**Announcement of Opportunity**

**CEOI Call for Pathfinder, SRL and TRL Raising Projects
and Facility Enhancements**

# INTRODUCTION

On behalf of the UK Space Agency, the Centre for Earth Observation Instrumentation (CEOI) invites proposals covering developments in four categories:

* Pathfinder grants of up to £100k to support feasibility studies or industrial research.
* Rapid enhancements to facilities for space EO up to £200k, e.g. testing, calibration, and validation of instrumentation, in support of an urgent mission-related requirement.
* Up to £50k for end-to-end simulator development to raise the Scientific Readiness Level (SRL) of CEOI-supported technology.
* Up to £50k for ground, balloon or drone-based demonstration of CEOI-supported technology, or testing in a relevant space environment, to raise Technology Readiness Level (TRL).

The total budget for the call is circa £1M. **Projects are expected to start from 1 November 2024 and all projects MUST be complete by 31st of March 2025.**

The CEOI has the objective to realise an excellent, internationally competitive national Earth observation instrument and technology research and development programme. Brief details of previous CEOI funded projects may be found on the CEOI website (<https://ceoi.ac.uk/technologies/ceoi-case-studies/>).

## Background

Bidders should be aware of three significant recent changes to CEOI funding:

* The subsidy control regulations have recently changed and are now defined by the Subsidy Control Act 2022. Full guidance was published 30th June 2023 [RD3] and is supported by further clarification documents [RD4] and [RD5]. While intervention rates are similar to the past rates (but not the same), there are also restrictions on the amount of subsidy that can be given within a 3-year window. This only affects industrial and commercial bidders. See section 14 of this Announcement of Opportunity and [RD 3], [RD 4], and [RD 5] for further details.
* All CEOI awards will now be made as grants. However, we will continue to manage the projects in a similar way with milestones and progress reviews. Accompanying this AOO is a model Grant Funding Agreement that will be used as the basis of the funding agreement between CEOI and successful bidder. Any requested changes to the Agreement must be notified to the CEOI at the time of bidding. Changes requested after the call closing date will not be considered.
* We encourage bids under Minimal Financial Assistance (MFA) regulations in appropriate cases.

## 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>

1. 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/>

# PROJECT TYPES

This Call is inviting proposals for rapid developments that **MUST be completed by the 31st of March 2025**. Technology developments will be considered for both UK-led (i.e. with a UK-based PI or Co-PI for e.g. the ESA Earth Explorer missions) and non-UK led missions (i.e. where the prospective PI/Co-PI is not in the UK).

## Pathfinder Projects

These are small projects to carry out feasibility studies or industrial research. The financial cap for Pathfinder projects has been increased from the previous £75k to £100k in recognition of increasing costs over recent years.

## Facility Enhancement Projects

The CEOI welcomes proposals for enhancements to UK testing, calibration and validation EO-related facilities which would provide significant new capability in support of upcoming ESA or potential national missions.

## SRL and TRL-raising Activities

These are intended to support UK organisations:

* To meet the demanding threshold requirements of ESA missions with respect to entry SRL and TRL of technologies. This is aimed at reducing development risk whilst protecting mission budget and maintaining schedule.
* To raise SRL or TRL of technologies to be used in other missions, e.g. potential national and bilateral missions.

The CEOI will consider supporting:

* Work towards the development of instrument modules in end-to-end simulators. This type of activity has not been supported by the CEOI previously. However, it is recognised to be an important component of raising instrument/mission SRL.
* Field trials of instruments to raise TRL. To fit within the budget and timescale, realistically these are limited to ground-based, balloon or drone-based campaigns.
* Testing of an instrument or critical components in a representative environment to raise TRL.

## General Call Information

This Call is released on 5 August 2024, with a closing date of **13 September 2024 at noon**. It is anticipated that proposal selection will be conducted by early to mid-October 2024. Teams are required to register their intention to bid(see Section 3).

The total budget available for the Call is circa £1M. Additional PV funds are required from industrial bidders as defined by State Subsidy regulations. Eligible activities include Industrial Research and Experimental Development**. See section 14**.

