



GOVERNMENT  
OF MALTA

PARLIAMENTARY SECRETARIAT  
FOR YOUTH, RESEARCH  
AND INNOVATION



GOVERNMENT OF MALTA  
MINISTRY FOR HEALTH  
AND ACTIVE AGEING

## R&I Thematic Programmes – Obesity Research Programme

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Rules for Participation 2025

Rules for State Aid – *de minimis* (Option A)



**THEMATIC**  
PROGRAMMES

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## 1 Introduction

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The R&I Thematic Programmes aim to financially support innovative projects through specific, top-down initiatives with the support of Maltese Public Entities and Authorities. These thematic initiatives are supported through national funds managed by Xjenza Malta.

The aim of these thematic initiatives is to improve the R&I landscape in Malta, by producing a cohesive system by which Maltese researchers and entrepreneurs may develop their innovative ideas in a comprehensive, well-adapted environment which caters specifically for their sector. With these requirements in mind, an adaptive system can only be developed with the collaboration of Maltese public entities, authorities and agencies who boast a deep technical understanding of specific sectors within their remit.

These collaborative initiatives will allow Maltese researchers to benefit from the synergy between the technical abilities of these Maltese Public Entities and Authorities, and the R&I experience and networking capabilities of Xjenza Malta.

The main objectives of the R&I Thematic Programmes are:

- To develop a cohesive R&I landscape in Malta
- To create dedicated, sector specific support
- To engage with the Maltese R&I community
- To concentrate the efforts of Maltese researchers and entrepreneurs into addressing topics of national interest

The R&I Thematic Programmes are aimed to address immediate concerns of national interest.

## 2 The Obesity Research Programme

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### 2.1 Programme Scope and Focus

After a succession of consultations, and the declaration of support between Xjenza Malta and the Ministry for Health and Active Ageing (MHA), several avenues for

collaboration were identified, including a dedicated thematic programme related to obesity in Malta. The public policy provision was guided by the Strategy Development and Implementation Unit within the office of the Superintendent of Public Health, Ministry for Health and Active Ageing.

The Obesity Research Programme aims to support research efforts that investigate the impact of the local food environment on obesity, with a focus on food labelling, food provision, and food promotion. By investigating these key areas, the programme aims to generate evidence that can inform policies and interventions designed to promote healthier food choices and improve public health outcomes.

Research on food labelling explores how clear, accessible, and effective labelling can empower consumers to make informed dietary decisions. Studies on food provision assess the impact of institutional and government-led food schemes in shaping healthier eating habits and fostering a culture of wellness. Meanwhile, research on food promotion examines the prevalence and effects of unhealthy food marketing, advocating for policies that limit exposure to harmful advertising.

Collectively, these efforts contribute to a deeper understanding of the relationship between food environments and obesity, supporting the development of targeted strategies to combat diet-related health issues. This call will focus on the following sub-areas:

#### Sub Area 1: Food Labelling

Food labelling for empowering consumers towards healthier choices: what is needed for success?

Food labelling is a critical tool for empowering consumers to make more informed dietary choices. It provides essential information about the nutritional content, ingredients, and health claims of food products, enabling individuals to align their choices with personal health goals, dietary restrictions, or medical needs. Clear, accessible, and accurate food labelling—whether on packaging or through digital formats can influence consumer behaviour by increasing awareness of energy-dense foods and promoting healthier alternatives. When effectively designed, different food

labelling methods can bridge the gap between knowledge and action, helping consumers in Malta to navigate the complexities of food selection in a way that supports overall well-being and addresses public health challenges and chronic diseases like obesity.

Effective implementation of food labelling systems is essential for transforming their potential into real public health benefits. Clear and accessible labelling empowers consumers to make informed decisions, bridging the gap between knowledge and action while promoting healthier choices. Proper implementation ensures labels are user-friendly, standardised, and inclusive, accommodating diverse literacy levels and dietary needs. It also drives industry accountability, fosters trust, and complements public health initiatives aimed at reducing chronic diseases like obesity.

## Sub Area 2: Food Provision

Evaluating the Impact and Awareness of Food and Beverage Provisions in Institutions and through Government Schemes: Opportunities for Development and Enhancement

Food and beverage provision in Institutions and through Government Schemes in Malta aim to promote healthier eating habits among service users by regulating the types of food and beverages available in institutions. However, the acceptability, effectiveness and overall impact of these provisions in achieving their objectives, alongside the level of awareness among stakeholders, and opportunities for enhancement have not been extensively studied. Evaluating these aspects is crucial for optimising their implementation, enhancing their effectiveness and maximising their overall impact on public health.

In addition to shaping healthy behaviours, the implementation of such provisions plays a pivotal role in creating a culture of wellness within institutions. It goes beyond simply offering healthier options—it establishes an environment where nutrition is prioritised as a key component of service users. Furthermore, consistent adherence to these

provisions signals a commitment to health, helping to build trust among stakeholders, service users, and the wider community.

### Sub Area 3: Food Promotion

Examining and addressing unhealthy food marketing across all media and environments in Malta.

The marketing of unhealthy foods significantly influences dietary preferences, consumption patterns, and long-term health, contributing to the increasing prevalence of obesity and related chronic diseases. Persuasive marketing strategies across various media channels—including television, social media, billboards, and food packaging—often promote high-calorie, nutrient-poor foods. These marketing practices are pervasive, infiltrating everyday environments and normalizing unhealthy eating habits.

