Annex 4

to the Regulations on selection of project applications

 **methodology of application of criteria for evaluation of project applications for the second and subsequent project application selection rounds**

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| Name of the operational programme | Growth and employment |
| Number and name of the priority axis | 1. Research, technological development and innovation |
| Number and name of the specific objective  | 1.1.1. To increase the research and innovation capacity of scientific institutions of Latvia and their ability to attract external funding by investing in human resources and infrastructure Measure 1.1.1.1 “Industry-Driven Research” |
| Type of selection of project applications | Open selection of project applications |
| Responsible authority | Ministry of Education and Science |

*General rules for applying the criteria used for evaluating project applications:*

1. *The reference to the location of the information needed to evaluate a project application against the criterion in the project application (in the project application form, its annexes and additional documents to be submitted) is indicative; if the information is not available in the indicated place, the entire project application and its annex should be reviewed in full.*
2. *When evaluating the compliance of project applications with evaluation criteria, only the information available in the project application (in the project application form and annexes) should be taken into account. The evaluation cannot be based on assumptions or other information which cannot be checked or proved, or which is not applicable to the specific project application. However, if the assessor has access to any information which can affect the evaluation of the project, specific facts and sources of information should be indicated to support and prove the information provided by the assessor.*
3. *When evaluating project applications, attention should be paid as to whether the information provided in the project application form is harmonised in all the sections of the project application form in which it is mentioned. If the information in sections of the project application form is not harmonised, a rule should be set stating that an additional explanation needs to be provided with regard to the criterion, to which this mismatch is applicable.*
4. *The evaluation of project applications uses:*
5. *Operational programme “Growth and Employment” and annexes to the operational programme;*
6. *Cabinet of Ministers Regulations Nr 34 “Rules of implementation of measure 1.1.1.1 “Industry-Driven Research” of specific objective 1.1.1 “To increase the research and innovation capacity of scientific institutions of Latvia and their ability to attract external funding by investing in human resources and infrastructure*” *of* *operational programme “Growth and Employment” (hereinafter referred to as the CM Regulations on the Measure);*
7. *Regulations for selection of Project Applications of the second round of measure 1.1.1.1 “Industry-Driven Research” of specific objective 1.1.1 “To increase the research and innovation capacity of scientific institutions of Latvia and their ability to attract external funding by investing in human resources and infrastructure” of operational programme “Growth and Employment” (hereinafter referred to as measure 1.1.1.1), including Criteria for Evaluation of Project Applications, Methodology for Completion of the Project Application Form and Methodology of application of criteria for evaluation of project applications (the methodology of application of criteria is provided for reference only).*

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|  **3. QUALITY CRITERIA** | **Evaluation system** |
| **Maximum score to be obtained and scoring procedure** | **Minimum score required** | **Explanation of determination of eligibility** |
| The total minimum weighted score in the total assessment of the quality criteria defined in section 3 is 10 points. |
| **3.1. Excellence** |
| * Clarity and compliance of project goals with goals and priorities of the Latvian Smart Specialisation Strategy (hereinafter referred to as RIS3).
 | 0-5(weight – 1) Evaluation unit – 0.5 points | 3 | **The following aspects are evaluated within the criterion:****I. Clarity and compliance of goals with goals and priorities of RIS3**It is evaluated whether the project application:1. explains the main idea and implementation assumptions of the project.2. goals[[1]](#footnote-2) are unambiguously defined, measurable and correspond to any of the three axes of transformation of the national economy defined in RIS3: * the change of production and export structure in the traditional sectors of the economy;
* the sectors of future growth of the national economy, where products and services with a high added value exist or could appear;
* sectors with a significant horizontal impact on and contribution to the transformation of the economy;
* corresponds to at least one or more Smart Specialisation areas or growth priorities[[2]](#footnote-3) according to provisions of Paragraph 5 of the CM regulations on the measure;