This funding opportunity is open to industry, UK HEIs and other research organisations. Proposals for projects which are from collaborative teams are encouraged; **Section 14.3** defines eligible collaborations and the PV concessions for collaborative activities.

Proposals of the highest quality that demonstrate urgent need for funding in support of an important mission in relation to the upcoming ESA Scout or Earth Explorers or potential national or bilateral opportunities will take precedence over proposals addressing more speculative objectives.

The CEOI will only award grants to proposals which are judged to be of sufficient quality. It should be noted that value for money will be a major evaluation criterion. The CEOI reserves the right to re-issue the Call in a revised form if all allocated funds are not utilised.

We welcome enquiries from potential bidders for clarification of any aspect of the Call.

# NOTIFICATION OF INTENTION TO BID

Applicants are required to notify CEOI of their intention to bid by email to ceoiadmin@leicester.ac.uk, using the pro-forma at Section 11, by **19 August at noon.**

The purpose of this is to gauge the size of the response and to inform the selection of reviewers. The notification and information therein will be held in confidence as described in Section 8.

# GUIDELINES FOR PREPARING AN APPLICATION

Applications should take the form of a proposal in single-spaced typescript, minimum font size 12-point Times New Roman, minimum 1.5 cm margins all round, including diagrams and tables.

All Proposal Sections defined in the table and/or described in this section of the Announcement of Opportunity must be supplied in the proposal, unless indicated otherwise. Proposals that do not include all the Sections, unless explicitly indicated in Table 1 as optional, may be rejected. Should any part of the application overrun the specified page limit, the Assessment Panel will only consider material up to the designated page limit, in the correct format.

|  |  |  |  |
| --- | --- | --- | --- |
| **Section** | **Further Information** | **Proposal Maximum Page Count**  | **Marks** |
| **Up to £50k** | **Up to £200k** |
| Cover letter | See 4.1 | 2 pages | Mandatory |
| Application Form | See 12 | 1 page | Mandatory |
| Project Summary, with picture or diagram | See 4.2 | 1 page | Mandatory |
| Technical Case | See 4.3 | 2 pages | 6 pages | 30% |
| Exploitation Plan and Enhancement of National Capability  | See 4.4 | 1 page | 2 pages | 20% |
| Project Team  | See 4.5 | 1 page | 2 pages | 10% |
| Annex A1: Organisational background andtrack record | 1 page per organisation |
|  Annex A2 :CVs  | 1 page each |
| Project Management | See 4.6 | 2 pages | 3 pages | 20% |
|  Annex B1: Gantt Chart (landscape or portrait) | See 4.6 | 1 page | 1 page |
|  Annex B2: Risk Table  | See 13 | 1 page |
|  Annex B3: Work Package Descriptions | CEOI template  | 1 page each |
| Project Finances | See 4.7 | 4 pages | 10% |
|  CEOI Cost Schedule | Use CEOI Excel template | Separate Excel file; Summary sheet plus 1 sheet per partner |
| Collaboration  | See 4.8 | 0.5 page | 5% |
| Grant Conformance  | See 4.9 and 7 | 0.5 page | 5%  |
| Eligibility - supporting information (Proposal Annex C1) | See 7 | 2 pages |

**Table 1. Application Checklist**

No additional annexes or appendices will be considered. Bidders should note that the Agency, University of Leicester or CEOI will not refund any costs associated with preparing proposals responding to this CEOI Call.

## The Covering Letter

To ensure ease and speed of placing the contract following selection, the bids must include a covering letter containing:

* A firm fixed price for the work to be carried out and committing offer to University of Leicester, who contractually administer the grants on behalf of the Agency and CEOI.
* A statement of acceptance of the standard CEOI Terms and Conditions (T&Cs), defined in the model CEOI Grant Agreement document which is available on the CEOI website. By submitting this statement, you are accepting the T&Cs on behalf of your organisation. Please ensure that authorisation is obtained from your organisation before submitting your bid. Any requests for changes to these T&Cs must be made in writing as part of the cover letter at the time of bidding. Requests for changes to T&Cs will not be considered after the closing date of the call. If changes are requested these will be negotiated in parallel with the proposal review process. The intention here is to minimize delay between funding decisions and project KO dates.
* Reference (Industry only): The name of at least one customer contact in the UK who may be approached, with whom you have recently undertaken similar work. The CEOI reserves the right to seek a customer reference for consideration by the Review Panel.
* The completed Application Form.