Implementing effective policies to restrict the marketing of unhealthy foods is essential to promote healthier dietary behaviours and improve public health outcomes. This requires comprehensive monitoring, consistent enforcement, and widespread public awareness efforts to ensure compliance and maximize impact. Addressing marketing across all channels and environments is a critical step toward creating healthier spaces that support informed choices and foster long-term well-being.

The types of research categories eligible under this programme are Fundamental Research, Industrial Research and Experimental Development.

Sharing of data generated through projects is strongly encouraged, particularly with relevant local government policy makers, to support evidence-based decision-making. However, it is important to note that the ownership of all data should remain with the project beneficiary, unless otherwise agreed by the respective parties.

## 2.2 Contacts

For general enquires kindly contact:

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## 3 Definitions

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

<i>Agreement Date</i>	The term refers to the date on which the Grant Agreement is signed by the legal representative of Xjenza Malta.
<i>Applicant</i>	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 programme.
<i>Arm's length</i>	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.
<i>Beneficiary</i>	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.
<i>Due Diligence</i>	An investigation of an entity or person prior to the signing of the Grant Agreement conducted in order to establish the suitability of the Applicant to receive funding under this Programme.
<i>Eligible Direct Costs</i>	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.
<i>Eligible Undertakings</i>	<p>The term refers to undertakings planning to carry out Fundamental Research, Industrial Research and/or Experimental Development projects and must either be:</p> <ul style="list-style-type: none"> <li>i. A partnership constituted under the Companies Act, being a partnership <i>en nom collectif</i>, <i>en commandite</i> or a limited liability company; or</li> <li>ii. Duly registered as a co-operative society under the Co-Operative Societies Act, or</li> <li>iii. Professional body; or</li> <li>iv. NGOs; or</li> <li>v. Non-profit making entities (including Foundations).</li> </ul> <p>'Professional Body' may be an organisation, an association, a chamber, society, institute, or a group of professional persons not being enrolled or registered in terms of The Voluntary Organisations Act (CAP 492 of the Laws of</p>

Malta) or not being otherwise recognised in terms of Law, and which is generally recognised and acknowledged by the professional persons it seeks to represent as their representative body. For the purposes of this Definition, a professional person is one who has undergone a period of study at a university or a recognised institution of higher learning and has obtained the formal qualification entitling the person to practise the respective profession; and who provides a specialised service to the public, based primarily on a fiduciary relationship between herself/himself and the party to whom s/he provides such service on his own personal credibility and responsibility.

‘NGO’ means any Voluntary or Non-Governmental Organisation set up in accordance with The Voluntary Organisations Act (CAP 492 of the Laws of Malta). Provided that a duly registered NGO, or a duly registered Professional Body shall also be considered to be NGOs for the purposes of these Rules of Participation.

‘Non-profit making’ is an entity where:

- i. The statute of which includes an express exclusion making profits as a purpose; and
- ii. An entity the statute of which expressly excludes in its purposes the promotion of private interests, other than a private interest which has a social purpose; and
- iii. An entity that makes no part of its income, capital or property available directly or indirectly to any promoter, founder, member, administrator, donor or any other private interest.

Provided that if a promoter, founder, member, administrator or donor is another enrolled non-profit making organisation, the limitation in this paragraph (iii) shall not apply where the availability of such income, capital or

	<p>property is subject to conditions which are consistent with the general purposes of the grantor entity:</p> <p>Provided further that an organisation shall continue to be deemed as non-profit making notwithstanding that:</p> <ul style="list-style-type: none"> <li>i. It obtains a pecuniary gain from its activities when such gain is not received or credited to its members but is exclusively utilised for its established purposes;</li> <li>ii. It buys or sells or otherwise deals in goods or services where such activities are exclusively related to its principal purposes;</li> <li>iii. It is established for the general entertainment, pastime, education or other similar benefit only of its members; or</li> <li>iv. It is established for the promotion of the social role, ethics, education and values of a trade or profession provided it does not promote the private interests of its members.</li> </ul>
<i>End Date</i>	This term refers to the date when the Project Period, having commenced on the Start Date, expires.
<i>Grant Agreement</i>	This 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.
<i>In-kind</i>	The term refers to any non-monetary contribution, such as a service or a good.
<i>Innovation</i>	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 developments which though not novel represent a step-changing or 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.
<i>Intellectual Property (IP)</i>	IP means statutory and other proprietary rights and includes patents, trademarks, designs, and confidential information/trade secrets, copyright.
<i>Lead Agency</i>	The primary organization tasked with overseeing and coordinating the entirety of the call process.
<i>Legal Entity</i>	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.
<i>Managing Authority</i>	The term refers to Xjenza Malta, a Managing Authority established as per Subsidiary Legislation 595.49.
<i>Operating base in Malta</i>	Having an Operating base in Malta refers to a Legal Entity that: <ul style="list-style-type: none"> <li>i. Owns, leases, or has been given the right of use by a third party, an adequate premise from where to conduct an eligible economic activity in the region of Malta; and</li> <li>ii. Employs at least one person that is based in Malta and is liable to pay income tax in Malta.</li> </ul>
<i>Partner</i>	The term is defined as an entity within a consortium of a funded project.
<i>Person months / Person hours</i>	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 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.
<i>Personnel costs</i>	The term means the costs of researchers, technicians and other supporting staff to the extent employed on the relevant project or activity.

