



## **FUSION R&I Technology Development Programme LITE**

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Rules for Participation 2025 | Option **B**  
Rules for *Non-State Aid*



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## 1 Introduction

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FUSION is a national funding programme that drives and supports local Research and Innovation (R&I), as well as providing the necessary support for researchers and technologists to turn their innovative ideas into a market-ready reality. FUSION is supported through Malta Government funds and is managed by Xjenza Malta as the Managing Authority.

The main objectives of FUSION are:

- To raise the level and profile of locally funded research
- To ingrain R&I at the heart of the Maltese economy
- To spur knowledge-driven and value-added growth
- To sustain improvements in the quality of life.

These can be achieved since research results and innovation have the potential of translating themselves into commercial activities which generate a multiplier effect on the economy, by increasing Malta's competitiveness through the creation of additional high-value and knowledge intensive employment opportunities in Malta's priority industries.

FUSION is composed of various programmes. These programmes are designed in a way to offer the necessary mentoring and financial support for researchers and technologists to develop their ideas for the betterment of society.

## 2 The Technology Development Programme Lite

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### 2.1 Programme Scope and Focus

The **Technology Development Programme Lite (TDP LITE)** is a national funding programme which supports the actual development of innovative projects proposed by public entities or industry players. The programme is designed to provide an expedited route for Maltese innovators to develop and demonstrate their novel technologies. This route to commercialisation will allow for new entrepreneurial ventures based on innovations in competitive industries. The programme focuses on a Technology Readiness Level (TRL) advancement of 4 through 7, with the requirement being a minimum of TRL 4 to apply, and the advancement opportunity

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ranging from TRL 5 to TRL 7. The final Technology Readiness Level (TRL) depends on where the technology started.

The Programme provides financial support for research, development and innovation within the SMART Specialisation Areas identified in Malta's National Research and Innovation Strategic Plan 2023-2027.

For more information about the Smart Specialisation Areas, kindly refer to Xjenza Malta's Resource Page by accessing <https://xjenzamalta.mt/resources-page/>.

The only types of research eligible under this programme are **Industrial Research** and **Experimental Development**.

## 2.2 Contacts

For general enquiries kindly contact:

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### 3 Definitions

Kindly note that the below definitions are harmonised throughout Xjenza Malta, and some terms might not be present within the text of the Rules as they are not relevant.

<b>Agreement Date</b>	The term refers to the date on which the Grant Agreement is signed by the legal representative of Xjenza Malta.
<b>Applicant</b>	The term refers to any representative of a local entity that is eligible for participation in a Project in terms of these National Rules for Participation and who applies for funding under this project.
<b>Arm's length</b>	The term means that the conditions of the transaction between the contracting parties do not differ from those which would be stipulated between independent undertakings and contain no element of collusion. Any transaction that results from an open, transparent and non-discriminatory procedure is considered as meeting the arm's length principle.
<b>Beneficiary</b>	The term Beneficiary refers to the entity that having submitted an application form for funding under this Programme in accordance with these National Rules for Participation, is selected for funding.
<b>Eligible direct costs</b>	The term refers to those costs incurred directly by the national beneficiaries during the duration of the project and used primarily for the purpose of achieving the objectives of the project. All eligible expenses must be incurred between the Start Date and the End Date of the Project and capped at the approved requested funding value.
<b>End Date</b>	This term refers to the date when the Project Period, having commenced on the Start Date, expires.

<p><b>Grant Agreement</b></p>	<p>The term refers to the funding agreement concluded between the Managing Authority and the Beneficiary/ies and specifies the rights and obligations of the contracting parties</p>
<p><b>Innovation</b></p>	<p>The term is defined as the internationally novel scientific/technological development of a technological process, product, or service. Also, the definition of innovation within the same context can also be applied to non-novel, yet step-change/ground-breaking enhancement of existing technological processes, products, or services, or even the application of existing knowledge to new novel applications of these solutions to deliver step-change competitiveness through such an application.</p>
<p><b>Intellectual Property (IP)</b></p>	<p>IP means statutory and other proprietary rights and includes patents, trademarks, designs, and confidential information/trade secrets, copyright.</p>
<p><b>Lead Agency</b></p>	<p>The primary organization tasked with overseeing and coordinating the entirety of the project.</p>
<p><b>Legal Entity</b></p>	<p>The term refers to any entity created within the European Union, having an operating base in Malta and which has legal personality, which may, acting under its own name, exercise rights and be subject to obligations.</p>
<p><b>Managing Authority</b></p>	<p>The term refers to Xjenza Malta, a Managing Authority established as per Subsidiary Legislation 595.49.</p>
<p><b>Partner</b></p>	<p>The term is defined as an entity within a consortium..</p>
<p><b>Person months/ Person hours</b></p>	<p>The term refers to a calculation of 'human effort' to evaluate the relationship between the estimated work to be performed and the activities and deliverables to be achieved during the implementation period in</p>

	<p>months or hours. This is calculated as follows: if 1720 hours are worked in 1 year, equivalent to 215 days of 8 hours each, then 1 person month is equivalent to 143.3... person hours, and to circa 17.91 days.</p>
<b>Personnel costs</b>	<p>The term means the costs of researchers, technicians and other supporting staff to the extent employed on the relevant project or activity.</p>
<b>Principal Investigator</b>	<p>The term refers to the lead researcher on behalf of the local Applicant/Beneficiary.. May be the same as the Project Coordinator and/or the Project Contact Point.</p>
<b>Project Contact Point</b>	<p>The term refers to the individual, appointed to act on behalf of the Beneficiary and who is responsible for communicating with the Managing Authority about the Project.</p> <p>The Project Contact Point(s) shall have the following responsibilities:</p> <ul style="list-style-type: none"> <li>• To ensure compliance with the obligations in terms of the Grant Agreement.</li> <li>• To compile Periodic Reports and Final Reports including their timely submissions and effective execution of the project.</li> <li>• To ensure the submission of all required financial reporting as per the contractual obligations for the partner.</li> <li>• To execute the project activities according to set timeframes and deliverables.</li> </ul>
<b>Project Grant</b>	<p>The term is defined as the funding provided to the Beneficiary under the Programme.</p>



<b><i>Project Period</i></b>	The term refers to the time required to execute the Project as indicated in the Grant Agreement and runs from the Start Date to the End Date.
<b><i>Project Value</i></b>	The term refers to the project budget needed by the Applicant to carry out the project, including any co-financing.
<b><i>Public Entity</i></b>	<p>The term refers to any Ministry, Department, Entity, Authority, Public Commission, Public Sector Foundation or a similar organisation that does not carry out an economic activity within the meaning of Article 107 TFEU and that exercises public power, or else acts in its own capacity as public authority, where the activity in question forms part of the essential function of the State or is connected with those functions by its nature, its aim and the rules to which it is subject. However, the classification of a particular entity as an undertaking depends entirely on the nature of its activities, and the overriding criterion of consideration is whether it carries out an economic activity or not, e.g., an entity that is formally part of the public administration may nevertheless have to be regarded as an undertaking within the meaning of Article 107(1) of the Treaty. Thus, an entity that carries out both economic and non-economic activities is to be regarded as an undertaking only with regards to the former. In this case, if the economic activity can be separated from the exercise of public powers, then that entity acts as an undertaking in relation to that activity and the financing, the costs and the revenues of that economic activity shall be accounted for separately from the other non-commercial activities.</p> <p>If an economic activity cannot be separated from the exercise of public power, the activities exercised by that entity as a whole, remain connected with the</p>