3. expected results and their numeric values are unambiguously identified, results are realistic and achievable in the project implementation period or during the project life cycle, they correspond to the aims of the measure and the project.*The Ministry of Education and Science has published analytical descriptions of smart specialisation areas and an explanation of their contribution to the implementation of axes of transformation of the national economy and growth priorities defined in RIS3**(*[*http://viaa.gov.lv/lat/zinatnes\_inovacijas\_progr/viedas\_specializacijas\_iev/viedas\_spec\_ieviesana/?tl\_id=21474&tls\_id=43298*](http://viaa.gov.lv/lat/zinatnes_inovacijas_progr/viedas_specializacijas_iev/viedas_spec_ieviesana/?tl_id=21474&tls_id=43298)*). This material should be used as a support document in the selection and implementation of project applications within the scope of RIS3 programmes. The experts included in the EC’s database of experts, who have been selected to conduct a scientific assessment of project applications, should also be familiarized with the content to conduct the evaluation.* **II. Research methodology**The following aspects should be taken into account, when evaluating research methodology:1. the project application describes research methodology in detail – the conditions of formation of the scientific theory, which are planned to be used at the following project implementation stages: * definition of the problem and solutions;
* verification of the topicality of the research;
* selection of research methods (techniques) and their arrangement in a definite system, the application of which may lead to the desired result and provide scientifically justified information;

2. the research methodology is related to the work plan, which in detail stages shows the research process and tasks to be performed within them, defining the attainable results and interim results (including mid-term results), the time schedule of their achievement. 3. the selected methodology will allow to achieve the expected project results. The methods used are identified for each specific activity stage separately, on the basis of a defined work plan.The evaluation of the research methodology should be linked to the category of research implemented within the project. It needs to be evaluated whether the selected methods correspond to the framework of fundamental, industrial research or experimental development.It should be verified whether it is justified in the project that the methodology used in the implementation of the project is the most optimal alternative and that the goal/-s and the result/-s, using this approach, are achievable. ***Definition****: An alternative is one of several potential research methodologies which exclude one another.* **III. Expected results**The following output indicators are defined in accordance with the CM regulations on the measure:1. Number of new researchers in supported entities (full time equivalent) – the number of that scientific staff or research technical staff involved within the scope of the project as a full-time equivalent (FTE):

1.1. which is directly involved in the implementation of the research;1.2. as a result of the involvement of which the institution:1.2.1 creates a new post for scientific staff or research technical staff (hereinafter referred to as the new researcher);1.2.2. increases the total number of persons employed in research;1. Number of new products and technologies, which can be commercialised and for the development of which aid is provided within the scope of projects – the number of prototypes developed within the project, if sustainability of project results is ensured for five years after the last payment, making a contribution to the development of the innovation system according to one of more types of contribution:

2.1. protects technology rights related to the prototype;2.2. concludes an intellectual property licence agreement;2.3. improves the prototype developed within the project to introduce it into production or provision of services;1. Number of scientific articles, for the development and publication of which aid is provided within the scope of the project;
2. Private investment matching public support in innovation or R&D projects;
3. Number of enterprises cooperating with a research institution.

Paragraph 24 of the CM regulations on the measure defined the following one or more expected research results: 1. Original scientific articles which are published in scientific journals or conference proceedings, the citation index of which reaches at least 50 percent of the average citation index in the sector;
2. Original scientific articles which are published in scientific journals or conference proceedings included in the Web of Science or SCOPUS (A or B) databases. The value is taken into account, if scientific articles are planned within the project which will be published in scientific journals or conference proceedings included in the Web of Science or SCOPUS databases, regardless of the citation index.
3. Technology rights – patents;
4. Technology rights – other intangible assets.

In accordance with the application of Article 1 of Commission Regulation (EU) No. 316/2014 of 21 March 2014 on the application of Article 101(3) of the Treaty on the Functioning of the European Union to categories of technology transfer agreements (hereinafter referred to as Regulations No. 316/2014) technology rights means know-how and other rights, or a combination thereof, including applications for or applications for registration of those rights (Article 1(b) of Regulations No. 316/2014): * patents;
* utility models;
* design rights;
* topographies of semiconductor products;
* supplementary protection certificates for medicinal products or other products for which such supplementary protection certificates may be obtained;
* plant breeder’s certificates; and
* software copyrights.

Know-how means a package of practical information, resulting from experience and testing, which is (Article 1(i) of Regulations No. 316/2014):* secret, that is to say, not generally known or easily accessible;
* substantial, that is to say, significant and useful for the production of the products; and
* identified, that is to say, described in a sufficiently comprehensive manner so as to make it possible to verify that it fulfils the criteria of secrecy and substantiality.
1. Intellectual property licence agreements.