<i>Principal Investigator</i>	The term refers to the lead researcher on behalf of the local Applicant/Beneficiary of a transnational project consortium. May be the same as the Project Coordinator and/or the Project Contact Point.
<i>Project Contact Point</i>	<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>i. To ensure compliance with the obligations in terms of the Grant Agreement.</li> <li>ii. To compile Periodic Reports and Final Reports including their timely submissions and effective execution of the project.</li> <li>iii. To ensure the submission of all required financial reporting as per the contractual obligations for the partner.</li> <li>iv. To execute the project activities according to set timeframes and deliverables.</li> </ul>
<i>Project Grant</i>	The term is defined as the funding provided to the Beneficiary under the Programme.
<i>Project Period</i>	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.
<i>Project Value</i>	The term refers to the project budget needed by the Applicant to carry out the project, including any co-financing.
<i>Research and Development</i>	<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) Fundamental Research means experimental or theoretical work undertaken primarily to acquire</li> </ul>

	<p>new knowledge of the underlying foundations of phenomena and observable facts, without any direct commercial application or use in view.</p> <p>b) Industrial Research 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.</p> <p>c) Experimental Development means acquiring, combining, shaping and using existing scientific, technological, business and other relevant 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</p>
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	<p>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. 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><i>Research and Knowledge-Dissemination Organisation (RKDO)</i></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 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.</p>

	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.
<i>Single Undertaking</i>	<p>The term means all enterprises having at least one of the following relationships with each other:</p> <ul style="list-style-type: none"> <li>i. One enterprise has a majority of the shareholders' or members' voting rights in another enterprise;</li> <li>ii. One enterprise has the right to appoint or remove a majority of the members of the administrative, management or supervisory body of another enterprise;</li> <li>iii. One enterprise has the right to exercise a dominant influence on another enterprise pursuant to a contract entered into with that enterprise or pursuant to a provision in its Memorandum and Articles of association;</li> <li>iv. One enterprise, which is a shareholder in or member of another enterprise, controls alone, pursuant to an agreement with other shareholders in or members of that enterprise, a majority of shareholders' or members' voting rights in that enterprise.</li> </ul> <p>Enterprises having any of the relationships referred to in points (i) to (iv) above through one or more other enterprises shall be considered to be a Single Undertaking.</p>
<i>Start Date</i>	The term refers to date established for the official start of the project in the Grant Agreement.
<i>Start of Works</i>	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.
<i>Start-up</i>	The term shall be defined as an undertaking that has been established for less than five (5) years following its registration. For Eligible Undertakings that are not subject to registration, the five-year eligibility period shall start from either the moment when the undertaking starts its economic activity or the moment it becomes liable to tax with regard to its economic activity, whichever is earlier.
<i>Subcontracted Activity</i>	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.

#### 4 Eligibility Criteria and Applications

These Rules for Participation are exclusively applicable to undertakings that carry out an economic activity within the meaning of Article 107 TFEU. This section provides details as to the criteria which must be checked in order to assess the entity's or consortium's eligibility to apply and the application's fit within this Programme.

Any eligible undertaking, with an operating base in Malta, as defined in Section 3, may apply and will be eligible for funding subject to the terms and conditions laid out in this document and in particular the conditions for eligibility. Applicants who fall within the definition of eligible undertaking, will be required to provide the following documents (to be included with the application form) which will then be considered during the administrative check:

- Management accounts, including detailed profit and loss, as well as balance sheet, for the current year.

If the Applicant is a start-up and the above documents are not available, the Applicant shall provide the financial projections for three (3) years signed by an auditor, including:

- An income statement
- A cash flow statement

- A statement of financial position

Other forms of documentation can be requested depending on the nature of the eligible undertaking.

Applicants, who fall within the definitions of professional bodies and NGOs, will still be required to provide relevant financial documents as well as, including but not limited to, an authenticated constitutional document (e.g. Statute/ Deed) and VO certificates.

All applications should be accompanied by the relevant declarations duly completed within the Appendices of the Application Form.

Given the aims of the Obesity Research Programme, 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

Kindly note that the applicant entity must be a Maltese registered entity by the date of application submission. Both sole applicants and consortia are eligible to apply for the Obesity Research Programme.

Any Applicant which at the time of proposal submission is deemed to be noncompliant 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 Managing Authority and circumstances where the applicant is in recognised default of Grant Agreement obligations on any other active project funded by the Managing Authority. 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 Programme is made available on the basis that none of the project partners 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 Beneficiary 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.

Applicants under these Rules for Participation must understand that, should they be found to be in breach of the conditions of the applicable State Aid Regulation, the Managing Authority will enforce the retrieval of disbursed funds with interest, in part or in full, as the case may necessitate. Xjenza Malta also reserves the right to terminate any applications that have followed in part or in full the Rules for Participation, should Xjenza Malta not be satisfied with the segregation of work packages, activities, tasks and deliverables, as well as budgets.

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

## 4.2 Conflict of Interest

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 interest 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.

To uphold scientific integrity and protect public trust, preventive research on obesity must be entirely free from industry influence. Principal investigators, co-investigators, or research institutions with financial or advisory ties to the food or beverage industry (including consulting, board membership, or sponsored research) are ineligible to lead or participate in funded research. If a conflict of interest is discovered at application stage and/or during the lifetime of the project, funding may be revoked at the discretion of Xjenza Malta, and the project may be subject to review by Xjenza Malta independent external evaluators. This can lead to ineligibility and/or termination of the project by Xjenza Malta, depending on the severity of the violation.

