



FFG

Promoting Innovation.

:

VERSION 3.1.

VALID FROM JULY 1ST 2019



**GUIDELINES FOR
MID-TERM EVALUATION OF
COMET CENTRES (K1)
UNDER THE PROGRAMME**

**COMET (COMPETENCE CENTERS FOR
EXCELLENT TECHNOLOGIES)**

TABLE OF CONTENT

PREAMBLE	4
1 OBJECTIVES OF THE MID-TERM EVALUATION.....	5
2 KEY FACTS AT A GLANCE	6
3 DOCUMENTS FOR THE MID-TERM EVALUATION.....	7
4 LEGAL BASIS	8
5 THE BASIS OF FUNDING	9
5.1 What are COMET Centres (K1)?	9
5.1.1 General information.....	9
5.1.2 COMET research programme	10
5.2 What governance structures are required?	10
5.3 What criteria must be met by the consortium?	11
5.4 What are the responsibilities of the consortium leader?.....	12
5.5 Who is eligible to receive funding and/or to participate?	12
5.5.1 Who is eligible for funding?	12
5.5.2 Who is eligible to participate?.....	13
5.5.3 Can existing competence centres participate?	13
5.6 Can partners from outside Austria participate?.....	13
5.7 How much support is granted?	14
5.7.1 Amount of federal funding.....	14
5.7.2 Amount of provincial funding.....	14
5.7.3 Amount of funding rate.....	14
5.8 How are COMET Centres financed?	15
5.8.1 Contribution of scientific partners	15
5.8.2 Contribution of company partners	16
5.9 What projects are eligible for funding?	16
5.10 What costs are eligible?.....	16
5.11 What points should be considered relating to IPR?	17
5.12 What are the evaluation criteria for funding applications?	18
5.12.1 Evaluation criteria for COMET Centres (K1)	18
5.12.2 Key figures and indicators	21
5.13 What documents are required for submission?	22
5.14 Is it necessary to mention other projects?.....	23
5.15 Is scientific integrity ensured?.....	23
6 SUBMISSION PROCEDURE	23
6.1 What is the procedure for submission?	24
6.2 What is the procedure for applying for provincial co-funding?	25
6.3 How will confidential project data be used?	25
7 ASSESSMENT AND DECISION	26

7.1 What is the formal check?	26
7.2 How is the procedure of the mid-term evaluation organised?	27
7.3 Who takes the funding decision?	28
8 FUNDING PROCEDURE	29
8.1 How is the funding contract concluded?	29
8.2 How should recommendations and conditions be taken into account?	29
8.3 How are the instalments of funding paid?	29
8.4 What reports and accounts are required?	30
8.5 How should changes to the project be communicated?	31
8.6 Can the funding period be extended?	31
8.7 What happens after the end of the 2 nd funding period?	31
8.8 What does “phasing-out” mean?	32
9 Annex	33
9.1 Glossary	33
9.2 Abbreviation	37
9.3 Milestones of the mid-term evaluation (up to first instalment)	38
List of Figures	39
List of Tables	39

PREAMBLE

The guidelines¹ for the mid-term evaluation refers exclusively to existing COMET Centres (K1) with regard to the application of the second funding period and provide you with information about basic requirements regarding the procedures for the mid-term evaluation, requirements as well as funding conditions.

For the second funding period the program goals of the COMET programme document of 1st January 2016 apply:

- **Developing and focussing competences:** through long-term research cooperation between science and industry at the highest level.
- **Strengthening Austria as a business location:** accelerating technology transfer to industry should serve to create new products, processes and services, open up new markets and increase the innovative capacity of companies.
- **Strengthening Austria as a research location:** excellent cooperative research should trigger new research impulses and establish promising/ emerging fields of research.
- **Strengthening the competitiveness of science and industry by driving internationalisation as a sign of high quality cooperative research:** involving internationally renowned scientists, organisations and companies, positioning COMET Centres as internationally attractive partners, and ongoing benchmarking with top research institutions are designed to generate an edge in international competition.
- **Establishing and developing human resources:** increasingly attracting scientists of international renown, creating structured career models for scientists, and actively supporting intersectoral mobility for research personnel in order to intensify the transfer of know-how.

The maximum total duration is 8 years, divided into two funding periods (4 + 4 years). The granting of a second funding period is conditional on a successful mid-term evaluation. Each Centre will be assessed based on its own achievements and will not compete with the other COMET Centres.

¹This document is a translated version of the original German version. In cases of unclear formulation the German version is the decisive document.

1 OBJECTIVES OF THE MID-TERM EVALUATION

According to the COMET Evaluation Concept each COMET Centre is subjected to a **mid-term evaluation** in the last year of the first funding period. This evaluation consists of an ex-post component (assessment of quality of previous work of the first funding period) and an ex-ante component (assessment of future plans for the second funding period).

The mid-term evaluation assesses the achievement of the work programme, the results of the achieved research work and the attainment of the qualitative and quantitative goals as well as the review of possible requirements and recommendations.

The consequence of the mid-term evaluation is a “**stop or go**” decision, i.e. the evaluation results provide the basis for deciding whether or not to continue the COMET Centre.

Within the evaluation process the mid-term evaluation is embedded between the ex-ante evaluation (before start) and the ex-post evaluation (after the end).

	ex-ante-evaluation	Mid-term evaluation	ex-post Evaluierung
Date When is the evaluation carried out?	Prior to start	In the last year of the first funding period of COMET Centres	After the end of term
Object of evaluation What is evaluated?	Application for the first funding period of a COMET Centre	COMET Centre, objectives, results of first funding period, research plan for second funding period	COMET Centre, goal achievement, results FP1 and FP2
Evaluators and reviewers Who carries out the evaluation or review?	Expert jury, FFG: internal experts FWF/CDG: external experts	External reviewers and FFG	FFG, external reviewers, if required
Consequences What is the result of the evaluation?	Go or no-go decision	Stop or go decision	

Table 1: Steps of the evaluation process

The mid-term evaluation consists of a written evaluation and a site visit at the Centre. The schedule for the mid-term evaluation is detailed in chapter 7.2.

2 KEY FACTS AT A GLANCE

Key facts	Mid-term evaluation COMET Centre (K1)
Instrument	Competence Centre (C8 Z)
Short description	Funding is provided for existing competence centres performing research at a top international level in research programmes jointly defined by science and industry. Each COMET Centre is subjected to a mid-term evaluation in the last year of the first funding period consisting of a written evaluation and a site visit at the Centre.
Funding per COMET Centre (K1) in EUR	Federal government: max. EUR 1,7 million/year Provincial government: max. EUR 0.85 million/year These limits must not be exceeded!
Funding rate	40 - 55% (depending on type of research)
Contribution of company/scientific partners	Contribution of company partners: min. 40% Contribution of scientific partners: min. 5%
Duration (years)	The project duration is divided into 2 funding periods (4+4 years). Application is to be submitted for the 2 nd funding period. Approval of funding is conditional on a successful mid-term evaluation. (stop-or go decision)
Minimum consortium requirements	At least 1 scientific partner and 5 company partners
Language	English (Core Document and site visit)
Schedule	Submission of the funding application latest 4 months prior to the site visit. An individual time schedule is fixed for each centre.
Submission	Austrian Research Promotion Agency (FFG) ecall.ffg.at/ (submission only electronically via eCall)
Contact	Tel. +43 (0)57755 – extension (ext) Programme management: Otto Starzer Tel.-DW 2101; E otto.starzer@ffg.at Ingrid Fleischhacker Tel.-DW 2102; E ingrid.fleischhacker@ffg.at Nicole Firnberg Tel 2409 ; E nicole.firnberg@ffg.at Barbara Kunz Tel.- DW 2404; E barbara.kunz@ffg.at Budiono Nguyen Tel.-DW 2104; E budiono.nguyen@ffg.at Reingard Repp Tel.-DW 2107; E reingard.repp@ffg.at eCall Adelheid Merkl Tel: DW-2714; E adelheid.merkl@ffg.at Julia Bissenberger Tel.-DW 2103; E julia.bissenberger@ffg.at

	Cost and Financing: Christa Meyer Tel.-DW 6080; E christa.meyer@ffg.at Martina Amon Tel.-DW 6081; E martina.amon@ffg.at Please always refer to your assigned programme manager first. Advisory interviews can be arranged.
Information on the web	www.ffg.at/comet www.ffg.at/page/comet-downloadcenter#Anker_2_Zwischenevaluierung