Pursuant to Article 1(h) of Regulation No.316/2014 intellectual property rights include industrial property rights, in particular patents and trademarks, copyright and neighbouring rights. The object of an intellectual property (technology right) licence agreement is transfer of certain knowledge, production skills or technology from the developed (licensor) to the user (licensee) for production or usage needs.1. New product or new technology prototype.
2. New treatment and diagnostic method (including a non-commercialisable method).
3. Other project results (including data) according to the specifics of the research, which supplement the results mentioned in Sub-paragraphs 1 – 7 of this section.

The results should match the selected category of research (fundamental research, industrial research or experimental development, taking into account whether several research categories are intended to be implemented within the project according to provisions of Paragraph 8 of the CM regulations on the measure)[[3]](#footnote-4) and related to the research stages planned in the project.It is checked whether the project application justifies scientific value of research results, innovation level and compliance for ensuring the needs of the specific sector of national economy or society. The compliance of the expected project result – the new product or new technology prototype with the definition of a new product or new technology prototype is evaluated observing the level of analogues of existing products, processes and services and best practices on the market on the day of submission of the project application, including: * what progress compared to the identified situation is expected as a result of implementation of the project – how much positive changes are expected in comparison with the initial situation, including the comparison of equivalents available on the market and parameters of research results and the target market and other aspects justifying the topicality of the research developments;
* a comparison of equivalents available on the market and parameters of development: functional description, type of usage, technical specification, components, materials, software, average market price or prime cost;
* what positive changes the results of the specific research will introduce into the cooperation company or industry in general in comparison with the zero alternative.

A new product are goods or services, which are absolutely new or which have improved functional properties or their intended type of usage has changed (including technical parameters, components, materials, added software, user-friendly properties changed or improved). A new product is not:* ceasing to use some part of a process;
* capital replacement or extensive increase (purchasing of modules identical to models being used, insignificant extensions, equipment and software upgrades). New equipment or extensions must have significant improvements in specifications;
* alterations due to changes in prices of components (changes in the product price or productivity of the production process are not a product innovations, for example, in manufacturing of computers, sales prices of a computer model drop due to the drop in the price of its chip);
* adaption of products to specific needs (for example, adaption of a product to customer’s needs, which does not cause such changes in functional or technical properties of the new product, which ensure higher competitiveness of the product compared to existing products);
* daily, seasonal and cyclic changes and improvements (for example, a new seasonal collection in manufacturing of clothes is not considered an innovation);
* changes in design (including flawor and aroma), which do not change functions, application or technical properties;
* resale of goods or processes of other manufacturers;
* improvements to promote marketing (including aesthetic changes);
* improvement of organisational processes in the enterprise’s activity.