	<p>exercise of those public powers and therefore fall outside the notion of an undertaking.</p>
<p><b>Research and Development</b></p>	<p>This term is defined as the systematic investigation, work or research carried out in any field of science or technology through experiment, theoretical work or analysis undertaken to acquire new knowledge, primarily directed towards a specific practical aim or objective, and includes:</p> <ul style="list-style-type: none"> <li>a) <b>Fundamental Research</b> means experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundations of phenomena and observable facts, without any direct commercial application or use in view.</li> <li>b) <b>Industrial Research</b> means the planned research or critical investigation aimed at the acquisition of new knowledge and skills for developing new products, processes, or services or aimed at bringing about a significant improvement in existing products, processes or services including digital products, processes or services, in any area, technology, industry or sector (including, but not limited to, digital industries and technologies, such as super-computing, quantum technologies, block chain technologies, artificial intelligence, cyber security, big data and cloud technologies). It comprises the creation of components parts of complex systems and may include the construction of prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems as well as of pilot lines, when necessary for the industrial research and notably for generic technology validation.</li> <li>c) <b>Experimental Development</b> means acquiring, combining, shaping and using existing scientific, technological, business and other relevant</li> </ul>

	<p>knowledge and skills with the aim of developing new or improved products, processes or services in any area, technology, industry or sector (including, but not limited to, digital industries and technologies, such as for example super-computing, quantum technologies, block chain technologies, artificial intelligence, cyber security, big data and cloud or edge technologies). This may also include, for example, activities aiming at the conceptual definition, planning and documentation of new products, processes or services.</p> <p>Experimental development may comprise prototyping, demonstrating, piloting, testing and validation of new or improved products, processes or services in environments representative of real-life operating conditions where the primary objective is to make further technical improvements on products, processes or services that are not substantially set. This may include the development of a commercially usable prototype or pilot which is necessarily the final commercial product, and which is too expensive to produce for it to be used only for demonstration and validation purposes.</p> <p>Experimental development does not include routine or periodic changes made to existing products, production lines, manufacturing processes, services, and other operations in progress, even if those changes may represent improvements.</p> <p>Only Research defined under b) and c) are eligible under this call.</p>
<p><b>Research and Knowledge-Dissemination</b></p>	<p>The term refers to an entity (such as universities or research institutes, technology transfer agencies, Innovation intermediaries, research-oriented physical or virtual collaborative entities), irrespective of its legal</p>

<p><b>Organisation (RKDO)</b></p>	<p>status (organised under public or private law) or way of financing, whose primary goal is to independently conduct fundamental research, industrial research or experimental development or to widely disseminate the results of such activities by way of teaching, publication or knowledge transfer. Where such entity also pursues economic activities the financing, the costs and the revenues of those economic activities must be accounted for separately. Undertakings that can exert a decisive influence upon such an entity, in the quality of, for example, shareholders or members, may not enjoy preferential access to the results generated by it.</p>
<p><b>Start Date</b></p>	<p>The term refers to date established for the official start of the project in the Grant Agreement.</p>
<p><b>Start of Works</b></p>	<p>This term refers to the earlier of either the Start of Works relating to the investment, or the first legally binding commitment to order equipment or any other commitment that makes the investment irreversible. Buying land and preparatory works such as obtaining permits and conducting feasibility studies are not considered 'Start of Works'. For take-overs, 'Start of Works' means the moment of acquiring the assets directly linked to the acquired establishment.</p>
<p><b>Subcontracted Activity</b></p>	<p>The term refers to any activity related to the project, (including but not limited to consultancy), which is not carried out directly by a Beneficiary or its employees but is carried out under any terms by any third party (local or foreign) individual, company, partnership, or entity.</p>

## 4 Eligibility Criteria and Applications

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This section provides details as to the criteria which must be checked in order to assess the entity's eligibility to apply and the application's fit within this Programme.

These Rules for Participation are applicable to public entities and public research and knowledge dissemination organisations **that do not carry out an economic activity within the meaning of Article 107 TFEU**. Applicants are eligible to apply if they have a starting TRL minimum of 4, and the advancement opportunity ranging from TRL 5 to TRL 7. The final Technology Readiness Level (TRL) depends on where the technology started.

In addition, Xjenza Malta reserves the right at its discretion to request a Bank Guarantee to address its concerns with regards to potential risks identified by Xjenza Malta as being posed by any one or more applicants.

Given the aims of the Technology Development Programme Lite, it is integral that any proposal that will be considered for funding implements a scientific basis and highlights the research methodology to be conducted.

### 4.1 Eligibility for Participation

#### ***Applicants must be sole entities.***

Any Applicant which at the time of proposal submission is deemed to be non-compliant with respect to Grant Agreement obligations on any other active project funded by Xjenza Malta, may be deemed ineligible at application stage or may be refused funding under this programme. For the purposes of this paragraph non-compliance with respect to Grant Agreement obligations shall also be deemed to include failure to respect approved project timelines on other projects funded by the Agency and circumstances where the applicant is in recognised default of Grant Agreement obligations on any other active project funded by the Agency. Similarly, should applicants become non-compliant during the call process, they will not be awarded funding under this programme.

Any application may be deemed as ineligible in terms of these Rules for Participation, if it is submitted by or includes the participation of any person or entity having, in totality or in majority ownership, the same shareholders, partners, or persons holding

and/or exercising a controlling power in any other legal entity which was at any time declared as non-compliant or defaulting on any other contract or agreement entered into with the Managing Authority.

Funding under this scheme is made available on the basis that the Applicant has not benefited and will not benefit from any other grant or financial incentive of whatever nature, applied for and/ or utilised for the same costs and scope as that subject of the funding requested under this scheme.

Applicants under the Non-State Aid (Option B) regime must understand that, should they be found to be in breach of the conditions for being exempt from State Aid rules, Xjenza Malta will enforce the retrieval of disbursed funds with interest, in part or in full, as the case may necessitate.

The Applicant also undertakes to comply faithfully and immediately with any decision of the European Commission or a Maltese Judicial Authority declaring Article 107(1) TFEU to be applicable to this project or activity.

Xjenza Malta also reserves the right to terminate any applications that have followed in part or in full the Non-State Aid (Option B) regime, should Xjenza Malta not be satisfied with the segregation of work packages, activities, tasks and deliverables, as well as budgets.