Table 2: Key facts for a COMET Centre

3 DOCUMENTS FOR THE MID-TERM EVALUATION

DOCUMENTS	Web
<ul style="list-style-type: none"> – Guidelines for the Mid-Term Evaluation of COMET Centres (K1) , (present document) – Cost Guidelines Version 2.1 	www.ffg.at/page/comet-downloadcenter#Anker_2_Zwischenevaluierung www.ffg.at/recht-finanzen/kostenleitfaden
FORMS FOR FUNDING APPLICATION (CORE DOCUMENT)	Web
<ul style="list-style-type: none"> – Project Description 4YE – Financial Tables 4YE – Monitoring Tables 4YE – Annex – Annex 0: Requirements, Recommendations FP1 – Annex 1: References (no forms available) – Annex 2: Project Results FP1 – Annex 3: Project Sheets FP2 – Annex 4: Partner Descriptions – Annex 5: CVs and List of Publications – Annex 6: Letters of Commitment (LOC) Scientific Partners FP2 – Annex 7: Letters of Commitment (LOC) Company Partners FP2 – Annex 8: Declaration of Federal Province(s) (no forms available) 	www.ffg.at/page/comet-downloadcenter#Anker_2_Zwischenevaluierung

Table 3: Documents for the mid-term evaluation

4 LEGAL BASIS

The following documents are used as a legal basis for the mid-term evaluation:

DOCUMENTS	Web
<ul style="list-style-type: none"> – Richtlinien zur Förderung der wirtschaftlich-technischen Forschung, Technologieentwicklung und Innovation“ (guidelines for the promotion of the commercial and technological development of research, technology and innovation (FTI – guidelines 2015) Struktur- FTI-guidelines² – COMET Programme Document dated 1st January 2016 – COMET Evaluation Concept³ dated 1st January 2016 	<p>www.ffg.at/recht-finanzen/rechtsgrundlagen</p> <p>www.ffg.at/content/comet-downloadcenter</p> <p>see General: points 1.2</p>

Table 4: Legal basis

Superior provisions may be restricted, but not invalidated, by programme-specific provisions in the Programme Document or these Guidelines for the Mid-Term Evaluation.

² GZ BMVIT-609.986/0011-III/12/2014 and GZ BMWFV-97.005/0003-C1/9/2014.

³ part of the COMET Programme Document (Annex)

5 THE BASIS OF FUNDING

5.1 What are COMET Centres (K1)?

5.1.1 General information

COMET Centres (K1) aim to develop and focus competences through excellent cooperative research with a medium to long term perspective. They conduct research at top international level and stimulate new research ideas in their fields. Continuous international benchmarking must be ensured.

They contribute to initiating product, process and service innovations with a view to future relevant markets.

COMET Centres define multi-year research programmes aligned to the strategic interests of science and industry.

COMET Centres consolidate their competences by establishing relevant human resources being further developed via structured career models.

If funding is granted competence centres must be organised as independent legal entities, preferably as a limited liability company (GmbH) or or a corporation.

COMET Centres are to be classified as research organisations if they meet the definition of “research and knowledge dissemination organisations” specified in article 83 of the GBER (General Block Exemption Regulation) (for definition see Glossary) ⁴.

Research activities of COMET Centres must be pooled in order to achieve the required visibility and attractiveness. More than one location is permissible provided that the hub character of the Centre is preserved.

Their position as Centres of expertise (creating a shared knowledge base) must be strengthened by building up and developing the relevant expertise.

COMET Centres comprise a funded area (COMET area), in which the relevant COMET research programme is carried out, and a Non-COMET area, which does not receive public funding from the COMET Programme and is used for additional projects as company projects, international

⁴ The main activity of the Centre is considered to be non-economic if an economic activity represents a secondary activity which is directly related to and required for the operation of the research organisation or which is inseparably linked to the non-economic main activity and is limited to 20%. If such a research organisation also carries out economic activities it must keep separate records concerning their financing, costs and revenue. Companies which can have a controlling influence on such organisations, for example as a shareholder or member, must not be granted preferential access to the results obtained. If the non-economic area generates profits (e.g. via licences deriving from a funded project), they have to be reinvested into the non-economic area of the centre.

and EU funded projects as well as other national funded projects (see glossary for a definition of “Non-COMET area”).

5.1.2 COMET research programme

A **research programme defined jointly by science and industry** which does not simply constitute a conglomeration of individual projects but creates substantial added value as a result of cooperation and joint strategic orientation is central.

The research programme may be divided into several research areas. An **Area** is defined as a methodically and thematically distinct unit in a COMET Centre’s research programme. It must define a coherent research and development programme for the medium term within the larger context of a COMET-Centre (see glossary for definition of “Area”).

The individual Areas consist of several **individual projects** of an appropriate and reasonable size. Projects may also involve several Areas (cross-cutting projects).

An Area comprises categorically two different types of individual projects: company projects which may be classified into “multi-firm” and “single-firm” projects as well as strategic projects (see glossary for a definition of “Projects”). The share of single firm projects is limited to a maximum of 20% of eligible costs. The share of strategic projects is an important indicator regarding the novelty of the research and therefore an essential target value.

Planned individual projects for FP2 must be described using so-called “project sheets” to be annexed to the funding application. At least 60% of the overall costs of the research programme must be incurred on projects and supported by LOCs.

The already achieved project results of the 1st funding period have to be presented in Annex 1 (“project results”) of the application.

5.2 What governance structures are required?

Competence centres are unique in the portfolio of funding programmes because of their special governance structures, their long-term orientation and their size.

COMET Centres must have a **balanced ownership structure** without dominance of a single owner. Preference should be given to a balanced mix involving partners from science and industry.

A key factor for the success of the competence centre is an **independent Centre management** which pursues the Centre’s objectives and interests and is responsible for efficient business operation as well as organisational and scientific management (managing director, scientific director) of the Centre.

The Centre management is responsible for:

- Establishing and optimising organisational and decision-making structures

- Supporting the build-up of expertise at the Centre by recruiting qualified staff, ensuring staff development and gender mainstreaming, establishing a shared knowledge base etc.
- Creating structured career models for researchers, actively supporting the mobility of research staff
- Recruiting experts for key functions such as key researchers, Area managers, project managers etc.
- External presentation/PR measures including website in English/German
- International benchmarking (continuous comparison) /self-evaluation of the Centre
- IP policies (regulations between the Centre, company partners and scientific partners)
- Ensuring the exchange of knowledge and communication between the Areas in order to use synergies and create a clear added value.

In addition to the bodies prescribed by law, COMET Centres must establish centre-**specific boards** (especially a strategy board⁵, an International advisory board⁶) which carry out important strategic, advisory and supervisory tasks:

- Monitoring and supervision of the Centre’s strategic goals, especially with regard to excellence, IP policies and international networking and positioning of the Centre as an attractive international cooperation partner
- Long-term strategic planning to secure the success and existence of the Centre beyond the funding period (by developing the Non-COMET area, drawing up a business plan etc.)
- Quality assurance for the research programme
- Safeguarding the Centre’s unique selling proposition
- Monitoring compliance with requirements and recommendations specified by the jury as well as goal achievement and results
- Changes in the research programme and partner structure

The application must show what boards will be established to fulfil these functions. The FFG/funding providers are entitled to participate in relevant boards as observers.

When dealing with conflicts of interest concerning members of the management as well as the COMET-Centres surveillance authority, guidelines in accord with the public corporate governance codex have to be applied or ensured.(for details see glossary).

5.3 What criteria must be met by the consortium?

Partners may participate in a COMET Centre **either** as a scientific partner **or** as a company partner. Participation as both scientific partner and company partner is expressly excluded.

Applicants can be **consortia** with

- at least **1 scientific partner (SP)** and
- at least **5 company partners (CP) that are independent⁷** of each other

⁵ The strategy board should provide a balanced mix of scientific and business expertise.

⁶ The advisory boards should comprise high-calibre, independent international experts.

⁷ Enterprises that are independent of each other hold less than 25% of the capital or voting rights in one another. This rule also applies to shareholdings via parent companies. For more information see [SME definition](#).

If one company partner controls another or a group of companies, this group of companies will be regarded as one enterprise. COMET addresses enterprises of all sectors and sizes.

Scientific partners are taken to include research and knowledge dissemination organisations or research organisations (see glossary) if they provide their contributions as part of their non-economic activities.