New and innovative technology means a new and yet unproven technology compared to the state of the art in the industry, which carries a risk of technological or industrial failure and is not an optimisation or scaling up of an existing technology.**IV. Research interdisciplinarity (if applicable)**Social and humanitarian science sectors play an important role in intersectoral matters, making a contribution to the resolution of complicated community problems. Integration of social and humanitarian sciences in research ensures higher pay-off to the society from investments into science and technologies. Research in such areas should take into account social, economic, behaviour, institutional, historical and/or cultural aspects of the addressed social matter.Integration of the socioeconomic dimension in the drafting, development and implementation of a research plan and the new technologies that are being developed may help to find solutions for problems of the society. Depending on the planned topic of the research, success of a contribution of social and humanitarian science sectors might need cooperation between different sub-sectors of social and humanitarian sciences or other science sectors, especially natural sciences and engineering sciences.Interdisciplinarity in the implementation of the project is evaluated as an advantage. Research activity qualifies as interdisciplinary if the research applies study theories, concepts, knowledge, data and technologies from two or more branches of science, including the integration of social and cultural aspect research within technological development projects. Interdisciplinarity makes a contribution to the development of fundamental knowledge or solution of complicated problems, as well as fosters the involvement of several/ different participants in the process of research and innovation.Interdisciplinarity is justified by providing information about sectors and the institution/-s, the cooperation with which will be ensured. The project application should describe theoretical and methodological qualities in all the related disciplines. A justification should be provided of the significance/ value added of interdisciplinarity and its contribution to the achievement of planned results in the relevant quality. ***! If the project application provides interdisciplinarity, the project may qualify for the maximum score – 5 points. If the project application does not intend interdisciplinarity, the maximum score that can be obtained is 4.5 points.***The project application receives five points, if the project application successfully meets all the relevant aspects of the criterion (if there are shortcomings, they are minor):1. unambiguously defined objectives and they match RIS3 goals and growth priorities;2. expected quantified results and their numeric values are unambiguously defined. The results make a direct contribution to the fulfilment of the output indicators of SO 1.1.1 and RIS3 microlevel indicators;3.  the selected research methodology is an optimal alternative and will allow to achieve project results and provide scientifically justified information;4. the research implemented within the project is interdisciplinary (if applicable).The project application receives “0” points, if it meets none of the aspects evaluated within the criterion or compliance cannot be evaluated due to missing or incomplete information. |
| * Justification of the research methodology (selected alternative), incl. theoretical and practical.
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| * Scientific value of research results, innovation level and compliance for ensuring the needs of the specific sector of national economy, including the level of analogues of existing products, processes and services and best practices in the respective area.
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| * Efficiency and quality of the research methodology and the related work plan, including the quality of interdisciplinary approach of the research (if any is planned) and complementarity of planned activities with other research.
 |
| * Clarity of research results and their compliance with the stages of the research defined in the work plan.
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| If less than 3 points are received in criterion 3.1, **the project application is rejected**. |
| **3.2. IMPACT** |
| The socioeconomic impact of the planned project results on the axes of transformation and implementation of priorities defined in RIS3, including the expected contribution of project results to the fulfilment of RIS3 micro level indicators:* Intellectual property management – measures for knowledge and technology transfer planned during the project life cycle, the potential impact of project results on strengthening of the Latvian innovation capacity, creation of new market opportunities, promotion of competitiveness of enterprises and ensuring of needs of the society.
* Sustainability of planned project results.
* Contribution of the project in the promotion of long-term cooperation with a Latvian or foreign scientific institution.
* Contribution of the project to the resolution of problem matters related to ensuring of climate change, environmental or other public needs.
* Engagement of the public and informing on project results, which are not related to intellectual property rights.
 | 0-5(weight – 1.5) Evaluation unit – 0.5 points | 3 | **The following aspects are evaluated within the criterion:****I. Contribution of the project in the achievement of RIS3 goals and fulfilment of micro level indicators**The compliance of the project application with quality criterion 3.2, taking into account the impact of the expected project results on the fulfilment of the RIS3 micro level indicators, including:* newly created jobs, including those, where research workers are employed in the public sector/business sector. The advancement to the fulfilment of the indicator is certified by the output indicators of measure 1.1.1.1 i.1.1.1.bk(CO24)[[4]](#footnote-5);
* co-funding of enterprises for R&D projects (EUR). The advancement to the fulfilment of the indicator is certified by the private investments attracted within the scope of measure 1.1.1.1, which are supplemented by state aid for innovations or research and development projects (EUR), i.1.1.1.f;
* income from licences/patents of scientific institutions (EUR). The advancement to the fulfilment of the indicator is certified by output indicator i.1.1.1.g the number of new products and technologies, which can be commercialised and for the development of which aid within the scope of a measure 1.1.1.1 is provided;
* the number of master students and doctoral students involved in R&D projects;
* Scientific articles published in scientific journals indexed in international databases (Scopus, Web of Science), i.1.1.1.e.

1. The contribution of the project to the fulfilment of RIS3 goals and micro level indicators is determined taking into account the planned contribution to the fulfilment of the above mentioned output indicators and other parameters.2. The impact of project results on strengthening of the Latvian innovation capacity, creation of new market opportunities, promotion of competitiveness and growth of enterprises is evaluated taking into account the following aspects:* the commercialisation potential of prototypes of the new products/ technologies developed within the scope of the project, which is characterised by the technology readiness level (TRL) and the degree of innovation;
* management of knowledge and intellectual property rights created within the scope of projects (technology rights, intellectual property licence agreements concluded during the project life cycle);
* advancement to the implementation of developments into production or provision of services, which is certified by the following results expected during the implementation of the project: the number of new products and technologies, which can be commercialised and for the development of which aid is provided (i.1.1.1.g); technology rights (PUD 1.1.1.f); intellectual property licence agreements (PUD 1.1.1.g).

