



*Ministero degli Affari Esteri
e della Cooperazione Internazionale*

**MINISTRY OF FOREIGN AFFAIRS
AND INTERNATIONAL COOPERATION
DIRECTORATE GENERAL FOR CULTURAL AND ECONOMIC
PROMOTION AND INNOVATION
ITALIAN REPUBLIC**



**ISRAEL INNOVATION AUTHORITY
STATE OF ISRAEL**

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

Seventeenth Call for Proposals for Joint R&D Projects – 2019
(“INDUSTRIAL TRACK”)

Submission by Monday, October 22th 2018

Within the activities foreseen by the Agreement on Industrial, Scientific and Technological Research and Development Cooperation between Italy and Israel (hereinafter called “the Agreement”), the Directorate General for Cultural and Economic Promotion and Innovation 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 Israel Innovation Authority (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 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 force.

2. Qualifications

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

1. The **Italian partner** can be an industrial entity (company) or a non-industrial entity (university, research center, etc.). The applying industrial entity must be a company that runs R&D activities, and realizes the project either independently or in association with other public or private companies or entities. In case the company does not run R&D activities directly, it must be assisted by a non-industrial entity (university, research center, technological park) able to carry out the proposed research as an associate. The product or service resulting from the research activities must show evident potentialities of improving already existing products or creating new ones on the market, in order to guarantee sale profits to the participating company. The applying non-industrial entity (university, research center) must be associated with an industrial entity, whether or not it runs R&D activities, for the realization of the project;
2. 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;
3. 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;
4. The product, process or service must be innovative;
5. The project's content and budget should be well balanced between the Italian and Israeli partners;
6. Cost estimates must be congruous with the planned activities;
7. 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 2019 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 force.

In Italy, for projects involving experiments with animals and/or humans, it is the responsibility of the principal investigator to ensure that the project is conducted in accordance with the International and National Regulations in force.

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 e-mail 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 of the applying entity or company 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 Cultural and Economic Promotion and Innovation*, whereas the Israeli Partner must send it to

the *Israel Innovation Authority* through *ISERD – the Israel-Europe R&D Directorate*.

In Italy, projects must be submitted by **Monday, October 22th 2018 at 17:00 CET** exclusively and mandatorily, on penalty of exclusion of the project, by certified electronic mail to the following address: dgsp09.pec@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 2019 e per la rendicontazione dei progetti - Legge n. 154/2002*”, according to the “Check List” (Annex A).

In Israel, projects must be submitted in PDF format by **Monday, October 22th 2018 at 23:59 (local Israeli time)** to the following e-mail address: uzi@iserd.org.il

In Israel, the applicants shall also electronically submit a full funding request, in Hebrew, to the *Israel Innovation Authority* by no later than **Thursday, December 27th 2018**. The Israeli applicants should follow the rules and regulations of the *Israel Innovation Authority*; in particular, when filling the budget spreadsheet, applicants should stick to eligible items only (more details on eligibility can be found in the spreadsheet template itself).

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 in terms of technological innovation;
2. Qualifications of the applicants in performing the specific tasks, and 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 and resources of the partners (R&D personnel, infrastructure, finance, marketing, etc.).

The Italian Authorities might ask, at any moment of the selection phase, further information about the adequacy of the budget proposal.

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 e-mail, 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 the issue of 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. A copy of the above mentioned "Standard Cooperation Agreement";
2. A formal declaration of acceptance of the grant and of the conditions contained in the letter of assignment sent by MFAIC. Should the principal Investigator change during the year, the replacement has to be promptly formally notified to MFAIC for authorization;
3. A declaration of acceptance of the public grant in accordance with the Commission Regulation (EU) no. 1407/2013 of December 18th 2013 on the application of articles 107 and 108 of the Treaty on the Functioning of the European Union to the "de minimis" aid.

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 *Israel Innovation Authority* 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 and procedures in force. Each project that is selected can be financed up to 50% of the documented and eligible costs of research and development.

In Italy:

The contribution assigned by the Ministry of Foreign Affairs and International Cooperation will be paid in two possible modalities:

1. At once, after finalization of the project.
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) Upon presenting a letter requesting an advanced payment to be sent to MFAIC, within a maximum of 50% of the granted contribution.
 - c) Upon 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) The issue of the financial support is subordinated to the submitting, by the company, of 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. The financial support will be granted only after the final financial report has been received and the project has been positively evaluated.

In Israel:

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

If the project is profitable, 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 the 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.

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. The list of the selected projects will be published also on the website of the Italian Ministry of Foreign Affairs and International Cooperation.

For the Israeli party, *the Israel Innovation Authority* will inform the Israeli companies by email.

7. For further information

ITALY

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certified electronic mail: dgsp09.pec@cert.esteri.it
(for official submission)

E-mail: accordo.italiaisraele@esteri.it
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ISRAEL

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