Participation in the consortium is evidenced by a “**letter of commitment**” (LOC) including the relevant contribution (see LOC template).

The funding must have an incentive effect (see glossary) for the Centre as the funding recipient and should also have an incentive effect for the partners. eCall therefore requires both the Centre and each partner to explain whether and to what extent the project could be carried out without funding.

The cooperative character of the programme is emphasised by the mandatory conclusion of an **agreement** specifying the rights and obligations of the partners involved (see Glossary for a definition of “Agreement”). FFG provides a guideline for agreements for support.

The Centre must be located in Austria.

The requirements to the consortium have to be fulfilled at all times after the project start until the end of the project. Otherwise funding can be reclaimed.

5.4 What are the responsibilities of the consortium leader?

The consortium leader (the Centre) is responsible for the project management and communications with the funding agency and the partners of the Centre for the entire duration of the programme. This includes checking the reports and financial accounts of all partners based on the data and information provided. The consortium leader confirms to the FFG that

- the costs included in the accounts are relevant to the project, i.e. they can be clearly attributed to the project;
- the project is fully in line with the funding contract in terms of costs and content and that any alterations have been notified in good time;
- The reports and financial accounts are complete and have been prepared in accordance with the funding and programme guidelines.

5.5 Who is eligible to receive funding and/or to participate?

5.5.1 Who is eligible for funding?

The Centre is the sole funding recipient (and contracting party).

Competence centres must be implemented as independent legal entities, preferably as a limited liability company (GmbH) or a corporation.

Company partners and scientific partners are not considered funding recipients, but may claim eligible costs relevant for the calculation of the total funding amount.

5.5.2 Who is eligible to participate?

Legal entities, partnerships and sole traders that are not part of the federal administration are in principle eligible to participate as consortium partners

Especially:

- Companies of any legal form
- Institutions of research and knowledge dissemination
 - Universities⁸
 - Non-university research institutions
 - Technology transfer institutions, innovation agents and other research-oriented organisations such as associations with a relevant purpose

Legal entities that are part of the federal administration are eligible to participate as consortium partners provided that they do not claim eligible costs and do not provide cash or in-kind contributions to the project as company or scientific partners. Their participation needs to be justified in the application. The scope of the participation as well as the resulting rights and duties are to be stipulated by contract.

Sub-contractors are not considered as partners in a COMET Centre. They are not entitled to use the project results and provide defined services for the Centre, which are to be included in the cost category “third-party costs”.

Associated partners may be organisations or persons that do not provide regular services for the Centre and are not agreement partners. The services are to be included in the cost category “third-party costs”.

5.5.3 Can existing competence centres participate?

A co-operation between existing competence centres is possible. The centres may join as scientific partners in their non-economic area. Complementary (sub)projects may also be carried out within the research programme of the respective centre without joining as a partner. If existing COMET Centres participate as scientific partners the projects must be carried out in the Centre’s Non-COMET area (for definition of “Non-COMET area” see glossary).

5.6 Can partners from outside Austria participate?

A consortium may have partners from outside Austria.

⁸ The smallest possible organisational unit of a university that is able to participate as a scientific partner is a university institute or a comparable unit according to UOG 2002/§20. To participate, these organisational units have to possess the necessary power of attorney according to UOG 2002/§ 27. Organisational units underneath the level of university institutes or comparable units (eg work groups) may not participate as project partners.

A major aim of the COMET Programme is to promote internationalisation by involving internationally renowned researchers, organisations and companies in order to strengthen the competitiveness of science and industry.

The participation of international (research) partners is therefore desired and should be set out accordingly in the application.

The costs of foreign partners – both from within and outside the EU – can be accepted under the following conditions:

- The foreign partner accepts the FFG's obligation and entitlement to monitor the project progress as specified in the funding contract and submits documentation in German or English in accordance with the requirements to be met by Austrian partners.

Organisations from outside Austria may also be involved as subcontractors or as associated partners if they do not provide regular services for the Centre and are not agreement partners.

5.7 How much support is granted?

The **maximum** level of **public funding** is **EUR 2,55 million per year (federal and provincial funding)** for each COMET Centre (K1) or max. EUR 10,2 million over the 4-year duration of the Centre (1st funding period).

Support is paid in the form of non-repayable grants.

5.7.1 Amount of federal funding

The maximum amount of **federal funding** is **EUR 1,7 million per year**.

5.7.2 Amount of provincial funding

The provinces have committed themselves to provide additional funds at a fixed **ratio of 2:1** for the COMET Competence Centre Programme. The maximum level of additional **provincial funding** is therefore **EUR 0,85 million per year**.

If several provinces participate in a COMET Centre the total amount of provincial funding will be divided between the participating provinces.

The level of provincial funding must not be exceeded in the funded part of the COMET Centre. The provinces may, however, at any time provide funding for other projects in the Non-COMET area of the Centre.

For details concerning the application of provincial co-funding see chapter 6.2

5.7.3 Amount of funding rate

The applied **overall funding rate** must be within the range specified for COMET Centres (**40% - 55%** of eligible total costs) and results from the research mix or the predominant type of

research in the individual projects. Centres with a stronger focus on basic research will receive a higher funding rate and centres with a stronger focus on applied research will receive a lower funding rate within the specified range.

The funding applicants must propose an overall funding rate based on the planned research programme. The final funding rate for the entire Centre will be determined in the course of the evaluation process.

This call invites applications for the second funding period. The approval of funding will depend on a successful mid-term evaluation. Funding amounts that have not been used cannot be carried over from one funding period to the next.

5.8 How are COMET Centres financed?

The total financing of a Centre comprises public funding (federal and provincial funding at a ratio 2:1) as well as contributions of the scientific and company partners.

- Public funding: 40 – 55 %
- Contribution by scientific partners: min. 5 %
- Contribution by company partners: min. 40 %

The balance must be covered.

Example of financing for a COMET Centre (K1) in EUR per year, assuming a 50% funding rate and maximum eligible funding:

Type of contribution/costs	amount in EU	amount in %
Federal funding (max.)	1.700.000	33,33%
Provincial funding (max.)	850.000	16,67%
Contribution of scientific partner	255.000	5%
Contribution of company partner	2.295.000	45%
Total costs	5.100.000	100%

Table 5: Example of financing for a COMET Centre

5.8.1 Contribution of scientific partners

The accumulated contributions of the scientific partners must be **at least 5%** of the eligible overall costs and cannot be replaced by contributions from company partners. **Up to 100%** can be in the form of **in-kind contributions**.

In-kind contributions are contributions in the form of materials and/or manpower. Cash contributions are payments in cash.

5.8.2 Contribution of company partners

The contributions of the company partners must be **at least 40%** of the eligible overall costs for COMET- Centres.

Company partners may provide both **cash contributions** and **in-kind contributions**; a **total of at least 50%** of the contributions must be provided **in cash**. As a matter of principle, company partners are not allowed to provide general co-financing in the form of a basic subsidy.

Costs of the company partners are to be accounted for as in-kind contributions⁹. Additionally the Centre may purchase services from the company partners in the Non-COMET area of the Centre.

5.9 What projects are eligible for funding?

The COMET Programme provides funding exclusively for the following project types

1. Activities in the field of industrial research
2. Activities in the field of experimental development
3. Activities in the field of basic research related to activities listed in a) and b) above
4. Training measures related to activities listed in a) and b) above
5. Technological feasibility studies

For details on both research categories experimental development and industrial research see Struktur- FTI Guidelines and glossary of this document.

A single project may also be predominantly assigned to industrial research if more than half of the eligible project costs are incurred for activities of this category

5.10 What costs are eligible?

Costs eligible for funding are exclusively limited to costs incurred directly in the context of development and running operations of competence centres

All costs attributable to the project or centre incurred directly, actually and additionally (to the normal operational costs) during the duration of the funded research activity are eligible for funding. Evidence must be provided for actual project costs (e.g. original receipts allocated to the project, annual payroll accounts, time records, etc.).

The period for which **costs may be recognised** corresponds to the **contractual duration of the Centre**, which commences with the start date and ends with the conclusion of the project. Funding amounts that have not been used cannot be carried over from one funding period to the next.

⁹ Services from company partners may only be purchased in justified individual cases and require prior approval.

Detailed information on eligible and non-eligible costs is given in the Cost Guidelines Version 2.1, which may be found at https://www.ffg.at/sites/default/files/kostenleitfaden_v21_en.pdf.