The individuals working in the Strategy Development and Implementation Unit, which have provided the public policy direction of this respective subareas within this call are also excluded from applying.

## 5 Consortium

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### 5.1 Composition

A project application may be submitted by a Consortium, consisting of two or more Maltese Legal Entities. It is permissible for a consortium to consist of one or more Partners applying under these State Aid (Option A - *de minimis*) Rules for Participation,

and one or more Partners applying under the non-state aid (Option B) Rules for Participation.

In the case of a Consortium, one of the Partners should be designated as the Lead Partner and as the Principal Investigator. The Lead Partner will be responsible for the application submission of the R&I project, the appointment of a project contact point and the correct execution of the project. Any person may only be involved with one project partner (Refer to section 5.3).

In the case of a Consortium, the project proposal must be submitted by the Lead Partner, with prior endorsement and signature of the application by the legal representative of each Partner. Should the endorsement be absent, a delegated authority should be sought and achieved. The role of the Project Contact Point shall be performed by a physical person who is an employee of the Lead Partner.

A Consortium Partner wishing to withdraw from a Project, must present their case to Xjenza Malta through their Principal Investigator. As a result, and at its discretion, Xjenza Malta may request the refunding of money disbursed to that partner and may even terminate the project in its entirety. All Project partners would still be obliged to provide all technical and financial reporting at their own expense. In extenuating circumstances, Xjenza Malta may at its discretion, consider suggestions for replacement of a Partner. However, the project proposal would need to be re-evaluated. Should this be the case, the overall rules for participation would need to be adhered to and the technical and financial distribution of the projects should remain unchanged.

The Principal Investigator has overall responsibility for the project, and shall have the following responsibilities:

- ✓ To coordinate the timely development of the project, including establishing and managing project activities, timeframes and financial estimates;
- ✓ To coordinate the timely activities of the individual project partners on an ongoing basis, and to ensure that they fulfil their obligations in terms of the Contractual Agreement;

- ✓ To compile all reports including Technical and Financial Reports including submissions by all project Partners in a timely manner;
- ✓ To act as the main point of contact between Xjenza Malta and the project Partners;

## 5.2 Lead Partner

In the case of a consortium, the Principal Investigator (lead partner) must ensure that the consortium complies with all obligations assigned within the contract governing this grant, including being responsible for the timely submission of reports and effective execution of the project. A Project Contact Point has to be appointed.

## 5.3 Conflict with Fundamental Aim of Programme

Pertaining to the Arm's length principle, the participation of individuals in a Consortium must not be of such nature as to create conflicts with the fundamentals of knowledge transfer and commercialisation, which are the foremost aims of the Obesity Research Programme.

Two legal entities shall be regarded as independent of each other where neither is under the direct or indirect control of the other or under the same direct or indirect control as the other. Control may take either of the following forms:

- a) The direct or indirect holding of more than 50% of the nominal value of the issued share capital in the legal entity concerned, or a majority of the voting rights of the shareholders or associates of that entity.
- b) The direct or indirect holding, in fact or in law, of decision-making powers in the legal entity concerned.

The following relationships between legal entities shall not in themselves be deemed to constitute controlling relationships:

- a) The same public investment corporation, institutional investor or venture-capital company has a direct or indirect holding of more than 50% of the nominal value of the issued share capital or a majority of voting rights of the shareholders or associates.
- b) The legal entities concerned are owned or supervised by the same public body.

Partners in the same Consortium cannot be involved in any commercial transaction with another Partner in the same Consortium, or any other entity with shared shareholding, or any other entity within the same group of companies as the Partner, on any matter related to the R&I Project.

## 6 Applicability of State Aid Rules

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Assistance provided under these Rules for Participation is in line with the terms and conditions of Commission Regulation (EU) 2023/2831 of 13 December 2023<sup>1</sup> on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to *de minimis* aid (OJ L, 2023/2831, 15.12.2023) (hereinafter referred to as the *de minimis* Regulation).

The *de minimis* Regulation stipulates that a single undertaking cannot receive more than €300,000 in *de minimis* aid over the applicable three-year period, including *de minimis* aid offered by entities other than the Managing Authority. The three-year period is assessed on a rolling basis.

Applicants should ensure and declare that they are eligible for the requested grant under State Aid rules before applying.

Applicants will be required to submit a signed *de minimis* declaration form indicating any *de minimis* aid received and/or applied for during the applicable three-year period.

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<sup>1</sup> More information available here: <https://eur-lex.europa.eu/eli/reg/2023/2831>

In the case of successful applications, an updated declaration form shall be provided at the time of the signing of the Grant Agreement, ensuring that the applicant remains eligible for funding under the State Aid regime.

Any *de minimis* aid received more than the established threshold will have to be recovered, with interest from the undertaking receiving the aid.