## The Main Proposal:

## The Project Summary

The project summary should provide a brief overall description of the project in a form suitable for publication, if the project is funded (i.e., free of any commercially sensitive or IP material).

It should include 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. A relevant image, diagram or other graphic should be included, if possible, to enhance the description.

The project summary, plain-language description and graphic image may be included in a press release and published on the CEOI and the Agency websites when any award is made.

## Technical Case (30% of assessment mark)

This section should justify the need for this technology development and describe the work to be undertaken. It should also provide an assessment of technical feasibility and innovation in the project and explain how the development fits into the wider technology development roadmap. The section should include:

* An exposition of the science, commercial and/or operational need and drivers, including the relationship to relevant national space, ESA and EO strategies.
* A description of the technical work and the main activities to be undertaken.
* An assessment of the technical feasibility of the proposed work, identifying the technical risk and achievability vs. the novel and innovative aspects of the project.
* A description of any system-level benefits expected (e.g. cost, mass, size, resource requirement).
* A technology roadmap showing heritage, future evolution and the start and end Technology Readiness Level (TRL) of the proposed work.

## Exploitation Plan & Enhancement of National Capability (20% of assessment mark)

This section should provide an exploitation plan detailing how the project will lead to an enhancement of national capability, catalyse investment, and address the target mission(s). TRL-raising projects should identify all potential space flight opportunities and the key steps required, beyond the requested CEOI funding, to successfully exploit the project outcomes. Facilities-related should describe how the project will result in enhancement(s) to national capability in EO technologies and/or facilities in the context of the targeted missions.

The section should include:

* A description of the main exploitation opportunities targeted, together with an assessment of the potential and accessible market(s) (this may include civil and defence dual use), and identification of key customers in the global marketplace.
* A description of the main exploitable products and/or outputs from the project, including identification of the potential scientific and/or commercial breakthroughs, and future steps that will be taken to improve the probability of successful use of the results of the CEOI activities.
* A description of how the proposed work takes advantage of UK strengths and/or unique capabilities, and where and how the enhanced development in national capability will occur.
* An assessment of the national and international competition, showing the benefits this technology offers over alternatives, and the timeliness of the proposed work in relation to external opportunities and gaining a competitive advantage.
* The potential scientific or commercial return and the overall expected impact on UK national economic growth, job creation and export opportunities.

For projects targeting future operational or scientific EO missions, such mission(s) should be clearly identified, the possible route to achieving flight should be described, together with how the benefits for any related opportunities will be achieved. In the case of projects targeting commercial opportunities, the proposal should include a brief business plan.

## Project Team (10% of assessment mark)

This section should describe the team that will be undertaking the work, highlighting the strengths of the project lead organisation and the capability that is offered by each Partner. Key individuals, their project roles and technical/management contributions should be identified.

The section should include:

* A description of the overall team structure, including justification for inclusion of each Partner organisation and justification if there are no partners.
* A brief summary description of each of the organisations involved with the project.
* A list of the key individuals, their position, technical/management responsibility in the project team, effort required and confirmation of their availability for the required work.
* The track record of the applicants in managing similar projects successfully.

For each of the Partners, background information about the company/organisation should be provided in Annex A1 of the proposal, including diversity and inclusion policies. CVs of key staff should be provided in Annex A2 of the proposal.

## Project management (20% of assessment mark)

This section should provide information about the approach to the management of the project, including planning, the actions that will be taken to maintain the schedule, and the assessment and control of risk. (“Risk” is defined here as the probability that the project will meet its stated technology and business objectives).