All applications should be accompanied by the relevant declarations duly completed within the Appendices of the Application Form with particular attention also being given to potential indirect state aid, to undertakings within the same eventual project, should it be selected for funding.

Kindly note that in the case of public foundations, applicants will be required to provide an authenticated constitutional document (e.g., Statute/ Deed) which will be considered during the national eligibility check stage (to be included as an annex to the application form).

## **4.2 Conflict of Interests**

Applicant/s and/or Beneficiary/ies shall take all measures to prevent any situation where the impartial and objective processing of their Application for funding, the awarding of the Grant or the supervision or the implementation of the Grant agreement could be compromised for reasons involving family, emotional life, political

or national affinity, economic interest or any other direct or indirect or perceived interest (conflict of interests).

Applicant/s and/or Beneficiary/ies shall formally notify the Managing Authority without delay of any situation constituting or likely to lead to an actual or perceived conflict of interests and immediately take all of the necessary steps to rectify this situation.

The Managing Authority may verify that the measures taken are appropriate and may require additional measures to be taken by a specified deadline.

Where a beneficiary wilfully breaches any of its obligations under this Rule this shall be deemed to constitute an Event of Default and the Application may be deemed ineligible or the Grant awarded may be reduced and/or terminated.

## 5 Applicable Obligations under the Non-State Aid Option

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These Rules for Participation allow eligibility under a non-state aid route.

Under these rules, the partner must be considered a **public entity, or a public research and knowledge dissemination organisation**, as defined in Section **Error! Reference source not found.**, that does not carry out an economic activity within the meaning of Article 107 TFEU.

*Those entities that may be eligible for participation under this route shall be required to declare themselves as:*

- a **public** “research and knowledge dissemination organisation” as defined in the Commission Framework for State aid for research and development and innovation (2022/C 414/01) paragraph 16(ff), which carries out a non-economic activity in line with the following:

(a) primary activities of research organisations and research infrastructures, in particular:

- education for more and better skilled human resources.

- independent R&D for more knowledge and better understanding, including collaborative R&D where the research organisation or research infrastructure engages in effective collaboration;
- wide dissemination of research results on a non-exclusive and non-discriminatory basis, for example through teaching, open-access databases, open publications or open software;

(b) knowledge transfer activities, where they are conducted either by the research organisation or research infrastructure (including their departments or subsidiaries) or jointly with, or on behalf of other such entities, and where all profits from those activities are reinvested in the primary activities of the research organisation or research infrastructure. The non-economic nature of those activities is not prejudiced by contracting the provision of corresponding services to third parties by way of open tenders.

or

- a **public** entity whose activity does not constitute an economic activity within the meaning of Article 107 of the Treaty on the Functioning of the European Union<sup>1</sup>. Where applicable, applicants need to ensure adherence to Section 2.2 “Indirect State aid to undertakings through public funded research and public knowledge dissemination organisations and research infrastructures” of the Framework for State aid for research and development and innovation (2022/C 414/01).

## 6 The Application Process

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The Call for Project Proposals will be open between the 7<sup>th</sup> March 2025 until the 23<sup>rd</sup> May 2025 at 23:59pm. **Proposals which are received after the deadline stipulated will be deemed administratively non-compliant.** The selection and funding of proposals under this Programme shall be on a competitive basis.

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<sup>2</sup> The relevant appendices to the application should be completed by each partner.



Applicants should refer to the eligibility criteria in Section/s 4 and 5.

## 6.1 Application Submission

The TDP Lite project application is to present an expected level of innovation. Reasonable estimates of human resources, finance, deliverables and timeframes have to be provided, through the use of templates provided by Xjenza Malta.

The legal representative of the applying organisation must either physically or electronically sign off all the application and enter the date of signature. This individual must also sign and date all relevant declarations found within the appendices of the application.

Submission, evaluation and selection of project applications will be in the form of a one-stage process. The applicant should ensure complete compliance with these 'Rules for Participation' prior to submission as no amendment or negotiations are allowed after submission.

In instances where errors in the budget are noted during the evaluation process, these will be categorised by the Managing Authority into major deviations (**affecting 10% of over of the grant value**) or minor deviations (**affecting less than 10% of the grant value**) e.g., if the grant value requested is €100,000, any errors in the budget exceeding €10,000, would be considered as a major deviation. Minor deviations will be amended by the Managing Authority and evaluated on that basis. The beneficiary will be given the opportunity to accept or decline proceeding with the project if awarded. On the other hand, major deviations will be considered administratively non-compliant.

**The content of the application form will be directly appended to the Grant Agreements for successful applicants and will constitute the Grant Agreement technical obligations.**

Any text within the submitted application, which are more than the prescribed maximum word count and/or page limits, shall be disregarded in the scientific evaluation process.

## 6.2 Submission Documents

All Submissions must include:

- ✓ The filled-in application form in MS Word (.docx) format and a signed scanned copy (to be sent by email). This includes details on the proposed project including the project activities, timeframes, costs and deliverables.
- ✓ A Gantt Chart should be included in Section 3.4 of the application
- ✓ A Dissemination and Externalisation Plan
- ✓ Curricula Vitae of key persons including relevant track records. These should clearly establish that the applicant has the potential to carry out the project
- ✓ The signed Non-State Aid Declaration Form for a **public** “research and knowledge dissemination organisation” or for a public entity
- ✓ The signed Additional Declarations
- ✓ The Budget Breakdown Form<sup>2</sup>

Standard documentation including declarations will be accessible on the resource page.

It should be noted that large emails may be automatically rejected by the system. The applicant may make use of cloud storage or mass file transfer systems (e.g., WeTransfer). **It is the responsibility of the applicant to ensure that the application documents are sent out successfully.** All received applications shall be acknowledged by email. Proposals which are received after the deadline stipulated will be deemed administratively non-compliant. Incomplete applications at the deadline of this call will not be considered. **It is the responsibility of the applicant to ensure that a confirmation of receipt is provided.**

Application Forms should be sent electronically to [rtdi.xjenzamalta@gov.mt](mailto:rtdi.xjenzamalta@gov.mt), keeping Ms. Mariah Vella ([mariah.vella.5@gov.mt](mailto:mariah.vella.5@gov.mt)) and Mr. Kyle Bonnici ([kyle.bonnici.4@gov.mt](mailto:kyle.bonnici.4@gov.mt)) in copy, with “Technology Development Programme LITE Application Submission” as a subject.

Kindly note, further documents may need to be submitted and evaluated by Xjenza Malta.

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<sup>2</sup> This can be found within the Resource Page on the Xjenza Malta website

## 6.3 Considerations at Application Stage

### 6.3.1 Respecting Lead Times

All organisations, including Xjenza Malta, have their internal procedures for processing, approving and signing off on legally binding documents. Beneficiaries are to ensure that they are aware of these lead times in their organisation as well as in other organisations which may be involved. It is the applicant's responsibility to ask for information on lead time pertaining to Xjenza Malta.