In line with Article 1 of the *de Minimis* Regulation, no aid will be granted to the following undertakings and/sectors since these are expressly excluded from the scope of the *de minimis* Regulation:

- (a) aid granted to undertakings active in the primary production of fishery and aquaculture products;
- (b) aid granted to undertakings active in the processing and marketing of fishery and aquaculture products, where the amount of the aid is fixed on the basis of price or quantity of products purchased or put on the market;
- (c) aid granted to undertakings active in the primary production of agricultural products;
- (d) aid granted to undertakings active in the processing and marketing of agricultural products, in one of the following cases:
  - (i) where the amount of the aid is fixed on the basis of the price or quantity of such products purchased from primary producers or put on the market by the undertakings concerned;
  - (ii) where the aid is conditional on being partly or entirely passed on to primary producers;
- (e) aid granted to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, the establishment and operation of a distribution network or other current expenditure linked to the export activity;

(f) aid contingent upon the use of domestic goods and services over imported goods and services.

Where an undertaking is active in the sectors referred to in points (a), (b), (c) or (d) above, and is also active in one or more of the other sectors falling within the scope of the *de minimis* Regulation, or has other activities falling within the scope of the *de minimis* Regulation, the *de minimis* Regulation shall apply to aid granted in respect of the latter sectors or activities, provided that the Managing Authority ensures, by relying on appropriate means such as separation of activities or separation of accounts, that the activities in the sectors excluded from the scope of this Regulation do not benefit from the *de minimis* aid granted in accordance with this Regulation.

The rules on cumulation laid down in Article 5 of the *de Minimis* Regulation will be respected.

In line with Article 6(1) of the *de minimis* Regulation, as of 1 January 2026, information on *de minimis* aid granted under this scheme shall be made publicly available in the central register at national or Union Level.

The following information shall be made public:

- the identification of the beneficiary,
- the aid amount,
- the granting date,
- the aid instrument, and
- the sector involved on the basis of the statistical classification of economic activities in the Union ('NACE classification').

Applicants under these Rules for Participation must understand that, should they be found to be in breach of the *de minimis* Regulation, the Managing Authority will enforce the retrieval of disbursed funds with interest, in part or in full, as the case may necessitate.

## 7 The Application Process

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The Call for Project Proposals will be open for 6 weeks between Monday, 26<sup>th</sup> May 2025 until 23:59PM on Monday 7<sup>th</sup> July 2025. Proposals which are received after the stipulated deadline will be deemed administratively non-compliant. The selection and funding of proposals under this Programme shall be on a competitive basis.

Applicants should refer to the eligibility criteria in Sections 4, 5 and 6.

### 7.1 Application Submission

The Obesity Research Programme project application should present a coherent, comprehensive and credible plan based on reasonable estimates of human resources, finances, deliverables and timeframes, through the use of templates provided by Xjenza Malta.

The legal representative of each participating organisation (within a consortium) must either physically or electronically sign off all the application, and enter the date of signature. The legal representative of each participating organisation within a consortium must also sign off all relevant declarations found within the Appendices of the Application Form. In case of sole entities, the legal representative of the entity applying must sign off on the application and all relevant documentation.

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

Applicants are to submit an application for assistance under this scheme before the start of works.

All applications shall be evaluated according to the procedure outlined under Section 11 of these Rules for Participation. The application process is a single stage process.

This means that once an application has been submitted, modifications thereto will not be allowed. Moreover, requests made by the applicant to allow negotiations on the content of the proposals, after submission will be rejected.

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% or 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 or appendices within the submitted application, that go beyond the prescribed maximum word count and/or page limits, shall be disregarded in the scientific evaluation process.

## 7.2 Submission Details

All Submissions must include:

- ✓ The application form in MS Word (.docx) format and a signed scanned copy (to be sent by email) including:
  - A precise plan of project activities, timeframes, costs and deliverables
  - A detailed plan of how Beneficiary's knowledge and, where applicable subcontractors or co-collaborators, will be used to perform the project tasks and to achieve the project objectives (At this stage, if subcontractors have not been identified, one should mention the tasks that will be passed on and the expertise required.)
- ✓ A Gantt Chart should be included in Section 4.3.4 (b) of the application

- ✓ The Detailed Budget breakdown form<sup>2</sup> (.xlsx)
- ✓ Curricula Vitae of key researchers including relevant track records. These should clearly establish that there is the potential in carrying out the project.
- ✓ The signed *de minimis* State Aid Declaration Form (An updated State Aid Declaration form is to be submitted upon the signing of the Grant Agreement should the project be selected for funding, as well as declarations on Indirect State Aid).
- ✓ An IP agreement signed by all Project Partners (*in the case of consortia, if applicable*)
- ✓ Signed Additional Declarations for each partner
- ✓ Management Accounts, including detailed profit and loss, as well as balance sheet, for the current year.
- ✓ In the event that the applicant is a start-up, and the above documents are not available, the applicant shall provide the financial projections for three (3) years signed by an independent certified public accountant, including:
  - An income statement,
  - A cash flow statement, and
  - A statement of financial position

Standard documentation including declarations will be accessible on the [Resource page](#)

In the case of a consortium, where State aid rules would not apply to one of the partners, refer to the Rules for Participation – Rules for Non-State aid (Option B).

Amendments to the forms are not permitted following the submission deadline of the application and the consensus result would be final.

Undertakings applying under these Rules for Participation will also be subjected to a Due Diligence evaluation which will make use of the documents submitted as well as documents within public record.

Application Forms should be sent electronically to [rtdi.xjenzamalta@gov.mt](mailto:rtdi.xjenzamalta@gov.mt) keeping Ms. Enya Maria Haber ([enya-maria.haber@gov.mt](mailto:enya-maria.haber@gov.mt)) and Mr. David Camilleri

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<sup>2</sup> This can be found within the [Resource Page](#) on the Xjenza Malta website

([david.camilleri.4@gov.mt](mailto:david.camilleri.4@gov.mt)) in copy, with “Obesity Research Programme Application Submission – [Project Acronym]”

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 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 as 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.