The following regulations apply in addition to the provisions of the Cost Guidelines as amended:

- One of the following two methods may be used for reporting **costs of R&D infrastructure use**:
 - Applying annual depreciation
 - Reporting full acquisition costs in the year of acquisition and correcting the eligible costs by the remaining book value in the last year. The calculated remaining book value must be added in the cost plan for the second funding period if the equipment will continue to be used in the COMET Programme.
- It is also possible to take the costs of machine use into account (unless these machines have already been funded).
- Centre overhead costs must be determined at company level. The overhead costs determined must be distributed between the COMET area and the Non-COMET area using a transparent allocation and accounting system. The overhead costs allocated to the COMET area must be adjusted for the costs not eligible for funding.
- Travel costs of third parties are eligible for funding if they can be shown to be directly related to the project (e.g. members of the International advisory board).
- Public relations costs are eligible for funding if they are directly related to the COMET Centre and can be allocated to the funded research project (e.g. dissemination of research results, brochures, press releases, homepage etc.).
- Hospitality costs related to relevant networking activities (e.g. boards, project committees) are eligible for funding.
- In contrast to the Cost Guidelines, project costs and services charged to the Centre by the scientific partners are eligible for funding. These costs are to be included in the costs of scientific partners.
- All COMET -Centres are obliged to be annually audited by a certified accountant.
- **Bilateral research cooperation** (“single-firm” projects) is limited to a maximum of 20% of eligible costs.

Costs that are not eligible for funding include, inter alia:

- Costs for the establishment and maintenance of the legal entity (e.g. company limited by shares, GmbH), e.g. notarial deed, company registration etc.
- Costs for the acquisition of real estate and immovable property;
- Investments in construction, manufacturing equipment and production facilities
- Costs that are not directly related to the funded project;
- Costs that are not deemed to be eligible for funding under EU law.

5.11 What points should be considered relating to IPR?

Before the first instalment of funding is paid, a duly executed agreement (cooperation agreement) must be submitted, which regulates the collaboration and especially the **intellectual property rights (IPR)** relating to the funded project results. An already existing valid agreement can be completed with an amendment.

The major areas of regulation have been summarised in the Agreement Guidelines for COMET Centres and the IPR sideletter (COMET best practice), which are available at www.ffg.at/content/comet-downloadcenter (section 5.1).

IPR regulations should be tailored to the individual project types – strategic projects or company projects (single-firm and multi-firm projects) – and their characteristics.

Intellectual property rights relating to the project results belong to the consortium. It must be ensured, however, that the COMET Centre is strengthened in its position as a central knowledge hub and in building up competence at the Centre with strategic projects playing a key role in this respect.

Intellectual property rights relating to the project results belong to the consortium. The provisions of the [Community framework for state aid for research and development and innovation](#), 2014/C 198/11, apply to collaborations between commercial companies and research institutions.

This document stipulates that the intellectual property rights are to be allocated to the research institutions in a manner which adequately reflects their work, contributions and interests. If the rights are assigned to the companies involved, the research institutions shall receive compensation equivalent to the market price; the contributions (cash/in-kind) provided to the Centre may be offset.

Please note in this context that expenditure for the protection of intellectual property (IPR) is eligible for funding. This includes costs for patent applications and patent searches. Patent maintenance costs are not eligible for funding.

5.12 What are the evaluation criteria for funding applications?

5.12.1 Evaluation criteria for COMET Centres (K1)

The funding applications will be evaluated in accordance with the following four main criteria:

1. Quality of the project
2. Suitability of the applicant / project partners
3. Benefit and exploitation
4. Relevance to the call

The table below shows the relevant sub-criteria. In the course of the assessment, points will be assigned to each criterion.

The sub-criteria refer to, if not otherwise stated, both the work of the 1st funding period (ex-post) and the plans for the 2nd funding period (ex-ante).

EVALUATION CRITERIA	POINTS
1. Quality of the Project	25
1.1. Research results and goal achievement (only FP1) <ul style="list-style-type: none"> – To what extent have the goals specified for the first funding period been achieved? Have the requirements and recommendations (if any) been met and implemented? If there are differences, are they plausible? – How do you assess the research results and the scientific and technological developments achieved so far? 	10
1.2. Scientific quality of the research programme (only FP2) <ul style="list-style-type: none"> – Does the research programme planned for the second funding period meet / exceed the international state-of-the-art in science and technology. Have existing national and international research activities been sufficiently taken into account? – Have the objectives of the research programme been described clearly? Are the approaches and methods adequate to achieve these objectives? – Is the research programme designed to trigger new research impulses and what is the added value of the research programme as compared to a sum of individual projects? Do the individual projects complement each other? Do they provide significant synergy effects? – If the project relates to people¹⁰: Have gender aspects been adequately taken into account in the research topic or in the methodical approach? 	10
1.3. Quality of planning (FP1/FP2) <ul style="list-style-type: none"> – Has the work programme (including milestones and schedules) for the first funding period been implemented as planned? If there are differences, are they plausible? – Are the work and time schedules in line with the planned research programme for the second funding period? – Are the costs and financing plans realistic at programme and project level? Is the size of the planned individual projects for FP2 adequate for the research programme? – Are the Areas and individual projects coherent in terms of structure and content? Are the collaborative relationships (multi-firm) and the allocation of tasks between the partners at project level plausible? 	5
2. Suitability of the applicant / project partners	25
2.1. Quality of the consortium from a scientific perspective (FP1/FP2) <ul style="list-style-type: none"> – Are the scientific qualifications and resources of the consortium sufficient to ensure successful implementation of the research programme? – How do you assess the involvement and contribution of the partners and key persons in FP1 from a scientific perspective? – Do the key persons have the potential to make new findings? Is the consortium complete or does it require additional expertise and relevant partners? – Do you consider the planned changes from FP1 to FP2 reasonable? 	10

¹⁰ For projects whose content and focus have no gender relevance no points will be deducted.

<p>2.2. Quality of the consortium in terms of the company partners (FP1/FP2)</p> <ul style="list-style-type: none"> – Are the technical and economic qualifications and resources of the company partners sufficient to ensure successful implementation of the research programme? – How do you assess the involvement and contribution of the company partners in FP1? – Do the key companies have the potential to implement new findings on the market? – Is the consortium complete or does it require additional expertise and relevant partners? Do you consider the planned changes from FP1 to FP2 reasonable? 	10
<p>2.3. Organisation and management (FP1/FP2)</p> <ul style="list-style-type: none"> – Do the organisational structure and management of the Centre meet the requirements of the COMET Programme? Are the changes planned for FP2 plausible? – What is the Centre's performance to date in the first funding period (especially implementation of requirements /recommendations, achievement of target values)? – Are the planned target values adequate and reasonable? 	5
3. Benefit and exploitation	25
<p>3.1. Economic relevance of the research results (FP1/FP2)</p> <ul style="list-style-type: none"> – What benefits will the project results bring to the companies or users? – To what extent have the achieved research results initiated new products, processes and services and what can be expected for the future in this respect? – What are the market opportunities and the potential for commercial exploitation? – Are relevant measures of technology and knowledge transfer to industry in place? 	17.5
<p>3.2. Benefit and exploitation at the Centre (FP1/FP2)</p> <ul style="list-style-type: none"> – Will the research results be exploited at the Centre or by the partners (in the form of IPR, patents, licences, Non-COMET projects, etc.)? To what extent have the results already been exploited? – Is the work designed to establish a knowledge base for the future of the Centre? 	7.5
4. Relevance to the call	25
<p>4.1. Development of human resources (FP1/FP2)</p> <ul style="list-style-type: none"> – Is the chosen HR strategy in line with the Centre's overall strategy? Are the HR measures in terms of personnel recruitment, development and management aligned to the Centre's current requirements? How do you assess the implementation so far? – Does the Centre offer structured career models for researchers? Do these contribute to the build-up of competence (HR, expertise) at the Centre? – Does the Centre promote the intersectoral mobility of researchers (exchange between science and industry)? – Are the measures of personnel recruitment and development coherent with the research programme? Do they ensure the development of relevant expertise at 	10

the Centre? – How do you assess the gender mainstreaming measures implemented in FP1 and planned for FP2? Do you consider the measures implemented in FP1 and planned for FP2 sufficient? – Does the Centre provide for a balanced participation of women researchers at all levels? Has this gender balance been achieved? (in terms of improving the gender balance in the sector)	
4.2. Internationalisation (FP1/FP2) – What is the involvement of international scientific organisations and researchers in the COMET research programme? – What is the position of the COMET Centre in terms of international benchmarking? What is the USP of the Centre as compared to other research facilities? – What is the involvement of international companies in the COMET research programme? – Is the Centre's involvement in international and EU projects ambitious? Does it participate in major international events, bodies, etc. to a sufficient extent?	10
4.3. Incentive effect of funding (FP1/FP2) – To what extent does the funding influence the project positively in one or more of the following dimensions? – Implementation: the funding enables the project to be implemented in the first place – Acceleration: the funding accelerates implementation – Scope: the funding increases the scope of the project – Range: the funding makes the project more ambitious through: a more radical innovation approach, higher risk, new or extended collaborations, long-term strategic orientation	5