Applicants should also consider personal commitments, vacation leave etc, when planning to submit an application. All project application submissions, which must reach Xjenza Malta by the deadline, must be dated, signed and initialised (stamped or signed) on each page by the Lead Partner's legal representative and must include signatures of the legal representatives of each respective participating organisation. **All project application submissions must reach the Xjenza Malta by not later than 23:59pm (CET) on the day of the deadline.**

### 6.3.2 Assistance with Applications

Prospective Project Applicants are encouraged to seek the advice of the Managing Authority in the preparation of the project application. This should help identify any areas of concern prior to the submission of the application and lead to a better quality of submissions. Advice shall only be given in respect to these Rules for Participation and not on technical grounds. **Applicants are particularly encouraged to seek Xjenza Malta's guidance through proposal-specific one-to-one sessions to ensure that the application documentation is complete and effective from an administrative perspective, as once submitted, it cannot be edited.** One-to-one sessions and correspondences seeking advice should be done latest one week before the closing date for this call.

## 7 Confidentiality of Submissions

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All project application submissions shall be treated in the strictest confidence.

Without prejudice to the generality of the above it is only the name of the entity, the Project Contact Point, the title of proposal and the abstract which may in the course of the process be published.

The collection of data by Xjenza Malta through the application for aid under the Programme, submitted by the Applicant and the subsequent processing of said data by Xjenza Malta to evaluate the data subject's request for aid under the Programme and the storage of said data shall at all times be in accordance with:

- i. *The provisions of these Rules for Participation,*
- ii. Data Protection Act (CAP 586 of the Laws of Malta) and Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation).
- iii. The legitimate basis to process personal data submitted by the data subject by virtue of his/her written application for aid is Regulation 6 (1)(b) of the General Data Protection Regulation ("GDPR"), as 'processing is necessary in order to take steps at the request of the data subject prior to entering into a contract'.

Further information may be found within the Application Form.

## **8 Programme Parameters**

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Xjenza Malta reserves the right to carry out financial and/or technical audits at its discretion, at any time during the duration of the project to ensure that Programme Parameters, as per contractual obligations are observed.

### **8.1 Project Start and Duration**

The project must start by at least **1<sup>st</sup> October 2025** or as otherwise stated by Xjenza Malta in the Grant Agreement. The project should have a duration of **12 or 18 months**, without the possibility of an extension.

### **8.2 Project Grant**

The maximum possible grant value for a project is €200,000

### 8.3 Deliverables

Deliverables are tangible outcomes of the project and must be submissible. They must be proposed between the start date and end date of the project. Deliverables not within the project timelines will not be considered. If the project is awarded, evidence should be submitted for each deliverable mentioned in the application form to ensure that it has been attained successfully.

The content of each deliverable should be proportionate to the research effort carried out to obtain such results. **At application stage, each deliverable proposed should be described by a percentage reflecting the contribution to the overall project (i.e. The higher the impact of that deliverable on the project, the higher the percentage). Cumulatively, these should add up to 100%, including both mandatory and additional deliverables. The End of Project Audited Financial Report is not assigned a percentage weighting, as it holds independent and absolute significance, accounting for 100% of its own importance.**

It is required that:

- File storing and synchronization service e.g. Google Drive or Dropbox, is set up and shared with Xjenza Malta to support the project monitoring process. The shared folder should reflect the structure of deliverables provided in the application form i.e., every deliverable should have its own sub-folder with evidence saved within.
- Xjenza Malta should be notified by email each time there are new documents updated with the file storage system, detailing a log of added, removed and/or modified documents as necessary.
- Following each due date a soft copy of the final version of the deliverable/s will be held at Xjenza Malta which will then be considered the final version. All submitted deliverables should still be held on the file storage system for at least 6 months following the successful closure of the project.
- Xjenza Malta should be notified by email each time there are new documents updated within the file storage system, detailing a log of added, removed and/or modified documents are necessary.
- Following each due date a soft copy of the final version of the deliverable/s will be held at Xjenza Malta which will then be considered the final version. Where deliverables require periodic submissions (e.g., monthly reports, reports on IP

status), it is only the final submission that will be considered as the final deliverable. All submitted deliverables should still be held on the file storage system for at least 6 months following the successful closure of the project.

- A copy of all deliverables must be presented to Xjenza Malta before any retention is disbursed.

The sub-sections below list the Mandatory Deliverables that are required by the Managing Authority and a non-exhaustive list of Recommended deliverables that may be considered. The project plan should provide sufficient details of planned activities and incorporate these deliverables into the project proposal.

### 8.3.1 Mandatory Deliverables

The Beneficiary is under the obligation to:

- Report on project progress as per the list hereunder and in line with the templates provided:
- Conduct a **Kick-Off Meeting** at the project's start, followed by **Project Progress Meetings** every 6 months to provide verbal updates to the Managing Authority. Conclude the project with a **final meeting**. These deliverables should be provided through presentations. *(Kindly note that the Managing Authority may, at its own discretion, request additional meetings if required).*
- Submit an **End of Project Technical Report**, highlighting the technical outcomes.
- Submit an **End of Project Audited Financial Report**.
- Publish **at least one article** in public media (e.g., a local newspaper or magazine) to raise public awareness, **including an acknowledgment to the Managing Authority**. These should not contain intellectual property but should raise awareness about the project and its benefits. A copy should be presented to Xjenza Malta within two weeks of publication. Additional publications may be considered.

The Reports listed above must include sufficient evidence on the achievement of the project objectives, as well as the parameters indicated in the application, and they must be provided in accordance with the templates presented to the Principal Investigator

by Xjenza Malta. The **Project Technical Report** must be submitted prior to the termination of the project within which it is due. The **Project Audited Financial Report** must be submitted **within two months from the completion of the project** to account for lead time and payroll in the lifetime of the project.

Any changes to the project objectives, deliverables, work packages or any other parameter committed in the application, are to be communicated in writing with clear justification to the Managing Authority prior to the deadline. The written request will be referred for approval. Xjenza Malta will acknowledge receipt and endeavour to reply in a timely manner so that the momentum of the project remains unaffected.

Acceptance or otherwise of any changes shall be at the sole discretion of Xjenza Malta and its decision shall be binding, final and irrevocable. Any other communication shall not be considered valid or binding.

### 8.3.2 Additional Deliverables

Further to the mandatory deliverables, additional deliverables can be included, however these **should not exceed twelve (12)**. Although the deliverable cited below are not mandatory, if the applicant includes such deliverables at the proposal stage, this enhances the strength of the application form. Additional deliverables may include:

- ✓ Open Access Peer Reviewed Journals<sup>3</sup>
- ✓ A strategic plan to assess the project after its conclusion, focusing on further exploitation and development of the obtained results
- ✓ Verification and Validation Reports
- ✓ The formation of any spin-off entities that are envisioned. Kindly highlight if these spin-offs will also be licenced any IP generated.