In both cases, it is the responsibility of the applicant to ensure that a confirmation of receipt is provided.

### 7.3 Considerations at Application Stage

#### 7.3.1 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 the other organisations which may be involved. It is the applicant’s responsibility to ask for information on lead times 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 not later than 23:59pm (CET) on the day of the deadline, must be dated, signed by the Lead Partner’s legal representative. In the case of consortia, signatures of the legal representatives of each respective participating organisation are required.

### 7.3.2 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 submission. 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 single-stage application documentation is complete and effective from an administrative perspective, as once submitted, it cannot be edited. One-to-one sessions and correspondence seeking advice should be done latest one week before the closing date of this call.

## 8 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 and MHA 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. Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid (the de minimis Regulation), for projects implemented in line with these Rules for Participation.
- iii. 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).

- iv. The legitimate basis to process personal data submitted by the data subject by virtue of his/her written application for aid is Regulation 6 (1)(b) of the General Data Protection Regulation ("GDPR"), as 'processing is necessary in order to take steps at the request of the data subject prior to entering into a contract'.

Further information may be found within the application form.

## 9 Programme Parameters

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Xjenza Malta, in collaboration with MHA, reserve the right to carry out financial and/or technical audits at their discretion, at any time during the duration of the project to ensure that Programme Parameters, as per contractual obligations are being observed.

### 9.1 Project Start Date and Duration

The project must start by 1<sup>st</sup> December 2025 or as otherwise stated by Xjenza Malta. The project duration is of 24 months. without the possibility of an extension.

### 9.2 Project Grant

The maximum possible grant value for a project is €100,000.

### 9.3 Deliverables

Deliverables are tangible outcomes of the project and must be submissible (such as technical reports, presentations, articles, video recordings, conference papers, journal articles etc...). These deliverables must be carried out between the start date and end date of the project. Deliverables not planned within the project timelines will not be considered. If the project is awarded, detailed and comprehensive evidence should be submitted for each deliverable described 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 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 content of each deliverable should be proportionate to the research efforts carried out to obtain such results.

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.

### 9.3.1 Mandatory Deliverables

The Beneficiary/ies are under the obligation to:

- ✓ Report on project progress as per the list hereunder and in line with the templates provided:
  - Hold a kick-off meeting at the start of the project (Month 1) with Xjenza Malta and the MHA, followed by project progress meetings every six (6) months to verbally update the Managing Authority. Conclude the project with a final meeting. These deliverables should be provided through presentations. (Kindly note, that Xjenza Malta may, at its own discretion, request additional meetings if required.)
  - Interim Technical and Financial Reports (Mid-way through the project).
  - End of Project Technical Report.
  - End of Project Audited Financial Report, together with the Audit Check List and Inventory List.
- ✓ Publish at least one article in public media (e.g., local newspapers or magazines) to raise public awareness, including an acknowledgement to the Managing Authority and MHA. *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.*

The Reports 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, work-packages or any other parameter committed to 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 to the Unit Director for approval. The Managing Authority 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 the Xjenza Malta and MHA, and its decision shall be binding, final and irrevocable. Any other communication shall not be considered valid or binding.

### 9.3.2 Recommended Deliverables

Further to the mandatory deliverables, Xjenza Malta recommends that additional deliverables are included. The proposed recommended deliverables should not exceed ten (10). Although the deliverables cited below are not mandatory, if the applicant includes such recommended deliverables at the proposal stage, this enhances the strength of the application form. The recommended deliverables may include:

- ✓ A strategic plan to assess the research after its conclusion, how to further exploit and develop the results.
- ✓ The attainment of any certification, degrees or IP generation
- ✓ Reports after the conclusion of testing, to highlight the generation of new knowledge.
- ✓ Wide dissemination activities, including but not limited to events, social media content creation, articles in local newspapers, presentations in conferences, publications (preferably in open access<sup>3</sup>), project exhibitions etc.

Kindly note that the list of examples given above are not exhaustive

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

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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 Obesity Research 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.

Xjenza Malta appreciates that the fulfilment of the recommended deliverables may be dependent on external factors. 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 should not be considered as deliverables. These include:

- Personnel recruitment,
- Procurement of equipment,
- Internal meetings between the research team/with collaborators.
- Ethical Approval

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, correspondence, legal agreements, images, event agendas, audio recordings, videos, databases, certificate, manuscripts etc. The proposed percentage weighting of each deliverable on the overall project (cumulatively adding up to 100%) should be described prior to submission of proposal.

In the case of publications, these should take place during the duration of the project, and where available and possible, deposited in the entity's repository, including an acknowledgement to Xjenza Malta and MHA.

Provided further that if the Beneficiary claims that such an attempt to publish a research paper will have been unsuccessful, the Beneficiary must prove to the satisfaction of the Managing Authority/s and through the submission of sufficient and adequate documentary evidence that such an attempt to publish a research paper in terms of the requirements of this clause was in fact made. Sufficient and adequate documentary evidence includes evidence that the paper was actually submitted for

publication, and documentary evidence that the paper was rejected for publication. If the Managing Authority is satisfied with the evidence provided, then the Beneficiary will not be held in breach of this particular obligation.