Table 6: Evaluation criteria for COMET Centres

5.12.2 Key figures and indicators

The evaluation will also involve an assessment of key figures and indicators based on individual target values defined by the Centre upon submission of the application. The mid-term evaluation examines the degree to which the target values defined in the application for FP1, and corrected by the jury where appropriate, have been achieved (plan/actual comparison). It also aims to establish whether the target values planned for FP2 are adequate and realistic in the context of the research field and environment. A plan/actual comparison of these values will be carried out as part of the ex-post evaluation.

The quantitative target values must be entered in the monitoring table of the application, see table XI. target values). Referring explanations of the individual indicators are shown in the table under “explanations”. The reference values of the individual indicators are shown in the table (under “explanations”). In addition to the general target values that apply to all Centres, each Centre must additionally define at least 3 self-defined specific target values. The target values must be described in the project description.

The COMET Monitoring and Evaluation Concept (chapter 3) describes the key figures and indicators allocated to the individual COMET Programme goals.





Further information about the results of previous COMET Centres can be found in the monitoring reports, which are published on an annual basis.

www.ffg.at/content/comet-downloadcenter#Anker_4_Berichtswesen (4.1 K1/K2 Centres)

5.13 What documents are required for submission?

The templates are available from the FFG website and must be used: www.ffg.at/page/comet-downloadcenter#Anker_2_Zwischenevaluierung

More explanations can be found in the relevant forms and templates.

-  **Project Description 4YE** : Project description (upload as pdf file)
-  **Financial Tables 4YE**: Cost and financial tables for FP1 and FP2 of the Centre (upload as Excel file). The report of costs and financing has to be coherent to the written explanations in the project description.
-  **Monitoring Tables 4YE**: Monitoring tables including quantitative target values (upload as Excel file)
-  **Annex 0-8** (Uploads as pdf files)

Annex 0: Requirements, Recommendations FP1

Describes compliance/implementation of requirements/recommendations from the ex-ante evaluation of the Centre

Annex 1: References (no template); Gives the literature used in drawing up the application

Annex 2: Project Results FP1

Annex 3: Project Sheets FP2

Annex 4: Partner Descriptions

Annex 5*: CVs and List of Publications

Please upload all CVs and publications in a single file via eCall (no scan)

Annex 6*: Letters of Commitment (LOC) Scientific Partners FP2 and

Annex 7*: Letters of Commitment (LOC) Company Partners FP2

Duly executed letters of commitment for FP2 of all scientific and company partners including their relevant contributions (cash and in-kind).

Annex 8*: Declaration of Federal Province(s)

Written declaration(s) of the participating provinces for FP2 (province of domicile must provide a declaration upon submission of the application).

The LOCs are to be scanned for the electronic application; the originals remain at the Centre.

It is not permitted to enclose additional annexes.

5.14 Is it necessary to mention other projects?

To support the assessment of the content of the project, the application for funding must list those projects that have been or are being publicly funded by Austrian authorities and/or EU grants, provided these are:

- Pre-projects which deliver results for this project
- Ongoing or finished projects (of the last 3 years) related to the applied project

The multiple acceptance of already funded costs or part of costs is not possible. The proposed project must be clearly distinguished from projects that have already received funding.

Additional projects should be listed in the project description or in the monitoring tables

Other funding applied for or approved for the relevant project proposal must be indicated directly in the eCall application (under costs and funding/other funding), with the exception of applications for provincial co-funding under the COMET Programme.

5.15 Is scientific integrity ensured?

Funding may only be granted to applicants who demonstrate high scientific integrity during application and project execution.

The FFG is a member of the Austrian Agency for Scientific Integrity – OeAWI (www.oeawi.at/de/statuten.html) and is thus committed to safeguarding good scientific practice.

If a lack of scientific quality or misconduct in the course of the formal checks is suspected, the relevant documents may be forwarded to the OeAWI's Commission for Scientific Integrity. The OeAWI will then decide whether to initiate an independent investigation procedure and, if necessary, will undertake the necessary investigations.

If the investigation reveals a lack of scientific integrity or misconduct (e.g. plagiarism), the application must be rejected for formal reasons. If funding has already been granted, the funding must be reduced, retained or reclaimed.

6 SUBMISSION PROCEDURE

6.1 What is the procedure for submission?

The funding application must be submitted **electronically via eCall** prior to the submission deadline: ecall.ffg.at

The application forms (see chapter 3) are available for download from the FFG website at www.ffg.at/page/comet-downloadcenter#Anker_2_Zwischenevaluierung and must not be modified.

For **electronic submission** the documents must be uploaded **via eCall** according to the specified folder structure.

The funding application may only be submitted by the Centre once **all invited partners have completed and submitted** their partner applications via eCall.

An **application** is considered to have been submitted if it has been **completed in eCall** by clicking the **“Submit”** button. On successful submission an automatic **confirmation of receipt** will be sent **by e-mail**. It is **not possible to resubmit** the application or parts of it or to revise the application once it has been submitted.

A **detailed tutorial** on eCall is available at ecall.ffg.at/tutorial .

Electronic submission of main application:

To submit your application online, log in at ecall.ffg.at using your username and password from the first funding period. The master data from the first funding period are also still available.

You can find your eCall application provided for the mid-term evaluation in the “Projects” menu with the status “Create + edit full application”. The project data need to be completed. Any data already entered can be edited prior to submission, if necessary. The partner list is taken from the ongoing project (1st funding period) and must be updated by the Centre. Partners who no longer participate in the 2nd funding period must be deleted and new partners invited.

Costs & financing (corresponding to “Financial Tables 4YE”) must be indicated only for the 2nd funding period.

Electronic submission of partner applications:

1. **New consortium partners** (SP and CP) that have not been registered yet must be included in the partner list and will receive an automatically generated invitation email from the Centre via eCall, requesting them to participate in the funding application.
2. **Consortium partners that have already been registered** in the current funding period need not be invited again, as the partner applications already submitted are included in the eCall application for the 2nd funding period. The partners only need to log into eCall, update their master data if necessary and confirm and submit the partner application (“Projects” menu, status “Create + edit full application”).

6.2 What is the procedure for applying for provincial co-funding?

Every funding application must be accompanied by a **written declaration of the province of domicile** (i.e. the province in which the COMET Centre will be based) and **all co-financing provinces**. In justified exceptional cases the declaration of co-financing provinces may be submitted subsequently, at the latest 4 weeks after submission of the application.

The written declaration is usually a letter of reference on behalf of the funding application in which the provincial government confirms its funding commitment for FP2 in the event that the COMET Centre is approved. The entire amount of provincial funding must in any case be covered by (a) written declaration(s).¹¹

The funding applicants are responsible for consulting the relevant contacts in the provinces in good time prior to the submission of the funding application.

A so-called **Core Form** containing the key figures of the project must be submitted to the relevant provincial governments latest 10 work days prior to the deadline for application. The form is available from the contact offices of the provincial governments or from the FFG website.

The funding applicants must send the complete application to the relevant authority of the province(s) involved till the deadline for application (4 months prior to the site visit)

A list of the relevant contacts in the individual provinces can be found at www.ffg.at/page/comet-downloadcenter#Anker_2_Zwischenevaluierung. (Including also information about specific conditions).