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<sup>3</sup> Costs incurred with relation to this deliverable are not eligible as part of the project costs under the TDP Lite Programme. Beneficiaries have the possibility of applying to the Xjenza Malta Schemes for Open Access Journal Support. Additionally, Xjenza Malta Schemes for Open Access Journal Support will be subject to the timelines governed by a separate agreement. Therefore, applying to these schemes with the intent to publish open access peer-reviewed research papers may be sufficient as a deliverable.



- ✓ Business and commercialisation related outcomes including a plan which establishes which goals and objectives must be achieved for the business to succeed.
- ✓ Apply for or register relevant Intellectual Property<sup>4</sup> (e.g. patents for inventions, trademarks, copyrights, or design rights as applicable)
- ✓ Report on project dissemination activities, including but not limited to: fairs, workshops and events. Examples include Science in the City, R&I cafes, Enterprise European Network events, project exhibitions and so on.

Xjenza Malta appreciates that the fulfilment of the additional deliverables may be dependent on external actors. The Beneficiary is expected to take these deliverables into consideration when submitting their application form. **Although these deliverables are non-compulsory, if listed as committed deliverables at application stage, they must be adhered to.**

**Activities related to project set-up, such as personal recruitment, procurement of equipment, internal meetings, etc., should not be considered as deliverables.**

This list of activities and the above recommended deliverables are indicative and not exhaustive. Where deliverables require periodic submissions (e.g. monthly reports on progress, reports on IP status, etc.), it is only the final submission that will be considered as the deliverable.

The format of deliverables to be submitted must be specified at application stage. Deliverables may take the form of presentations, reports, correspondences, legal agreements, images, event agendas, audio recordings, videos, databases, certificate, manuscripts, etc. The format should be relevant and fit for the presented deliverable.

Xjenza Malta appreciates that the attainment of these deliverables may depend on externalities. The applicant is expected to take these into consideration when submitting their application forms. Although these deliverables are non-compulsory, if quoted as committed deliverables in the Application stage, they must be adhered to.

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<sup>4</sup> Costs incurred with relation to this deliverable are not eligible as part of the project costs under the TDP Lite Programme. Beneficiaries have the possibility of applying to the Xjenza Malta Intellectual Property Registration (IPR) Voucher. This Voucher is subject to funding availability and timelines governed by a separate agreement. Therefore, applying for the IPR Voucher may be sufficient as a deliverable.



## 9 Eligible Costs

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Eligible direct costs are those costs incurred directly by the applicant during the lifetime of the project, and which are primarily used for the purpose of achieving the objectives of the project. **All eligible expenses must be incurred between the Start Date and the End Date of the Project** and must be limited to the budgeted value.

The eligible direct costs are:

- **Personnel Costs**

Costs of employed researchers, technicians and other supporting staff to the extent employed on the project.

There are no limitations posed with regards to the number of employees involved in a single project. Furthermore, both new and existing personnel shall be eligible for funding.

Personnel Costs related to **Project Management** are limited to **10% of the project value**. Any **Project Management** which is not carried out by the beneficiary shall be deemed to be **subcontracting** and, apart from being subject to the 10% maximum threshold detailed herein, will also be calculated as part of the **40% maximum** referred to **subcontracting costs**.

Employees that have utilised elsewhere their allocated quota of research hours defined in their contract can apply for pro rata payment, **up to a maximum of an additional 10 hours per week**, for supervisory, research or management hours (**overseas travel hours are ineligible**) as an eligible cost of the project, if this is permissible within their contract of employment.

The hourly rate (z) is calculated using the following formula:

$$€ z = (\text{basic salary} + \text{allowances}) / \text{yearly workable hours of the employee}$$

Eligible salaries and personnel limits per project are pinned to the following hourly rates in the table directly below (including National Insurance and Inland Revenue and allowances)

Role in Project	Hourly rates 2025		Hourly rates 2026		Limits per project (persons)
	<i>min</i>	<i>max</i>	<i>min</i>	<i>max</i>	
<b>Manager</b>	NA	€54.46	NA	€57.78	Max 2 per project
<b>Senior Researcher<sup>5</sup> or equivalent</b>	€30.40	€41.98	€31.93	€44.08	Max 2 per project
<b>Researcher<sup>6</sup> or equivalent</b>	€15.92	€30.39	€16.72	€31.92	No Limits
<b>Operational, technician, research support assistant or equivalent</b>	NA	€15.91	NA	€16.71	No Limits

The rates stated in the table are for the **year 2025-26**. For subsequent years a 5% increase per year is allowed. Kindly ensure that only hourly rates are provided in the application form

Personnel in salary brackets that are higher than those noted above will still only be reimbursed at the rates of the eligible brackets above, depending on their role in the project.

The hourly rates will have to be noted in the application, along with the number of hours on the project per individual (*Please note that the maximum number of reimbursable hours per individual personnel through the project is **1760 per year***).

In the case of existing personnel, the names of individuals will have to be noted in the application and within the Budget Sheet alongside the allocated role. Their respective CVs need to be submitted, as well.

Complete time sheets are to be retained for all personnel (including students), as proof of the number of hours spent on the project. Documentation of the utilisation of

<sup>5</sup> The term 'senior researcher' is to be used for a postdoctoral researcher with a specialist and high level of local and international experience in the field. Individuals possessing a high level of experience in industry can still be considered. The applicant is to confirm this judgement with Xjenza Malta well in advance of submitting the application form.

<sup>6</sup> The term 'researcher' is to be used for a Bachelor's, Master's or a Ph.D. degree holder and hence the hourly rate should be equivalent to the degree held by the relevant individual.

the employees' internally funded, research quota for other research activities is to be retained since this evidence may be required by the auditors.

Students can be engaged on the project and paid an annual stipend of €6,000 when reading for a full-time Master's degree or an annual stipend of €8,000 when reading for a full-time Doctoral degree. In cases where postgraduate degrees are read for on a part-time basis, these stipends may be prorated at the discretion of Xjenza Malta. Students must be engaged through a Maltese academic entity. Where the applying entity is not a Maltese Academic Entity, reasonable supervisory fees are eligible under subcontracting.

**Note that for every engaged student, 1 full-time equivalent researcher must be employed by the consortium.**

With respect to the following eligible direct costs, kindly make sure that detailed information and specification are provided for individual line items:

- **Specialised equipment and Instruments:** Purchasing and leasing of instruments and specialised equipment including software. For equipment over €15,000, it is recommended that specifications and justifications are provided in the application form. If a specialised Laptop/PC is going to be purchased, kindly specify its usage/specs, please provide a letter justifying the planned project utilisation of such equipment in relation to its performance characteristics.
- **Subcontracted Activities:** Limited to 40% of the project value. The beneficiary remains responsible for the timely delivery of the subcontracted tasks which should be reflected in the work packages and led by an employee of the beneficiary. The beneficiary shall ensure that such a third party is selected in accordance with procurement guidelines in a fair, transparent and non-discriminatory manner.
- **Consumables incurred directly as a result of the project:** Overall value of consumables cannot exceed 30% of project value.
- **Travel:** Travel expenses are eligible up to a maximum of €4,000 (excluding indirect costs).