## 10 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:

- o 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.

Management costs are limited to 10% of the project value. Any project management which is not carried out by any of the partners shall be deemed as subcontracting and, apart from being subject to the 10% maximum threshold detailed herein, will also be calculated as part of the 25% maximum referred to in the subcontracting costs.

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

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

Eligible salaries are pinned to the hourly rates in the Table below (including Employer National Insurance and other contributions) and personnel limits per project:

Role in Project	Hourly rates 2025	Hourly rates 2026	Hourly rates 2027	Limits per project
	max	max	max	
Management	€57.89	€60.78	€63.82	Max 2 per project
Senior Researcher <sup>4</sup> or equivalent	€40.80	€42.84	€44.98	No Limits
Researcher <sup>5</sup> or equivalent	€29.23	€30.69	€32.22	No Limits
Operational, technician, research support assistant or equivalent	€16.03	€16.83	€17.67	No Limits

The rates stated in the table above are for the years 2025-2027. For subsequent years a 5% increase per year is allowed. Kindly ensure that only hourly rates are provided in the application form. Provided that whereas the Table above specifies maximum hourly rates, the Beneficiary shall ensure that the hourly rate of remuneration payable shall not, at any time, be less than the applicable minimum wage as established by Maltese law, including any applicable Wage Regulation Orders issued under the Employment and Industrial Relations Act (Chapter 452 of the Laws of Malta) or national minimum wage standards, as may be amended from time to time. The Beneficiary undertakes to adjust hourly rates of remuneration accordingly to ensure continued compliance with any changes in the statutory minimum wage.

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.

<sup>4</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>5</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 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 and their respective CVs need to be submitted.

Completed 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 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 be 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 beneficiary.

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

- o Instruments and Specialised equipment: Purchasing and leasing of instruments and specialised equipment including software. For an individual instrument/item of equipment over 15% of the project value, it is recommended that specifications and justification are provided in the application form. The overall value of instruments and specialised equipment cannot exceed 20% of the project value.

For instruments/equipment valued at over €15,000, technical specifications are to be provided in the application form. If a specialised Laptop/PC is going to be purchased, please provide a letter justifying the planned project utilisation of such equipment in relation to its performance characteristics.

- o Consumables: The overall value of consumables cannot exceed 30% of the project value.

Kindly note that instruments, specialised equipment and consumables collectively, cannot exceed 50% of the project value.

- o Travel: Travel is permitted for attending of a conference or coordinating with foreign collaborators or stakeholders, 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.

#### 10.1 Subcontracted Activities

Subcontracted Activities must not exceed 25% of the project value. Subcontracted Activity means any activity related to the project, (including but not limited to consultancy), which is not carried out directly by the Beneficiary or its employees but is conducted by any third party (local or foreign) individual, company, partnership, or entity, under whatsoever terms and conditions.

Where a component of the project work is a Subcontracted Activity, the following considerations shall apply:

- ✓ The applicant remains responsible for the timely delivery of the subcontracted tasks;
- ✓ The applicant shall ensure that such a third party is selected in a manner which is transparent, fair and impartial in line with the applicant's procurement processes.

- ✓ The applicant shall ensure that there is no discrimination between bidders and that all bidders are treated equally and transparently in all calls for quotations;
- ✓ The applicant should ensure that the attainment of any services or goods respect their procurement guidelines.

Subcontracting to foreign companies should only be resorted to if suitable expertise is not available locally at a competitive price. This course of action must be duly justified. The Beneficiary may consider joint bids from subcontractors (local or foreign) if these are presented in the form of a supplier consortium. Preference will be given to partners who have previous experience working together on similar projects. Beneficiaries have to ensure that there is no discrimination between bidders, and that all bidders are to be treated equally and transparently in all calls for quotations.

## 10.2 Overheads and other Operating Expenses

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

## 10.3 Ineligible Costs

The non-exhaustive list below demonstrates examples of ineligible costs:

- ✓ Expenses related to loans, interest, etc
- ✓ Recoverable value added tax (VAT)
- ✓ Expenses which are recoverable through other funding mechanisms
- ✓ Re-purchase of equipment originally procured through other funding mechanisms
- ✓ Purchase of equipment from partners or their subsidiaries within the consortium
- ✓ 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 conferences or business lunches
- ✓ 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 this is a non-exhaustive list, and any line items not seen to be compliant with the nature of the Obesity Research Programme or State aid Regulations 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 a clarification. Any clarification is to be performed at least 2 working days prior to the submission deadline.

#### 10.4 Collaborators

Should the applicant have any collaborators, these must be included in the application form. The expected contribution/s by the said collaborators should be stated and supported by a letter of intent. These collaborators may be foreign or local. They are not eligible to receive funding through this grant.

Should a letter of intent be absent for a specific collaborator, that collaborator will not be considered at evaluation stage. Moreover, the respective letter of intent should be composed within the last three months before the deadline of the application.

#### 10.5 Aid Intensity

The Programme's financial contribution to a Beneficiary applying for *de minimis* aid shall be limited to a maximum of 75% of eligible costs incurred by that beneficiary. Therefore, such a Beneficiary must contribute the remaining co-financing to the Project.

It is not possible for a Beneficiary to cover the remaining co-financing 'in-kind'.

## 11 Double Funding

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Funding under this Programme is made available on the basis that none of the project partners 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 Beneficiary 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, the Beneficiary is 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.

