



*Ministero degli Affari Esteri
e della Cooperazione Internazionale*

MINISTRY OF FOREIGN AFFAIRS
AND INTERNATIONAL COOPERATION
GENERAL DIRECTORATE FOR COUNTRY PROMOTION
ITALIAN REPUBLIC



OFFICE OF THE CHIEF SCIENTIST
MINISTRY OF ECONOMY
STATE OF ISRAEL

Israel-Italy Joint Innovation Program
for Industrial, Scientific and Technological Cooperation in R&D

Fifteenth Call for Proposals for Joint R&D Projects – 2017
(“INDUSTRIAL TRACK”)

Submission by Monday, January 16th, 2017

Within the activities foreseen by the framework Agreement on industrial, scientific and technological research and development cooperation between Italy and Israel (hereinafter called “the Agreement”), *the Directorate General for Country Promotion (Economy, Culture and Science) of the Ministry of Foreign Affairs and International Cooperation* for the Italian Party, and *ISERD – the Israel-Europe R&D Directorate* for the Israeli Party on behalf of the *Office of the Chief Scientist (OCS) of the Ministry of Economy* (hereinafter called “the Parties”), are starting the procedures for the selection of projects eligible for financial support as in Article 4 of the Agreement.

1. Program scope

Joint Italian-Israeli R&D projects can be presented in the following areas, as listed in Article 2 of the Agreement:

- medicine, biotechnology, public health and hospital organization;
- agriculture and food science;
- application of information technology to education and scientific research;
- environment, water treatment;
- new energy sources, oil alternatives and exploitation of natural resources;
- innovation in production processes;
- information technology, data communications, software, cyber security;
- space and earth observation;
- any other area of mutual interest.

The projects approved by the Italian and Israeli Authorities, which will be selected in the framework of the present Call, will be financed by both the contracting Parties of the Agreement. The support will be given to each partner by its own Party in accordance with the national and/or regional Laws, Rules, Regulations and Procedures in effect.

2. Qualifications

The criteria to be followed in order to apply to the present Call are:

- The Israeli partner must be an R&D performing company, which will incur revenue from selling the product/service developed during the project. The Israeli partner may be technologically and scientifically assisted by a non-industrial entity (university, research center, etc.) as a subcontractor.
- The Italian partner can be an industrial entity (company) running activities of R&D or a non-industrial entity (university, research center, etc.). In the case of a non-industrial entity, it must be assisted by an industrial entity as a subcontractor.
- The Italian and Israeli partners must express their willingness to cooperate, on a balanced basis, towards the development of a new product, industrial process or service.
- The product, process or service must be innovative.
- The project's content and budget should be well balanced between the Italian and Israeli partners.
- Cost estimates must be congruous with the planned activities.
- The intellectual property regarding the output of the financed projects must be regulated in accordance with the Partnership Agreement finalized by the winners of the approved projects.

In relation to the additional requirements which Italian partners must fulfil, and to the rules applicable to their dealings with the Italian Ministry of Foreign Affairs and International Cooperation, the applicants are asked to refer to the "Norme Integrative per la partecipazione Italiana al Bando Scientifico e al Bando Industriale per la raccolta di progetti congiunti di ricerca per l'anno 2017 e per la rendicontazione dei progetti - Legge n. 154/2002", which are to be taken as part and parcel of the present Call.

Any partner whose cooperative R&D project is consistent with the aforesaid criteria can apply to the present Call in accordance with the national and/or regional Laws, Rules, Regulations and Procedures in effect.

3. Submission of the project proposals

The Italian partner and the Israeli partner must send the Project Applications, by means of the attached Application Form, called Annex 1, to the email addresses detailed below. The Application must be completed in all its parts and signed by the persons responsible for the project: in Italy by the Legal Representative and the Scientific Project Leader; in Israel by the CEO of the Main Israeli Partner. Wherever an additional participant is foreseen, the additional form has to be filled and signed by the legal Representative(s) of such entity.

The Italian partner must send the project Application to the *Ministry of Foreign Affairs and International Cooperation – Directorate General for Country Promotion*, whereas the Israeli Partner must send it to the *Ministry of Economy, Office of the Chief Scientist (OCS)*, through *ISERD – the Israel-Europe R&D Directorate*.

In Israel, submission of Annex 1 must be done by email and in PDF format to ran@iserd.org.il and received by Monday, January 16th, 2017 (at 10pm CET).

In Israel, the applicants should also be ready to submit a full OCS funding request in Hebrew, electronically to the OCS, Ministry of Economy, by no later than Thursday February 16th, 2017 (at 11pm Israel time). The Israeli applicants should follow the rules and regulations of the OCS; in particular, when filling the budget spreadsheet, the applicants should stick to eligible items only (more details on eligibility can be found in the spreadsheet template itself).

In Italy projects must be submitted by Monday, January 16th, 2017 (5pm CET) exclusively by certified electronic mail to the following address: dgsp.unita-cst@cert.esteri.it
Projects sent by different means will not be accepted.