Eligible Costs and procedures are to conform with the auditor's checklist which will be included in the grant agreement and are subject to the final audit scrutiny.

## 9.2 Overheads and Other Operating Expenses

Overheads (also known as eligible indirect costs) and other operating expenses will be covered at 20% of direct eligible costs for all line items being requested.

## 9.3 Ineligible Costs

The following is a non-exhaustive list of expenditures which shall be considered as ineligible costs:

- ✓ Expenses related to loans, interest, etc
- ✓ Recoverable value added tax
- ✓ Expenses which are recoverable through other funding mechanisms
- ✓ Re-purchase of equipment originally procured through other funding mechanisms
- ✓ Opportunity costs related to foregone production and production downtime arising from the allocation of resources to the Project
- ✓ Any activity related to the reproduction of a commercial product or process by a physical examination of an existing system or from plans, blueprints, detailed specifications or publicly available information.
- ✓ Standard office equipment/ stationery
- ✓ Organising a conference
- ✓ Personnel hours for travelling
- ✓ Employee Overtime
- ✓ Patent renewal/maintenance fees
- ✓ Scientific Publication Costs
- ✓ Applying for or registering relevant Intellectual Property (e.g. patents for inventions, trademarks, copyrights, or design rights as applicable)
- ✓ Any costs related to the submission of the End of Project Audited Financial Report

**Kindly note that the above is a non-exhaustive list, and any line items not seen to be compliant with the nature of the programme will be subtracted from the grant.**

In the event a cost which is not clearly ineligible/eligible is to be proposed, kindly contact Xjenza Malta for clarification. Any clarification is to be performed at least 2 working days prior to the submission deadline.

#### **9.4 Aid Intensity**

The Programme's financial contribution to a beneficiary which falls under the definition of a Maltese Public Entity or Public research and knowledge dissemination organisation not carrying out an economic activity, as specified in the above sections, shall be 100% of eligible costs, in accordance with option B of this programme.

### **10 Double Funding**

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Funding under this Programme is made available on the basis that the applicant would not have benefited and will not benefit from any other grant or financial incentive of whatever nature, applied for and/or utilised for the same scope as that subject of the funding requested under this Programme. Provided that, in the case where the application covers work that is part of a larger project, the applicant must submit a table as an appendix to the application form that shows a comprehensive list of the items of work and the source of funding for each item.

By signing the Grant Agreement, project partners are automatically accepting and authorising Xjenza Malta to exchange essential information related to the project with other funding agencies, both local and overseas, for any necessary checks. Any occurrence of double funding should be communicated in writing to the Unit Director prior to the signing of the Grant Agreement.

### **11 Evaluation**

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Project applications will be evaluated through a three-step process. Primarily, projects will undergo an administrative compliance evaluation. At this stage, if any errors with the budget are noted, these will either be considered as a major deviation or a minor deviation (kindly refer to Section 6.1 for further guidance).

If successful, projects will be forwarded to three external evaluators for External Evaluation.

The projects will be ranked alternating from the next highest ranked project from option A to Option B starting from Option A until the funds are consumed. For clarity, the order of awards will be as follows (subject to the availability of funds):

1. Top ranked project for option A
2. Top ranked project for option B
3. Second ranked project for option A
4. Second ranked project for option B

The pattern will continue until all funds or eligible project are exhausted.

The Managing Authority may undertake a Due Diligence exercise through its contractors for the purpose of administrative compliance. Further assurances and documentation, such as bank guarantees and an updated Undertaking in Difficulty Form, may be required at the discretion of the Managing Authority. In the event that the Due Diligence assessment established a high exposure risk to the Managing Authority, the application will be rejected or further assurances may be requested from the applicant for the application to remain under consideration.

For a project to be successful it must pass from all three-steps.

Changes to the submitted proposal are not allowed prior to the Grant Agreement, unless requested and/or approved by the Managing Authority.

## **11.1 Evaluation Criteria**

Failure to achieve a minimum of **70% pass** from External Evaluation will lead to a rejection of the proposal.

External Evaluators will be evaluating applications on the following criteria:

### **Excellence (25%, Threshold: 15%)**

- Are the proposal's aims and objectives clear? Are they reasonable and ambitious within the context of this programme?
- Does the project go beyond the current, state of the art? Is the improvement between existing technologies and the proposed technologies clear?

- Will the proposed technology be novel on a local or global level? Does the innovation have potential to create or disrupt markets? Does the proposal fall within Malta's smart specialisation areas?
- Does the proposal appear to be technologically and practically feasible in achieving the set-out objectives? Are there significant risks associated with the development which can impact the efficacy of the final project?

### **Impact (50%, Threshold: 35%)**

- Is the proposal compelling and would it result in an advancement in the current market?
- Does the proposal address National, European Union or Global Priorities? Has the proposal been able to characterise the influences and impacts that the project has on the end-users?
- Would the project be commercially viable? Have markets and end-users been identified? Has this led to a reasonable prediction of the expected performance and specifications of the technology based on user needs?
- Has the project's impact on the entity been adequately described? Will the project improve operational efficiency or market resilience? Does the technology have significant scale-up potential?
- Is the proposal supported by an elementary feasibility study? Does the feasibility study include: a competitive analysis, primary market research, definition of unique selling points and identification and mitigation of critical risks?
- Has a plan for further development on the project and technology been devised? Have further iterations and the scope of these iterations been described as well as the ultimate impact on end users?
- Is the proposal accompanied by a comprehensive dissemination and externalisation plan which compliments commercialisation efforts?

### **Implementation (25%, Threshold: 15%)**

- Does the proposed project participant have the required skills and expertise to undertake the project successfully and deliver the set-out objectives?
- Is the ability to commercialise the project present within the applicant? If this is not the case, has this been mitigated and adequately addressed? Has a plausible route to protecting that novelty been proposed?
- Is the general scientific and technical approach proposed sound and credible? Are the tasks proposed appropriate for the timeframe allowed? Is the proposal coherent and

effective in terms of the work plan, including appropriateness of the allocation of deliverables, tasks, and resources?

- Is the requested budget appropriate and convincing in relation to this proposal's ambitions? Are the line items being requested pertinent within the project? Are they consistent with the current market price of those items?
- Have potential risks been described and will they be managed as such to ensure the best possible chances of success in the outcomes of the research?

### ***Other considerations:***

In the event that two or more projects obtain the same mark following evaluation, then Xjenza Malta shall give priority to that project which provides the best consideration to:

- ✓ the implementation of gender equality in the research project
- ✓ other sources of co-financing aside from the mandatory co-financing

## **11.2 12.2: Quality Approved Process**

Should a proposal score more than 80 marks yet not be granted due to funds being consumed by higher ranked proposals, the proposal will receive a "Quality Proposal Acknowledgment" (QPA). Using the QPA, Xjenza Malta will seek further funding on behalf of the applicant. Please note that there is no guarantee that these funds will be secured in favour of the proposal. The applicant will be notified following the evaluation and ranking of all proposals if they receive a QPA.