This section should include:

* A description of how the project will be managed and the management measures proposed to ensure on-time completion.
* A project plan, including a summary of the work, work break down structure and a project schedule.
* A table of outputs from each work package, clearly identifying their scope and the delivery schedule.
* A clear identification of which institutions and individuals will be performing which functions, the lead organisation for each task and the resources required for each task.
* An assessment of the major project technical, schedule and commercial risks and the approach to managing, tracking and mitigation of these risks. Major risks should, where possible, be expressed in terms of potential schedule slippage.

The following information should be included as Annexes to the proposal:

* Gantt chart as Annex B1, of the proposal showing the scheduling of main work packages, their inter-dependencies and major project events (progress review meetings, technology development milestones). No template is provided for this.
* Risk Table as Annex B2 of the proposal using the CEOI template provided in Section 13.
* Work package descriptions (WPD) as Annex B3 of the proposal (The WPDs should use the CEOI template or equivalent, with a one-page limit on each WPD).

If a project is successful, we will expect project teams to generate a full Project Management Plan (PMP) including a comprehensive Risk Management Plan at the project Kick-Off meeting. CEOI guidelines for the PMP are available on request from CEOI. We do not need the full PMP at proposal stage.

**This Call is targeting an ambitious schedule, and it is therefore particularly important that the proposed delivery schedule and risk management plan are realistic and robust.** Bidders should assume a starting date soon after the 1 November 2024 for the project schedule and finance spreadsheets.

## Project Finances (10% of assessment mark)

This section will describe the project finances, summarising the cost of each work package, the major items of expenditure with justification and propose a milestone payment plan. It will allow an assessment of the value for money of the project and whether this is a good investment for the Agency.

This section should include:

* A financial summary showing the cost of each work package and the major items of expenditure by each Partner (staff, travel, external contracts, procurements etc.).
* A description and justification of the resources requested, including travel plans and other expenditure.
* Any equipment proposed for purchase must be listed separately as per State Subsidy regulations.
* Table of proposed milestone payments with description, related project outputs and/or significant events, amount, and dates. See Section 5.1 for further information.

All applications are required to provide a Cost Schedule as a separate Excel file using the CEOI supplied Excel template. The CEOI Excel Finance Table must be completed, using one worksheet (sheets P1-P8 in the Excel spreadsheet) for each Partner[[1]](#footnote-2). Any support/consultancy/service to be procured should be itemised in the ‘Direct Costs’ section of the relevant Partner sheet. The template Excel spreadsheet is available on the CEOI website.

Note that CEOI Grants arising from this call are intended to fund a specific programme of work. SRL and TRL-raising grants should not be used for the procurement of equipment. However, this may be acceptable for the Facilities grants. If you want further advice on large expenditures for equipment or other purposes, then please contact the CEOI.

## Collaboration (5% of assessment mark)

This section should describe the collaborative nature of the project, or justification if there are no Partners.

The response should include:

* Declaration of the team, listing the academic and industrial partners
* Justification if there are no partners
* Information on collaboration between partner organisations and exploitation of Intellectual Property Rights.

## Grant conformance (5% of assessment mark)

This section should provide the information required to show that the project finances conform to the BEIS Subsidy Control regime.

The section should include:

* A clear statement of the Subsidy Control Category (see Section 14).
* Level and justification of any industrial or other private investment offered
* A statement on eligibility of each partner to receive Subsidy funds and the financial viability of all the project Partners. See Section 7 for further information.

Supporting eligibility information should be provided as Annex C1 to the proposal.

# GRANT CONFORMANCE INFORMATION

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.

Subsidy Control

This Call 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 as explained 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 past schemes, but has some significant differences:

* 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.

There are several significant changes to the assessment, regulation and award process which are described briefly in Section 14, and in more detail in [RD 3] and [RD 5].

## Payment plan

The payment plan should be constructed so that no more than 20% is paid at/soon after kick-off against one or more outputs (e.g. the Project Management Plan), with the remainder at the final review acceptance.