## 12 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 7.1 for further guidance)

If successful, projects will be forwarded to three external evaluators for External Evaluation, and subsequently for a Due Diligence assessment. Any proposal which is not deemed as a 'Research Project' will not be eligible for funding.

The highest ranked proposal from each Sub Area will be awarded. Subject to the availability of funds, the remaining projects will form a ranking list irrespective of the Priority Area and the Managing Authority will award according to this list until the funds are consumed.

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, may be required at the discretion of the Managing Authority. In the event that the Due Diligence assessment establishes 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.

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

## 12.1 Evaluation Criteria

Failure to achieve a minimum of 65% pass or failure to reach the subsection thresholds during the External Evaluation will fail the project application. For a project to be successful it must pass from all three steps.

External Evaluators will be evaluating project applications for the following criteria:

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

Kindly refer to Section 4.1 of the application form

### Impact (40%): Threshold 25%

Kindly refer to Section 4.2 of the application form

### Implementation (35%): Threshold 25%

- ✓ Does the applicant/s have the required skills and expertise to undertake the project successfully and deliver the objectives? Are there opportunities for new personnel, apart from its core team, to be involved in the project?

- ✓ Has the applicant identified the resources currently available for the project which are fundamental in performing the proposed research? Does the applicant/consortium possess the required resources (personnel, equipment, or contractors) to complete the project when taking into consideration the items to be acquired within the project lifetime.
- ✓ 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 to 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:

If 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;
- Letters of intent for collaborators

## 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, the Managing Authority 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 provided to grant all QPA projects, Xjenza Malta will respect the ranking devised through the evaluation process and award the next best ranked projects.

## 13 Post Selection Process

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### 13.1 The Grant Agreement

Following the successful evaluation of the application, the beneficiary and any consortium partners (*if applicable*) will be invited to sign a Grant Agreement establishing the terms and conditions governing the financing of the project. The Grant Agreement will include the original project proposal as an annex. 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, and the IP agreement 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 by the beneficiary and any consortium partners (*if applicable*) within two (2) weeks from the date of receipt. Where a legal representative is not available, a proxy should sign. Failure to endorse the Grant Agreement within 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 and MHA to publicise or externalise the award of funds. No proprietary intellectual property should be included in this draft.

## 13.2 Start Date and End Date

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

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 a human-resources call
- ✓ opening a bank account for the depositing of the first tranche

## 14 Funding, Management and Progress Monitoring

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### 14.1 Allocation and Disbursement of Funding

For the purposes of funding and reporting, a project submission shall be considered to be over a 24-month period. A project will be divided into funding tranches: one will be provided at the beginning of the project, one half-way through and the retention tranche at the end.

Total financial contribution over the lifetime of the project shall not exceed the funding limit as established in the Grant Agreement, irrespective of actual expenditure.

Funding will be allocated according to the following schedule:

- At the beginning of the project, Xjenza Malta will provide the relevant prefinancing to the Beneficiary, which amounts to 50% of the grant amount. This will include both direct and indirect eligible costs.
- Xjenza Malta will provide a further 30% of the grant amount mid-way through the project.

- A retention consisting of 20% of the project grant shall be withheld by Xjenza Malta and only released upon the successful completion of the project. The amount of retention will be deducted from the pre-financed funds.

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.

## 14.2 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 9.3.1.

As indicated in Section 9, 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. Financial details must be broken down for each Project Partner. Both reports must be approved by the Managing Authority before proceeding with the issuing of the retention tranche.

Technical and financial reports should be submitted mid-way and at the end of the project by the Principal Investigator. The latter should contain details of actual expenditure over the past reporting period, together with an updated forecast of projected expenditure for the following reporting period. In the case of a consortium, details must be broken down for each Project Partner.

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.

When the audits are finalised and verified, Xjenza Malta shall release the retention money due to the Beneficiary. In the case of overpayment, the Beneficiary will be required to refund the unutilised to Xjenza Malta.

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 partner, 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.

### 14.3 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 of Participation in Section 10 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 be 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.

In case of consortia, the 20% transfer limit is set for the grant value of the respective partner.

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 items (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:

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

#### 14.4 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 7.1. 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 Applicant. Direct eligible costs must be backed up with the relevant documentation.

## 15 Dissemination and Externalisation

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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 ‘R&I Thematic Programmes: Obesity Research Programme’ in collaboration with the Ministry for Health and Active Ageing.

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.

Any websites or printed material related to the project should also include the Xjenza Malta logo, the MHA logo, or any other logo related to this Programme, and as provided by the Managing Authority, where possible.

If any printed material is published without a mention of the Obesity Research Programme, Xjenza Malta and MHA, the Beneficiary shall be obliged to publish a correction at its own expense in the subsequent issue of the publication or for it to be edited accordingly in the cases of online publications. 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 Obesity Research Programme, Xjenza Malta and MHA, associated costs will be considered ineligible and will not be considered to fulfil any deliverables proposed in the application form.

The Managing Authority and MHA reserve 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 Agency in promoting the Programme by presenting the Awarded Project or through other reasonable means, as requested by the Managing Authority.

## 16 Supervening Circumstances

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The Principal Investigator is obliged to immediately advise the Unit Director, of any internal or external significant event which might either affect the validity or the 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 comply with 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, and in consequence of such non-compliance.

### 16.1 Default

If 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.

## 17 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 Xjenza Malta.

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