Xjenza Malta will have 3 months from the notification date to seek the funding requested and respond to the applicant. Should a project be granted further funding through this mechanism, the awarded process (Further evaluations, agreement, etc.) continue as regular. Should the 3-month window elapse, the project will not be successful and will not be granted funding. Should multiple proposals be provided with a QPA and insufficient funds are provided to grant all QPA projects, Xjenza Malta will respect the ranking devised through the evaluation process and award the next best ranked projects. Should a project receive funding but is rejected by the applicant for any reason, then the QPA mechanism no longer applies.



## 12 Post Selection Process

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### 12.1 The Grant Agreement

Following the successful evaluation of the application, the beneficiary will be invited to sign a Grant Agreement establishing the terms and conditions governing the financing of the project. The beneficiary will be expected to execute the project in line with the original proposal. The Project Application including but not limited to milestones, compliance and reporting obligations, as well as any relevant legal agreements, shall constitute an integral part of the Grant Agreement as will the rules for participation.

**Hard copies of the Grant Agreement must be signed within two (2) weeks from the date of receipt.** Where a legal representative is not available a proxy should sign. Failure to comply with the stipulated timeframe may result in a withdrawal of the offer for funding.

Together with the signed copies of the Grant Agreement, the Principal Investigator must provide an abstract of the project. This may be used, in-part or in-whole, by Xjenza Malta to publicise or externalise the award of funds. No proprietary intellectual property should be included in this draft.

### 12.2 Start Date and End Date

The project will start on a pre-determined date as agreed by all the respective parties and determine in the Grant Agreement.

To be eligible for funding, all expenses must be incurred between the Start Date and the End Date of the Project. This includes and is not limited to any publication costs.

Between the Agreement Date and the Start Date, the Beneficiary should ensure that all activities required for a smooth project start are completed. These may include but not limited to:

- ✓ obtaining quotations for procurement purposes
- ✓ issuing human resource calls

- ✓ opening a bank account for the depositing of the first tranche (Refer to Section 13.3)

## **13 Funding, management and Progress Monitoring**

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### **13.1 Allocation and Disbursement of Funding**

For the purposes of funding and reporting, a project submission shall be considered to be a single stage period of either 12 or 18 months, depending on the duration indicated by the beneficiary in the application.

The total financial contribution by the Managing Authority over the lifetime of the project shall not exceed the funding limit as established in the Grant Agreement, irrespective of actual expenditure.

The funding will be allocated as below:

- At the beginning of the project, Xjenza Malta will provide the 80% pre-financing to the beneficiary.
- The remaining 20% of the grant value will make up the totality of the retention, which will be given after the successful completion of the project and once all deliverables are declared successful and complete.

Xjenza Malta reserves the right to alter the retention percentage in to limit exposed risk, following a due diligence evaluation. Underspends are retrieved by Xjenza Malta following the financial audited report. Typically, these are reduced from the retention amount though Xjenza Malta reserves the right to request the return of additional funding that goes unspent. In the case of overpayment, the applicant will be required to refund the under-spent amount to the Managing Authority within a specific timeframe, or as agreed to with the Managing Authority.

### **13.2 Reporting & Audit**

The Principal Investigator shall set a schedule for periodic progress meetings with the Managing Authority. During such meetings, the beneficiary should verbally update Xjenza Malta on progress via presentation, as indicated in Section 8.3.1.

As indicated in Section 8, the Principal Investigator will be required to submit an End of Project Technical Report and an Audited Financial Report to the Managing Authority

with details of actual expenditure. Both reports must be approved by the Managing Authority before proceeding with the issuing of the retention tranche.

The End of Project Technical Report should include an account of the activities and achievements carried out throughout the reporting period as compared with the contents of the application (and/or additional annexes within the Grant Agreement outlining the tasks and deliverables of the beneficiary) as originally submitted. This should follow the template provided by Xjenza Malta.

The beneficiary shall appoint a certified auditor to conduct a detailed financial audit, following the completion of the project, where the auditor is responsible for the financial audit and approved by Xjenza Malta once submitted. The Managing Authority reserves the right to appoint an auditor to audit the Project Financial Audit as submitted. This audit should determine the total eligible costs, and it should be conducted to align with the Audit Checklist provided by Xjenza Malta.

The End of Project Audited Financial Report must contain a detailed account of the actual expenditure disbursed for the entirety of project, including:

- i. Accounts
- ii. Physical Inventory (Provided using the Inventory Checklist template)
- iii. Timesheets and Payslips/employee contracts
- iv. Receipts for all equipment and consumables
- v. Bank statements for the Project Account

The End of Project Audited Financial Report shall be submitted up to eight (8) weeks from the stipulated end of project date.

The Managing Authority may at any time request supplementary information and documentation on the projects and may request additional progress meetings. The Managing Authority may make such additional enquiries into a project as deemed necessary. Any required documentation not submitted within Final Reports, or documentation not submitted within the specified timeframes, may render the whole project ineligible, and may result in the Managing Authority recovering all funds disbursed across the project. If the project is found to be in breach of the Grant Agreement or to materially depart from the submitted application, the Managing Authority reserves the right to discontinue the award, and the beneficiary may be required to refund the Grant in part or in full. In any such event, the Managing Authority may also exclude a beneficiary from participating in future calls.

Templates for any mandatory reports will be provided with the grant agreement.

*Over and above the audit responsibilities of the lead, Xjenza Malta may conduct a detailed audit consisting of a financial and a technical part, following the completion of the project. The 3-part audit will consist of the following:*

*The financial audit*

- *Accounts*
- *Physical Inventory*
- *Time-sheets and payslips*
- *Receipts for all equipment and consumables*
- *Bank statements for the R&I Project Account*

*The Project Management Audit*

- *Schedule management*
- *Change management*
- *Deliverables*
- *Achievements compared with Key Performance Indicators*

*Technical Audit*

- *Brief summary of the project including scientific hypothesis investigated*
- *Interpretation of Research Results*
- *Project's impact, including Prototypes and IP/patent check*

*Xjenza Malta reserves the right to request additional project-related information and conduct intermediate audits at any time.*

### **13.3 Transfer of Funds**

Applicants should note that:

- Transfers of project funds between line items over the duration of the project that are cumulatively less than 20% of the grant value are automatically eligible provided that:
  - i. The limits mentioned in the Rules for Participation in Section 9 are adhered to
  - ii. Expenses are exclusively used throughout the project lifetime to the sole benefit of the project
  - iii. Requested costs should be eligible as per Rules of Participation
- Should transfers of project funds between line items are cumulatively greater than 20% of the grant value, these will be considered as significant alterations to the proposal and will not be eligible.

Kindly note that with respect to transfer of project funds, these should be reflected in the project progress meetings and in the Project Audited Financial Report.