6.3 How will confidential project data be used?

The FFG processes the personal data of funding applicants and funding recipients provided by the data subjects as part of the application for funding, data collected by the FFG for the purpose of concluding the funding contract, and data generated by searches in the transparency portal according to Sec. 32 (5) of the Transparency Database Act (TDBG 2012) for the following purposes:

- Processing of the funding application and assessment of whether the general and specific funding requirements have been met,
- Conclusion of the funding contract and (if a funding contract has been concluded) compliance with the relevant contractual obligations, including but not limited to administration of the funding payments and monitoring of compliance with funding requirements,

¹¹ The province may also confirm in its written declaration that it will not participate in the COMET Centre if it deems the Centre to be incompatible with the interests of the province. In this case the Federal Government reserves the right to provide funding for the K Centre without a contribution being made by the province.

- Compliance with statutory obligations, including but not limited to reporting obligations and control purposes in order to avoid double funding (i.e. Sec. 38 in conjunction with 18, 27, 28 ARR, as well as Sec. 12 FTFG and Sec. 9 FFG-G).

The legal basis of processing is therefore Art. 6 (1) (b) GDPR, i.e. performance of a contract, and Art 6 (1) (c) GDPR, i.e. compliance with legal obligations.

The personal data will be disclosed to the following institutions in compliance with legal obligations:

- the federal ministries as owners of the FFG, other contracting authorities for the management of funding measures (e.g. other federal ministries, regional governments)
- third parties, which may include the Court of Audit, EU bodies, and other federal or regional funding agencies.

External experts may be commissioned to evaluate projects in individual cases. Such experts act as processors on behalf of the FFG and are required to take technical and organisational measures to ensure data security and data confidentiality.

Project content and results may only be published (e.g. on the website or in social media forums) with the consent of the funding recipient (Art 6 (1) (a) GDPR) unless the FFG has a legal obligation to do so.

The FFG must also obtain the consent of the data subject for any other data use exceeding these provisions.

The FFG is under a legal obligation to maintain secrecy concerning company and project information pursuant to Sec. 9 (4) of the Austrian Research Promotion Agency Act (FFG-G, Federal Law Gazette BGBl. I No. 73/2004).

The FFG will ensure a level of security appropriate to the risk in terms of confidentiality, integrity, availability and resilience of the systems by implementing technical and organisational measures within the meaning of Art. 32 GDPR that are sufficient and appropriate for protecting the data against accidental or unlawful destruction, loss and unauthorised access.

Further information about ensuring the confidentiality and security of personal data during the course of the project is available in the eCall tutorial.

7 ASSESSMENT AND DECISION



7.1 What is the formal check?

During the formal check, the application is checked for formal correctness and completeness.

You will be notified by FFG of the result of the formal check within 4 weeks via an eCall message.

- If the formal criteria are not met and the deficiencies cannot be corrected, the application for funding will not enter the subsequent steps of the procedure.
- If the deficiencies can be corrected, you may rectify these problems within a reasonable period of time.

Should it transpire after the formal check that incorrect information has been given, the funding application may also be removed from consideration at a subsequent point in the procedure.

The relevant **checklist** can be found in the project description template.

7.2 How is the procedure of the mid-term evaluation organised?

The procedure is defined in the COMET Programme Document (Chapter 8) and the Evaluation Concept.

The mid-term evaluation consists of a **written review** and a **site visit** at the Centre. The written funding application (Core Document) and the site visit thus provide the key sources of information for the evaluation.

Additional sources include the funding application for the 1st funding period, the Centre plan, the annual reports and the FFG reports on the reviews carried out on site.

The internal review is carried out in accordance with the criteria listed in Chapter 5.12 by **national FFG experts** and **external international experts** (peers) based on the documents submitted. External reviews are carried out in close cooperation with the Austrian Science Fund (FWF) and the Christian Doppler Research Association (CDG).

It is possible to **exclude up to 5 international reviewers** for justified reasons, especially in the event of disputes on theoretical principles or scientific competition. The eCall contains an entry field for this purpose. Notification must be made via eCall message 6 months prior to the site visit.

The written funding application must be sent to the FFG no later than **4 months** prior to the site visit.

Any **open questions** arising from the review will be communicated to the Centre for clarification during the presentation or discussion **at least 1 week** prior to the site visit.

In a closed session held during the site visit, the evaluation team votes on the continuation of the Centre, any requirements and recommendations as well as the budgetary requirements for the second funding period and issues a funding recommendation. The Centre will receive informal feedback on the most important results of the evaluation.

The evaluation team consists of a standing committee (general experts) and international and FFG reviewers. Representatives of the federal provinces involved, the relevant federal ministries and the FFG programme management are also eligible to participate.

The following persons from the Centre must take part in the site visit (no maximum number specified):

- Management, scientific management
- Key personnel (key and senior researchers)
- Junior Researchers (poster presentation, lab visit)
- Representatives of relevant scientific and company partners

The site visit is organised as follows:

The duration of the site visit is one day (planned schedule 8:30 – 18:00). The exact agenda will be specified by the FFG prior to the site visit in coordination with the Centre. The language for the site visit will be English. The agenda includes the following items:

	Welcome, introduction of the participants	10'
Bloc 1	Introduction to the COMET-Centre (K1) key messages, history, vision and (long term) strategy of the Centre, HR relevant issues, main challenges (SWOT) etc.,	20'
Bloc 2	Presentation of progress and output of FP1 Achievement of main research goals, selected results (in scientific and economic terms), success stories, open questions of written evaluation, fulfilment / implementation of requirements & recommendations, etc.	45'
	Discussion	45'
	Coffee break	30'
Bloc 3	Presentation of the planned research programme of FP2 Main features and challenges of the planned research programme, open questions of written evaluation	45'
	Discussion	45'
	Lunch break	60'
Bloc 4	Lab visit	1,5 h
Bloc 5	Closed session (evaluation team only)	2,5 h
	Feedback of the evaluation team	30'

Table 7: Process of the site visit

Additionally poster presentations by junior researchers are to be included in the site visit.

7.3 Who takes the funding decision?

The funding decision is the responsibility of the federal minister(s) concerned and will be made on the basis of the funding recommendation from the evaluation panel, including any obligations and/or conditions.

- Federal Ministry for Transport, Innovation and Technology (BMVIT)
- Federal Ministry for Digital and economic affairs (BMDW)

8 FUNDING PROCEDURE

8.1 How is the funding contract concluded?

If funding is granted in FP2, FFG sends the consortium leader (Centre) an **offer of funding** in form of a **draft contract** which must be accepted within a **specified period of time**. If the consortium leader accepts the draft contract including any requirements contained therein within the specified period of time, a **funding contract** will be drawn up. The Centre will be the exclusive funding recipient.

The funding contract specifies, among other points the funding recipient, the project title, the level of eligible costs, the amount of funding granted, the period of funding, the payment modalities, the reporting obligations and any additional conditions and requirements.

The funding contract must be duly executed and the original returned to the FFG.

Separate funding contracts must be concluded with the co-financing provinces in accordance with the applicable terms and conditions.

The **centre plan** forms an integral part of the funding contract and must be drawn up prior to the conclusion of the funding contract. Compliance with the obligations as well as the recommendations formulated by the jury and any resulting changes to the application need to be addressed. The centre plan consists of a thematic part and tables including a cost plan as well as additional annexes.

8.2 How should recommendations and conditions be taken into account?

Recommendations and/or mandatory requirements may be formulated during the evaluation of the application.

Requirements may take the form of conditions for the conclusion of the funding contract) or conditions to be met within the funding period.

The implementation of the recommendations and requirements must be documented in the centre plan and interim reports.

8.3 How are the instalments of funding paid?

The amount payable for the relevant annual period will be paid in advance.

- The instalment for the first funding year will be paid as soon as the funding contract has been signed and the recipient has met all relevant requirements. The maximum amount for the first instalment for COMET Centres (K1) is EUR 1,7 Mio (federal funding).
Before the 1st instalment can be paid, the consortium must present a duly executed **agreement** (see Glossary for definition), which defines the basic principles of cooperation between the partners involved in the Centre (see FFG Agreement Guidelines for information about the structure of the agreement). The agreement must be signed by at least 50% of the partners covering at least 50% of the partner contributions.
- Subsequent instalments will be paid in accordance with the progress of the project respectively for the following a funding year will be paid once the reports been reviewed and approved. The payment amount will in principle be calculated from the costs already incurred and the costs budgeted for the following year applying the funding rate specified in the funding contract or for the budget adjustments for the current year (at the annual report)
- The funding agency reserves the right to reduce the funding amount in justified cases (e.g. actual costs lower than planned costs).
- Final instalment: 10% of the maximum funding approved will be retained and will only be transferred upon approval of the final report and the final accounts. The payment amount will be based on the approved eligible costs and the funding rate agreed in the funding contract/centre plan. At the end of the 2nd funding period, the scientific partners and the company partners must have provided their financing rates stipulated in the funding contract. If the financing rates have not been made in full federal funding might be reduced accordingly.