## 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 is 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, 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 CEOI will assign to the project a coordinator drawn from CEOI partner organisations. The coordinator will oversee the projects with the following methodology:

* The coordinator will initiate the project, by preference at a face-to-face meeting at the lead organisation’s site. If a timely face-to-face meeting cannot be arranged, the kick off meeting can take place through a video or telephone conference.
* The lead organisation’s project manager will report on progress to the coordinator using the CEOI report template at the end of every month by email. Any issues arising will normally be addressed by the coordinator by telephone or email.
* There shall be a mid-term review (MTR), held at an appropriate site. Where feasible, the MTR should be synchronised to a significant project event and/or delivery.
* There will be close attention to progress against the agreed project schedule to ensure timely completion and to the effective application of the risk mitigation process. This is particularly important given the constraints of funding, which must be spent by 31st of March 2025.
* During the project, consortia shall report periodically to the nominated UKSA project monitoring and evaluation function, on outcomes attributable to the CEOI project investment. This shall be continued for at least 5 years following project end. Note that consortia that fail to perform this function may be penalised in future rounds. A report proforma will be available at project KO. KPIs will include:
	+ TRL status.
	+ Training achieved.
	+ Publications and presentations.
	+ Jobs – creation and stabilisation.
	+ Leverage – investment and contracts.
	+ The number of ESA mission submissions and success rate with £ of funding secured (ideally including summary details on the mission and instrumentation).
	+ Commercial outcomes.
* At the end of the project, a Final Report and Executive Summary both suitable for publication shall be produced. The project final report should contain the above KPIs at project completion, to set a baseline for the post-project reporting.
* The Executive Summary should include 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. There will be a formal project final review and there may also be a CEOI project final presentation day in which each of the projects will present a summary of work and achievements.

# ELIGIBILITY

We welcome bids from 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 brief and relevant background information for the organisation, including areas of expertise and contact information including registration and official address.

Only those organisations in the proposed team, which have not previously received a grant from CEOI or the Agency, need provide full information in their bid. Organisations that have previously received a grant should reconfirm their basic company information such as company address, company registration number, and provide a title and date of a relevant previous award. Prior awards related to this current project should be tabulated as instructed at the end of section 14.

Following receipt of bids and 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.

It is possible that some consortia bidding for projects may need to involve non-UK entities. This is allowable in principle subject to the following conditions:

* The UK must lead the consortium.
* The UK work must represent the significantly greater proportion of the whole project.
* The consortium must demonstrate that the proposed non-UK capability is essential and not available in the UK.

The rules can be relaxed if the non-UK entity is supplying Private Venture (PV) / match funding contribution, capability, or resources on a no-exchange-of-funds basis. Full details of the non-UK participation must be provided in the bid, appended to the eligibility statement.

# CONFIDENTIALITY

The procedure for handling and assessing the bids and notifications will be as follows:

* Bids will be submitted to the University of Leicester administrator who will act on behalf of the CEOI. The administrator will hold all bids in confidence and will not propagate the bids internally in the University or elsewhere.
* Copies of the notifications of intention to bid sheets will be provided to the CEOI Director and to the CEOI Technology Programme Director, who will retain them as confidential information.
* When the bid period completes, electronic copies of the bid documents will be distributed to the independent assessment panel members, to the CEOI Director and to the CEOI Technology Programme Director. The UK Space Agency confidentiality rules will apply.
* Bids not recommended by the Panel will be destroyed. They will not be visible to the wider CEOI Leadership Team or to any others.
* Bids recommended by the Panel will be visible to the CEOI appointed project co-ordinator and to the CEOI Leadership Team.
* Bids selected for funding will remain confidential (i.e., will not be visible to staff of any of the CEOI Partners other than the project co-ordinator and the CEOI Leadership Team).

The CEOI Director, the CEOI Technology Director and the CEOI appointed project co-ordinator will monitor the funded project. A standard CEOI Non-Disclosure Agreement can be used to cover information exchange between the project participants and CEOI staff at any stage during the bid or contract. A copy is available on the CEOI website.

# TEAMING AGREEMENT

Should an award be made, the contracted consortium will be required to establish a Teaming Agreement (TA) between its Partners, prior to the commencement of work. The TA should establish agreements regarding how the results of the work, including IPR and spinouts will be exploited by the consortium members. A model agreement is available from the CEOI website.

