trade in the award of subsidies. Information on the principles of awarding subsidies can be found in [RD3]. For the current 16th Call we shall use the Streamlined Scheme for Research, Development and Innovation as defined in [RD5]. It is similar to the previous schemes, and will be largely familiar, but there are significant differences which bidders must take into account.

## Subsidy Control Categories and Intervention Thresholds

The Subsidy Control Act has similar, but different to previous definitions of small and medium enterprises as shown in Table 2. See section 5.10 onwards of [RD 5]. To qualify for any category (SE, ME, or LE), the company must meet at least two of the conditions (staff headcount, Turnover or Balance sheet total) within both the current financial year and the year previous. Anything above the limits for a medium sized company is designated as a large company. This is a change from the [EU definition](https://ec.europa.eu/growth/smes/sme-definition_en)[[1]](#footnote-2). For more information on company sizes, please refer to the  [Companies Act 2006 guidance](https://www.gov.uk/government/publications/life-of-a-company-annual-requirements/life-of-a-company-part-1-accounts#micro-entity).

**NB**: Under the Act’s Streamlined Subsidy Scheme for Research, Development and Innovation, each Enterprise is restricted to a maximum of £3 million for a particular development project within a 3-year rolling period. In this AO, the relevant window spans FY 21-22 (i.e., April 2021), 22-23, and runs to end of FY 23-24. Note that if the project overruns the 3-year window, the rolling period does not reset until the project completes. See section 6.29 of [RD 5]. This means that each bidding enterprise must declare in their application, all relevant UK subsidies received from any UK Public source must be declared and their cumulative effect calculated. Note that funding from ESA and other international bodies is not counted in the accumulated total. Note that the subsidy accrual only applies to industrial/commercial partners.

**Table 2** summarises the maximum intervention thresholds and allowable level of support under this UKSA grant call for Financial Year 2023/2024. Note that other sources of public funding are not eligible as a Private Venture (PV) / match funding contribution. In all cases, the subsidy will be capped at £3 million, or capped by the limit indicated by the subsidy percentage, whichever is the lower.

See **[RD 5]** section 13 and 14 for specific definitions and regulations governing of Feasibility Studies, Industrial Research and Experimental Development. A definition of eligible costs may be found in section 14.6. Note that costs for equipment and facilities for Industrial Research and Experimental Development are only eligible for the period of, and the role played in, the project see **[RD 5]** section 14.8 onwards.

If a Feasibility Study is undertaken with support from a subsidy, and as a result of the study, a project is started under Industrial Research or Experimental Development, the study is not considered as part of that project for subsidy accrual purposes. See **[RD5],** Chapter 13.

Table 2: Subsidy Control Act definition of Small and Medium sized enterprises

|  |  |  |
| --- | --- | --- |
| Qualifying Criteria | Small enterprises | Medium-sized enterprises |
| Turnover | Not more that £10.2 million | Not more than £36 million |
| Balance Sheet Total | Not more than £5.1 million | Not more than £18 million |
| Number of Employees | Not more than 50 | Not more than 250 |

Table 3. Subsidy Control Act categories and maximum allowable intervention rates

|  |  |
| --- | --- |
| Subsidy Category[[2]](#footnote-3) | Allowable Level of Support  |
| SE | ME | LE |
| Feasibility study | 70% | 60% | 50% |
| Industrial research | 70% | 60% | 50% |
| Industrial research projects involving collaboration / dissemination | 85% | 75% | 65% |
| Experimental development | 45% | 35 % | 25% |
| Experimental development projects involving collaboration / dissemination | 60% | 50% | 40% |

## Subsidy Control: Partner Past Subsidies Awarded and Cumulation

You must use the template below (Table 4) to declare the subsidies the consortium partners have received in the current 3-year period. Please provide a table for each partner. Note that the grants must relate to single coherent project line, avoiding ambiguity.

Table 4: Past subsidies awarded to industrial/commercial project partners for the current project

|  |
| --- |
| Project Title |
| Partner | Funding source | Date of award DD/MM/YYYY | Duration | Grant Value | Requested in this proposal |
| Grant | (NSTP, CEOI, NSIP etc.) |  |  | £ |  |
| Grant |  |  |  | £ |
| … |  |  |  | £ |
| Partner totals |  |  |  | £ | £  |

Please provide details of the grant sum requested by each partner using the template in Table 5.

Table 5: Grant request in this proposal by partner.

|  |  |
| --- | --- |
| Partner | Requested in this proposal |
| Partner 1 |  |
| Partner 2 |  |
| … |  |
| Totals | £  |

1. If an application engages the Northern Ireland Protocol then the applicant should revert to the EU definition of SMEs, and EU intervention rates will apply. [↑](#footnote-ref-2)
2. The uplift for collaborations is valid if at least one partner is an SME, and /or a research and knowledge dissemination organisation See [RD5] section 14.21. Collaborations between businesses and research organisations where the collaborating SME or research organisation bears at least 10% of the costs. A valid collaboration with a research organisation implies their right to publish their own research. Procurement/supplier relationships do not qualify. [↑](#footnote-ref-3)