**Kindly note that the structure of the line items will be as follows:**

- Transfers between different budget categories will always contribute to the 20% limit.
- Each manager will be considered as its own line item (transfers between managers will contribute to the 20% limit)
- Research personnel will be considered a single line item (transfers between research personnel will not contribute to the 20% limit)
- Equipment under €5,000 will be considered a single line item (transfers between equipment (under €5,000) will not contribute to the 20% limit). However, each piece of equipment over €5,000 will be considered their own line item (transfers between equipment (over €5,000) will contribute to the 20% limit).
- Subcontracted activities of under €5,000 will be considered a single line item (transfers between subcontracting (under €5,000) will not contribute to the 20% limit). However, subcontracting over €5,000 will be considered their own line items (transfers between subcontracting (over €5,000) will contribute to the 20% limit).

- Consumables of under €5,000 will be considered a single line item (transfers between consumables (under €5,000) will not contribute to the 20% limit). However, consumables over €5,000 will be considered their own line items (transfers between consumables (over €5,000) will contribute to the 20% limit).
- Travel will be considered a single line item (transfers between travel will not contribute to the 20% limit).

Kindly note that the term 'own line item' refers to a whole budget category whereas 'single line item' refers to one individual line item within a budget category.

Should an equipment/ subcontracting originally proposed to be over €5,000 but get reduced to less than €5,000 over the course of the project, this will still be considered as an individual line item. Should an item of equipment/subcontracting originally proposed to be less than €5,000, be increased to over €5,000 over the course of the project, this will alter to an individual line item.

**For reference purposes, please find attached the above transfers in a tabular format:**

<b><i>Will contribute to the 20% limit</i></b>	<b><i>Will not contribute to the 20% limit</i></b>
<i>Transfers between different budget categories</i>	
<i>Transfers between managers</i>	<i>Transfers between research personnel</i>
<i>Transfers between items of equipment (over €5,000)</i>	<i>Transfers between items of equipment (under €5,000)</i>
<i>Transfers between subcontracted activities (over €5,000)</i>	<i>Transfers between subcontracted activities (under €5,000)</i>
<i>Transfers between consumables (over €5,000)</i>	<i>Transfers between consumables (under €5,000)</i>

### 13.4 Accountability

As a condition, the Beneficiary shall open a dedicated project bank account with a banking institution of repute, in the name of the Beneficiary, designated by the Project

Grant Agreement Number, denominated in Euro. Grant payments by the Managing Authority, as well as any co-financing from Beneficiaries, shall be deposited into the Project Account. The Beneficiary shall only use this account for the payment of expenses incurred in connection with the Project, provided such expenses are authorised and allowed in terms of these Rules and the Grant Agreement. The Beneficiary shall not encumber the Project Account in any way whatsoever, and without limitation to the generality of the foregoing, the Grant shall not be made subject to any hypothec, pledge or any other form of security guarantee. Without prejudice to the generality of the foregoing provision, the following shall apply:

“The Managing Authority reserves the right to grant permission, in writing, to one or more Beneficiaries, to waive the obligations of said Beneficiary/s mentioned in Section 6.1. Provided that where the Managing Authority provides its written permission to one or more of the Beneficiaries to proceed without the opening of a Project Account, the Beneficiary/ies are to ensure that all Project transactions bear appropriate analysis codes to enable the clear distinction between Project transactions and other operational transactions. The Managing Authority reserves the right to order the refunding of any disbursed funds that have not been accounted for in this manner.”

The Managing Authority reserves the right to order the refunding of any disbursed funds that have not been accounted for in the above manner.

The Lead Beneficiary’s Project Account, or bank account is to be used in accordance with this Article’s provisions, is stated in the Grant Agreement.

Eligible expenses must have been determined in accordance with the usual accounting and management principles and practices of the beneficiary. Direct eligible costs must be backed up with the relevant documentation as specified in the Grant Agreement.

### **13.5 Dissemination and Externalisation**

All dissemination and publication of information in relation to the proposal selected for award is to commence following the signing of the Grant Agreement.

Any literature, articles and text material published in relation to the completion of tasks proposed in the project should include the words:

**‘Project <Project Name> financed by Xjenza Malta through the FUSION: R&I Technology Development Lite Programme’.**

This acknowledgement will need to be included on any dissemination material submitted to Xjenza Malta to be considered as fulfilling the obligations of the grant agreement. Dissemination related deliverables which do not have this acknowledgement will not be accepted.

In the case where printed material is published without a mention of the FUSION R&I Technology Programme and Xjenza Malta, the beneficiary shall be obliged to publish a correction at its own expense in the subsequent issue of the publication. This is also applicable for published material produced by persons who are not the beneficiary. In the case where such publicity does not mention the FUSION R&I Programme and Xjenza Malta, associated costs will be considered ineligible.

The Managing Authority reserves the right to request that the beneficiary participates in any Research Conferences or Events to disseminate the project results and the experience in obtaining funding from the Managing Authority.

The Beneficiaries shall always cooperate with the Managing Authority in promoting the Programme by presenting the Awarded Project or through other reasonable means, as requested by the Managing Authority.

## **14 Supervening Circumstance**

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The Principal Investigator is obliged to immediately advise the Unit Director, of any internal or extraneous significant event which might affect the validity or implementation of the project. This obligation applies to the entire period between the submission of the preliminary project application and the completion of the project.

Xjenza Malta shall acknowledge receipt within five (5) working days. The reply will either give such directives as it deems necessary for the furtherance on the project or re-assess the project in its entirety accordingly.

Failure on the part of the Principal Investigator to respect this obligation may be deemed by Xjenza Malta to constitute material non-compliance on the part of the Beneficiary and Xjenza Malta may thereafter take such action as is necessary in terms of the Grant Agreement in consequence of such non-compliance.



## 14.1 Default

Where the implementation of a project becomes impossible or implementation is not completed, the Managing Authority shall be entitled to take any action it deems necessary, including, but not limited to, the withdrawal of funding for the project and the collection of refunds of money already paid out. A similar course of action may be followed if a project is in default as a result of not meeting one or more of its obligations in terms of the Grant Agreement.

In the event of default on the part of the Beneficiary the Managing Authority may issue a written notice to the Beneficiary outlining the default, the corrective action to be taken and granting a rectification period of one month. The Managing Authority may also issue a second written notice of default granting a rectification period in respect of the same default.

## 15 Interpretation of Rules

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This document endeavours to establish comprehensive and clear rules governing participation in this initiative. However, should circumstances arise where the rules are inadequate, unclear, ambiguous, or conflicting, Xjenza Malta shall exercise its discretion in the interpretation of the rules or will extrapolate the rules as necessary through the setting up of an ad hoc committee. These current Rules repeal any Rules previously issued and constitute exclusively the entire Rules issued by the Xjenza Malta.

These current Rules repeal any Rules previously issued and constitute exclusively the entire Rules issued by the Managing Authority.

In the event of a conflict between the Grant Agreement and these Rules for Participation, the Grant Agreement shall take precedence.