The Italian applicants must send exclusively the documents as laid down in the “Norme Integrative per la partecipazione Italiana al Bando Scientifico e al Bando Industriale per la raccolta di progetti congiunti di ricerca per l’anno 2017 e per la rendicontazione dei progetti - Legge n. 154/2002”, according to the “Check List” (Annex A). If one of the necessary documents is not attached, the applicant will not be able to participate in the Call.

If the Applications are not received by both the Italian and the Israeli Authorities, through the procedures and by the dates indicated above, the projects will not be accepted.

4. Evaluation and selection of the projects

The National Authorities (as in Article 8 of the Agreement) will carry out an evaluation of the received Applications and will select the projects to be financially supported in accordance with their national laws and regulations. The Italian-Israeli Joint Committee will receive the pre-selected projects from the two national Authorities, identifying those to be jointly endorsed as projects supported under the bi-national agreement.

The criteria of evaluation are as follows:

1. Novelty of the proposal and possible impact on the industrial activities – technological innovation.
2. Qualifications of the applicants in performing the specific tasks, and the added value of the cooperation between project partners.
3. Expected economic results from the accomplishment of the project.
4. Relevance of the proposal to the main strategic objectives in industrial R&D of the respective Italian and Israeli Governments.
5. Congruity of cost estimates for the support with the proposed project and with the expected results.
6. Capability of the partners (R&D personnel, infrastructure, finance, marketing, etc.).

The Parties encourage the applicants to include, in the project proposal, a high-quality exchange of experts (engineers/researchers) between the two partners, for a period of up to two months. This project component will allow adding to the budget the following relevant eligible expenses: lodging, per-diem allowance, transportation expenses (such as car rental), and insurance (note that flights are currently already considered an eligible expense). The inclusion of an expert exchange component in the project proposal will be considered a plus in the evaluation.

The Italian-Israeli Joint Committee will draw up a list of winning projects.

Afterwards, the Ministry of Foreign Affairs and International Cooperation informs the Italian applicants admitted to financing, by certified electronic email, on the evaluation outcome, the proposed amount of the grant and the related conditions for its settlement, as well as the rules concerning the definition of the expenses and drawing up the scientific and financial reports.

Before formal acceptance of the grant, the selected applicants have to jointly sign with the Israeli partner a “Standard Cooperation Agreement” (annex B) regulating the future marketing of the outcome product, process or service, after completion of the R&D activities.

The Italian partner sends by certified electronic mail:

1. copy of the above mentioned “Standard Cooperation Agreement”
2. declaration of acceptance of the grant and of the conditions contained in the letter of assignment sent by the MFAIC. Should the principal Investigator change during the year, the replacement has to be promptly formally notified to the MFAIC for authorization.

After receiving the above-mentioned documents the Ministry of Foreign Affairs and International Cooperation will issue an official letter on the financing of the project.

The Israeli *Office of the Chief Scientist* regulates the relationships with the Israeli Partner according to the national forms and procedures.

5. Financing modalities of the projects

Projects in the frame of this Call will be financed by the respective national and/or regional Authorities in Italy and Israel, in accordance with the national laws, rules, regulations & procedures in effect. Each project that is selected can be financed up to 50% of the documented and eligible costs of research and development. In Italy the financial support will be granted only after the final financial report has been received and the project has been positively evaluated.

If the project is successful, the winning partner will have to gradually repay the grant to the Authorities, in compliance with each country's rules and regulations. Repayment of funds must be made, through royalties, according to applicable rules and procedures, as in Article 5 of the Agreement. No repayment is due if the project does not reach the stage of the commercialization.

In Israel: The Israeli industrial partner will have to comply with the procedures, rules and regulations of the OCS (the Law for the Encouragement of Industrial R&D), which can be found on the OCS website.

In Italy: The contribution assigned by the Ministry of Foreign Affairs and International Cooperation will be paid as follows:

1. At once, after finalization of the project, upon presentation of a financial report of eligible expenses, according to the cost estimate of the proposed project itself.
2. Upon request by the applicant, through an advanced payment exclusively under the following terms and conditions
 - a) One year after the formal acceptance of the contribution;
 - b) Presenting a letter requesting an advanced payment to be sent to the MFAIC, within a maximum of 50% of the granted contribution.
 - c) Submitting the necessary documentation proving the coherence of the project implemented compared to the project proposal during the first year. Expenses eligible according to the "norme integrative" have to be documented for at least 30% of the contribution.
 - d) Submitting a bank surety bond corresponding to the amount of the requested advance payment, and with a validity of one year after the project implementation deadline. Any expenses for the amount recovering as well as any further incidental expenses have to be covered by the enterprise.

6. Notification of the results

For the Italian party, the winners selected by the Italian-Israeli Joint Committee will be informed of the results by certified electronic mail. In Italy, the list of selected projects will be published also on the website of the Italian Ministry of Foreign Affairs and International Cooperation. In Israel, for the Israeli party, the *Office of the Chief Scientist (OCS)*, will inform the Israeli companies by email.

7. For further information

ITALY

Ministero degli Affari Esteri e della Cooperazione Internazionale
D.G.S.P. – Unità per la Cooperazione Scientifica e Tecnologica
Bilaterale e Multilaterale

certified electronic mail: dgsp.unita-cst@esteri.it
(for official submission)

accordo.italiaisraele@esteri.it
(for general information)

ISRAEL

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