# SUBMISSION AND GRANT INFORMATION

Only the lead institution should submit an application. Bids should be submitted to the University of Leicester administrator, who will act on behalf of the CEOI, as follows:

* Electronically in PDF format. The bid should be contained in single PDF file (apart from the separate Excel format Finance Table).
* In submitting a proposal, bidders accept that all information supplied as part of the bid will be handled under the procedures defined in Section 8, irrespective of any confidentiality markings.

The electronic submission should be sent by email to the CEOI Technology Call Administrator, Nicola Oldham.

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| --- | --- |
| Ms Nicola OldhamCEOI Technology Call Administrator | Email: ceoiadmin@leicester.ac.uk  |
| For further information and formal enquiries contact: |
| Dr Kevin SmithCEOI Technology Programme Director | Tel: 01235 446475Email: kevin.smith@stfc.ac.uk |
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# Intention to Bid Pro-Forma

This form should be emailed, before the date and time specified in Section 3, to Ms Nicola Oldham, CEOI Technology Call Administrator at ceoiadmin@leicester.ac.uk

|  |  |
| --- | --- |
| Title of the project |  |
| Lead organisation |  |
| Short description of the project |  |
| Estimated Grant request(ROM value) |  |
| Project Type | Pathfinder / SRL / TRL / Facilities *(delete as applicable)* |
| In submitting this intention to bid form we acknowledge that due diligence on the lead applicant may be undertaken at this stage and further clarifications sought.  |  |
| In submitting this intention to bid form we acknowledge that any requests for changes to these T&Cs must be made in writing as part of the cover letter at the time of bidding. Requests for changes to T&Cs will not be considered after the closing date of the call. |  |

# Application Form

The completed Application Form should be included with the Cover Letter when the full bid is submitted.

|  |  |
| --- | --- |
| **Title of Project** |  |
| **Lead Organisation and Grant Requested for Lead** |  | £ |
| **Project Partners and Grant** **Requested for each Partner** |  | ££ |
| **Address of Lead Organisation including postcode** |  |
| **Lead Contact – Contractual** **(Name and e-mail)** |  |
| **Lead Contact – Technical** **(Name and e-mail)** |  |
| **Subsidy Control Category (see Section 14)** |  |
| **Total Grant Funding Requested****(£ and % of Total Project Cost)** | £ | % |
| **Academic Contribution** **(£ and % of Total Project Cost)** | £ | % |
| **PV Contribution****(£ and % of Total Project Cost)** | £ | % |
| **Total Project Cost (£)** | £ | 100% |
| **Proposed start date and duration** |  |
| **Project Type** | Pathfinder / SRL / TRL / Facilities (delete as applicable) |
| **Titles and dates of related projects or proposals to CEOI, NSIP, NSTP, ETP or other UKSA programmes** |  (List on separate sheet if necessary) |
| **Please confirm acceptance of the standard CEOI Grant Terms and Conditions** |  |

# Risk Table Template

Please use this table in your proposal.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Risk No. | Risk Description | Type | Impact | Potential Schedule impact  | Proba-bility | Overall Rating | Month retired | 1. Avoidance Strategy
 | 1. Mitigation Strategy
 |
|  | Short description of risk and potential consequences | Technical, Commercial or Managerial | 1-5 | In months | 1-5 | L/M/H | mm/yy | Actions to be taken to avoid occurrence and/or minimise impact | Actions to be taken during project if risk arises |
| R1 |  |  |  |  |  |  |  |  |  |
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|  |  |  |  |  |  |  |  |  |  |

Impact and Probability 1 = Low; 5= High

Overall rating Impact x Probability

 where 1<Low<6; 8<Medium<12; 15<High<25

# Subsidy Control

## 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)[[2]](#footnote-3). 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 : 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 | 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% |

\*NOTE: 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.

## 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 : 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 : Grant request in this proposal by partner.

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

1. ‘Partners’ are defined as entities/organisations which share and/or retain the Intellectual Property generated by the project. Industrial Partners will also contribute to the project costs in line with the Subsidy Control procedures.

This is in contrast to ‘Suppliers’ and ‘consultants’, who supply goods and/or services under normal commercial terms to one of the Partners. [↑](#footnote-ref-2)
2. 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-3)