The **payment of funding** during the term of the Centre does **not imply approval** of the costs.

The **costs will only be approved** once the Centre is granted **discharge** by the FFG project controlling & audit division following the final audit performed after expiry of the 2nd funding period.

The FFG will carry out (annual) **on-site audits** during the term of the funded COMET Centre and may also check the accounts submitted by the funding recipient and the partners for accuracy and the correct and legal use of the funds. The audits will be duly announced by the FFG.

8.4 What reports and accounts are required?

A **technical interim report** including monitoring data, as well as **interim accounts** must be submitted within one month of the reporting deadlines specified in the funding contract **using the reporting function of the eCall system**. The reporting must correspond to the actual requirements of FFG.

The **annual reports** document the preceding funding year and include the budget for the following year. The cost tables additionally include the accounts provided by all consortium partners.

A scientific **final report** (ex-post Report see pt. 8.7), a (publishable) short summary¹² and **final accounts** must be submitted within 2 months of the end of the project **using the reporting function of the eCall system**

Detailed information on eligible and non-eligible costs are set out in the “Cost Guidelines Version 2.1 ” available at www.ffg.at/sites/default/files/kostenleitfaden_v21_en.pdf. Additional regulations concerning COMET see pt. 5.10.

In addition, the funding recipient undertakes to work together with the FFG and the responsible ministry departments to support PR work as and when required. This shall include in particular making available non-confidential project information (e.g. fact sheet, success stories) and images for electronic dissemination portals and other media purposes.

The FFG will be responsible for reporting, controlling and auditing the COMET Centres with regard to both federal and provincial funding. The provinces may accept the results of this audit, but may also perform audits of their own.

8.5 How should changes to the project be communicated?

Any deviations from the planned or approved activities must be explained in the reports (e.g. changes to the work schedule, new Projects, entry and exit of partners etc.).

Substantial changes to the research programme and expected major deviations, especially from the values stipulated in the centre plan, must be reported to the FFG immediately they become known via eCall.

The FFG should generally be notified as soon as possible of any changes that occur in the Centre, and in any case of any major changes in the costs and/or contributions, so that further procedure can be discussed and agreed.

8.6 Can the funding period be extended?

The funding period cannot be extended, and funding amounts that have not been used cannot be carried over to the next funding period.

8.7 What happens after the end of the 2nd funding period?

The consortium submits a final report (ex-post report) and final accounts after the end of the second funding period. The FFG project controlling & audit division will examine whether the funding has been used appropriately. The audit will establish the final level of eligible costs.

¹² Publication of the short summary may be omitted if it contradicts the commercial exploitation, due to obligations to confidentiality for security reasons or because of privacy policy.

You will receive the result of the audit in writing:

- In the event of a positive result, the appropriate use of the funding will be confirmed.
- In the event of a negative result, procedures may be initiated to secure repayment of funding.

Funding details: The final instalment will be transferred once the specified cost has been reached. If the project is underspent the level of funding will be reduced accordingly. The funding amount may also be reduced for scientific reasons, as well as on formal and legal grounds.

An ex-post evaluation will be conducted at the end of the term in accordance with the evaluation concept. It evaluates the research results obtained and whether the specified goals of the project have been achieved, with a focus on the 2nd funding period.

The ex-post report replaces the last annual report and must be sent electronically to the FFG via eCall within 3 months of project conclusion. Submission of the report and the review are prerequisites for the payment of the final instalment. Templates for the ex-post evaluation are available for download from www.ffg.at/content/comet-downloadcenter (4, "Reporting").

8.8 What does "phasing-out" mean?

Existing COMET Centres (K1) that have reached the end of their term and have not been successful in reapplying in COMET or which do not pursue continued COMET funding, may apply for a phasing out period of up to one year. The phasing-out period is designed to conclude research activities already started as well as to provide the researchers working at the Centre with optimal conditions for their future professional careers.

The maximum annual funding for the phasing-out period is capped at 50% of average annual funding in the preceding funding period (mean value). Planned activities and a budget for the phasing-out period must be submitted to the FFG (phasing-out plan). The jury will decide whether a centre qualifies for a phasing-out period based on minimum quality criteria.

COMET Centres are, of course, also free to continue without further public funding from the COMET Programme.

9 ANNEX

9.1 Glossary

Incentive effect¹³ (Anreizeffekt)

Funding can only be found compatible if it has an incentive effect. An incentive effect occurs where the aid changes the behaviour of an undertaking in such a way that it engages in additional activities, which it would not carry out or it would carry out in a restricted or different manner or at another location without the aid.

The following criteria may be used in addition to other factors as evidence of the incentive effect:

- Implementation: the funding enables the project to be implemented in the first place
- Acceleration: the funding accelerates implementation
- Scope: the funding increases the scope of the project
- Range: the funding makes the project more ambitious through:
 - a more radical innovation approach
 - higher risk
 - new or extended collaborations
 - long-term strategic orientation

Agreement

The agreement is concluded by the consortium partners involved (Centre, company partners, scientific partners) and defines the basic principles of cooperation within the Centre. The issues to be regulated include, but are not limited to, the rights and obligations of the contracting parties, IPRs, liability issues, organisational and decision-making procedures, admission and withdrawal of partners, aims and reporting obligations (see FFG Agreement Guidelines and IPR sideletter for information about the structure of the agreement).

Area

An **Area** is defined as a methodically and thematically distinct unit in the research programme of a COMET Centre. Thus, an Area must define a coherent research programme for the medium term within the larger context of a COMET Centre.

Cash contributions

Cash contributions are payments in cash.

Research and knowledge dissemination organisation or research organisation¹⁴

means an entity (such as universities or research institutes, technology transfer agencies, innovation intermediaries, research-oriented physical or virtual collaborative entities),

¹³ For detailed definition see Struktur-FTI Guidelines, 12.1 Definition of Terms

¹⁴ In accordance with AGVO, Struktur-FTI-Guidelines and Union framework for State aid measures for the promotion of RTI

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. Undertakings that can exert a decisive influence upon such an entity, for example in the quality of shareholders or members, may not enjoy a preferential access to the results generated by it.

Research categories¹⁵:

Experimental development

Experimental development involves acquiring, combining, shaping and using existing scientific, technical, economic or other relevant knowledge and abilities with the aim to develop new or improved products, procedures or services.

This may also include:

- Activities for the design, planning and documentation of new products, procedures and services.
- If the main aim is to improve future products, procedures or services: development of prototypes, demonstration measures and pilot projects as well as testing and validation of new or improved products, procedures and services in a relevant environment under real-world operating conditions.
- Development of commercially usable prototypes and pilot projects if the developed product would be too expensive for demonstration and validation purposes alone.

Experimental development does not extend beyond the demonstration of the prototype (system) in a relevant environment. Exception: commercially usable prototypes and pilot projects if the developed product would be too expensive for demonstration and validation purposes alone.

Experimental development does not include routine or regular adaptations, even if the modifications would represent improvements.

Industrial research

Industrial research includes planned research or critical investigation to acquire new knowledge and abilities with the aim to develop new products, procedures or services or significantly improve existing ones.

This may also include:

- developing parts of complex systems
- if required for the validation of technological fundamentals
 - building prototypes in a laboratory environment or in an environment with simulated interfaces to existing systems
 - building pilot lines

¹⁵ for detailed definitions see Struktur-FTI-Guidelines 12.1

Industrial research does not extend beyond the proof of concept.

Industrial research takes place mainly in the laboratory or at laboratory scale. The development risk is higher than for experimental development. The technology readiness level is lower. The time horizon for market introduction is longer

Research programme

A research programme is defined jointly by science and industry and outlines the area of activity for the COMET Centre within the COMET funded COMET area. A research programme must relate to a clearly defined subject matter and is divided into working Areas (see definition “Areas”) and projects (see definition “Projects”).

In-kind contributions

In-kind contributions are provided in the form of non-cash contributions and/or manpower.

Key Researcher

Key Researchers are renowned scientists who owing to their expertise and standing will exercise a significant influence on the further development of the relevant research topic or programme. As a rule, such Key Researchers will be recruited from among the scientific partners (e.g. university professors).

Multi-firm criterion

The multi-firm criterion stipulates that at least 5 independent company partners must be involved in a K Centre.

Non-COMET area

COMET Centres should develop a “Non-COMET area” complementing the research programme funded under the COMET Programme in line with the present Programme Document (“COMET area”). It serves to carry out contract research for companies (company partners or other clients) in market-oriented fields at full cost and to fulfil complementary objectives of public interest, e.g. of the provinces. Other funded national and international projects (e.g. EU projects, etc.) are also carried out within the Non-COMET area.

Public funding

Public funding comprises federal and provincial funding.

Projects

Projects are defined as research units to be carried out within the framework of a research area (Area), or as cross-cutting projects and must be described in Project Sheets (see template) in the application; projects are divided into work packages. The size of the project must be appropriate to the planned activities. There are two types of projects:

– Strategic research projects

Strategic research projects are characterised by a high degree of novelty and excellence and are based on a Centre’s long-term objectives beyond the short-term requirements of company partners. They are established in line with the core expertise of the Centre and are suitable for expanding this expertise by creating unique selling propositions in an international context. Such research is generally far from development and implementation. The share of strategic projects

is an important indicator regarding the novelty of the research and therefore an essential target value.

– **Company projects (“multi-firm” projects, “single-firm” projects)**

In contrast to strategic projects, company projects are more strongly oriented towards the needs of the company partners.

Multi-firm projects are company projects within the scope of a Centre’s research programme involving more than one company partner.

Single-firm projects are company projects within the scope of a Centre’s research programme involving only one company partner. The share of such projects must be limited to a maximum of 20% of eligible costs

Dealing with conflicts of interest

When dealing with conflicts of interest concerning members of the management as well as the COMET-Centres surveillance authority, the following points in accordance with the public corporate governance codex of the federal state have to be implemented and ensured:

- Every member of the management of a COMET-Centre has to openly and immediately disclose any conflict of interest towards the surveillance authority and has to inform all other members of the management about it.
- All dealings between the COMET-Centre and members of the management, including family members as well as affiliated persons and organisations, have to follow sector specific conditions. Before their conclusion they require the approval of the surveillance authority, or in case such an authority does not exist, the shareholder’s.
- Each member of the surveillance authority of a COMET Centre is committed to the aim of the COMET-Centre. They must neither follow personal interests nor may they use business opportunities that rightly belong to the Centre for themselves.
- Every member of the surveillance authority has to disclose any conflict of interest, especially such conflicts that may arise from consulting or executive functions for customers, suppliers, creditors or other business partner (eg company partners or scientific Partners of the COMET-Centre) towards the surveillance authority.
- The surveillance authority has to inform the shareholders committee about occurring conflicts of interest and handling of such.
- Considerable and non-temporary conflicts of interest of a member of the surveillance authority have to lead to the termination of their mandate. Passing conflicts are for example the build-up phase of a COMET-Centre (max for 2 years after the start of the Centre) V1.0 valid from December 4th 2017 Page 35
- Members of the surveillance authority are not allowed to be members of the shareholder committee

Province of domicile

The province of domicile is the province in which the COMET Centre is based.

9.2 Abbreviation

AGVO	Allgemeine Gruppen Freistellungsverordnung (General Block Exemption Regulation)
LOC	Letter of Commitment
FFG	Austrian Research Promotion Agency
FP	Funding period
Programme Document	Programme document of the COMET Programme for Competence Centres
Struktur-FTI Guidelines	Richtlinien zur Förderung der wirtschaftlich-technischen Forschung, Technologieentwicklung und Innovation (guidelines for the promotion of the commercial and technological development of research, technology and innovation (FTI – guidelines 2015) Struktur- FTI-guidelines
SV	Site visit
Union Framework	Union framework for State aid measures for the promotion of research, technology and innovation
CP	Company partners
SP	Scientific partners
4YE	Four year evaluation - mid- term evaluation of COMET- Centres

9.3 Milestones of the mid-term evaluation (up to first instalment)

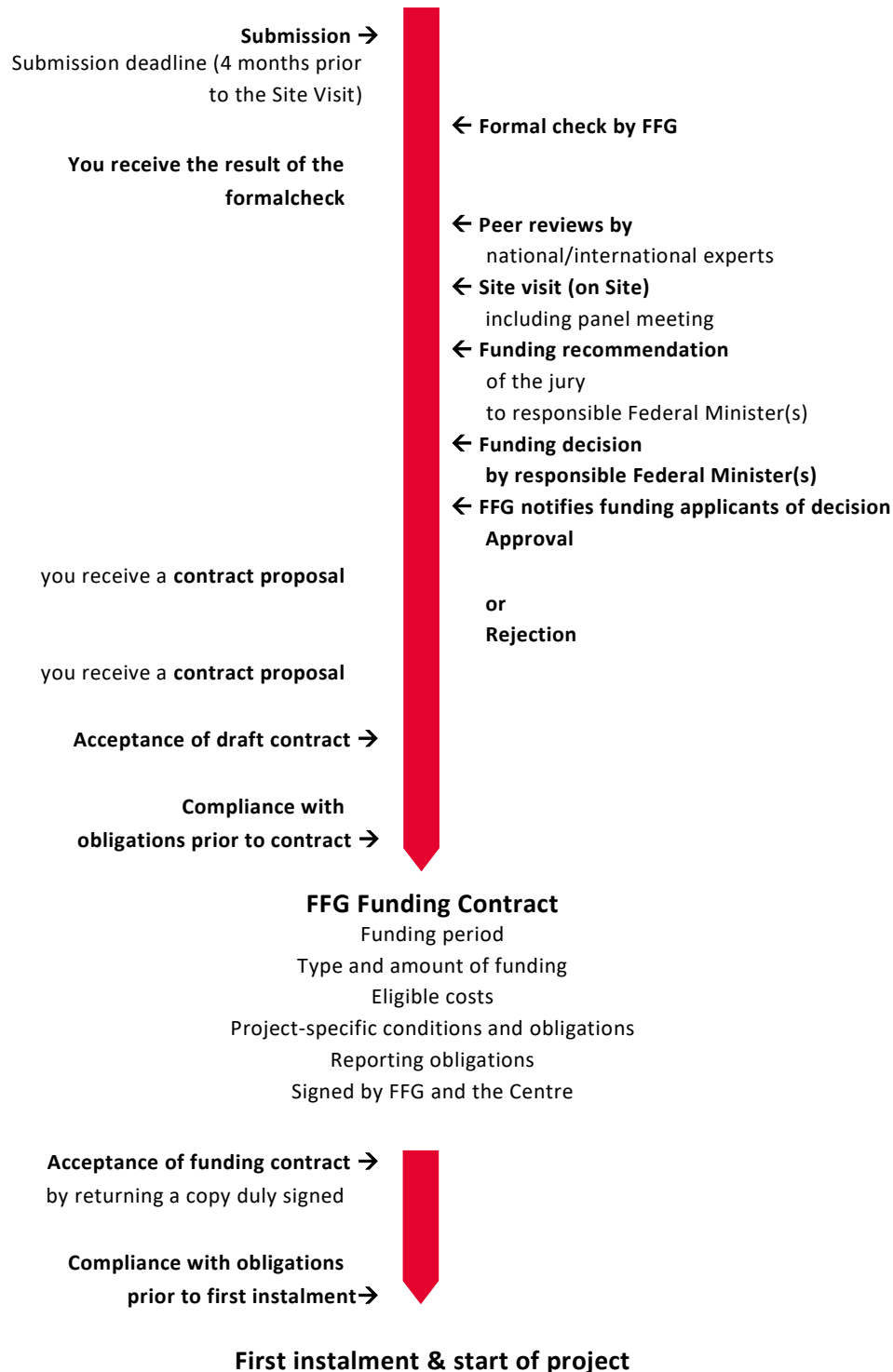


Figure 1: Call milestones

LIST OF FIGURES

Figure 1: Call milestones	38
---------------------------------	----

LIST OF TABLES

Table 1: Steps of the evaluation process	5
Table 2: Key facts for a COMET Centre	7
Table 3: Documents for the mid-term evaluation	8
Table 4: Legal basis	8
Table 5: Example of financing for a COMET Centre	15
Table 6: Evaluation criteria for COMET Centres	21
Table 7: Process of the site visit	28