*The type of research can be determined by its technology readiness level:**1. Fundamental research:* * *TRL 1 – Cognized laws of nature: scientific research results allow for the initiation of applied research and development works.*

*2. Industrial research:** *TRL 2 – Concept of practical application of technology is formulated.*
* *TRL 3 – Experimental verification of a concept: research and development is initiated (analytical / laboratory research) to validate predictions of technological components.*
* *TRL 4 – Validation of technology in laboratorial environment: basic technological components are integrated to establish whether they will work together in a laboratorial environment.*

*3. Experimental development:** *TRL 5 – Validation of technology in simulated environment: technological components are integrated with reasonably realistic supporting elements so the technology can be tested in a simulated environment.*
* *TRL 6 – Demonstration of technology in simulated environment: the system model or prototype is tested in a simulated environment.*
* *TRL 7 – System prototype demonstration in an operational environment: a system prototype that matches or is minimally different from the planned system is tested in an actual operational environment.*
* *TRL 8 – The system is completed and qualified: the technology has been proven to work in its final form and under expected conditions (last technology development level).*

The project application must describe and justify in what specific way the planned project results will make a contribution to the resolution of the problem/-s defined in the RIS3 growth priorities (one or more), justifying the predicted use of the results in respective sectors/markets and the impact they will have on potentially improving performance indicators. Experts evaluate whether there is and what is the demand for the planned result on the Latvian, European or world market; how project results will promote competitiveness of the identified sector of the national economy in Latvia, Europe or in the world.When evaluating the socio-economic return, such voluntary attachments can be taken into account:1. An opinion of an association registered in Latvia on the significance of the research for the development of the sector of the national economy or the enterprise, if the opinion is appended to the project application and the association:1.1. represents economic operators from the sector, in which the research results planned within the scope of the project may be used;1.2. brings together economic operators of the sector with the total annual turnover for the last closed reporting year of at least EUR 150,000,000;1.3. has been registered with the Register of Associations and Foundations of the Register of Enterprises for at least five years; or2. an opinion from the relevant professional organisation (other than the relevant sector trade union) on the importance of the planned research for the development of the specific enterprise or sector, of the regulars planned within the project should be used in the health sector.When evaluating the socioeconomic impact of project applications, the highest evaluation is given to the project, the planned project results of which will make a bigger contribution to the fulfilment of RIS3 micro level indicators and SO 1.1.1 output indicators, fostering the increase in the Latvian innovation capacity, creation of new market opportunities, promotion of competitiveness of enterprises. **II. Intellectual property management**The planned measures for management of the intellectual property, which arises from the activities within the project, is evaluated. Potential intellectual property management (technology transfer) mechanisms are:* free access to research data by any interested person;
* publications (for example, monographs, articles in volumes of articles, newspapers, etc.);
* strengthening of industrial property rights (technology rights);
* intellectual property licence agreements;
* establishment of start-ups (spin-off (up)).

**III. Sustainability of project results**The impact of project results on strengthening of the Latvian innovation capacity is evaluated, taking into account the justification of sustainability of project results pursuant to provisions of Paragraph 24.1 of the CM regulations on the measure.Sustainability of expected results during at least five years after the final payment is justified by one or more contribution to the improvement of the innovation system capacity:1. contribution to the development of human capital – preservation of jobs for new researchers created within the scope of the project;2. knowledge and technology transfer created within the project, including original scientific articles which are published in scientific journals or conference proceedings, the citation index of which reaches at least 50 percent of the average citation index in the sector, registered technology rights, intellectual property licence agreements;3. improvement of the prototype developed within the project to introduce it into production or provision of services;4. maintenance, improvement or updating of the research results corresponding to the project specifics (including databases).It is evaluated whether and how the cooperation with the project cooperation partner – a foreign scientific institution or enterprise - will continue after the end of the project.**IV.  Contribution of the project to the resolution of problem matters related to ensuring of climate change, environmental or other public needs**The compliance of the project application is evaluated, taking into account what socioeconomic impact will be provided by the project results solving the problem matters related to climate and environmental changes or other public needs, including the socioeconomic impact provided by the introduction of the eco-innovative technology developed within the project into production or provision of services.***Definition****: Eco-innovation is any form of novelty or innovation (new product, service, process, management method), which contributes to more efficient use of resources or environmental protection.[[5]](#footnote-6)*It is evaluated whether there are plans to engage the public in identification and resolution of problem matters and informing it about project results, which are not related to intellectual property rights.The project application receives five points, if the project application successfully meets all the relevant aspects of the criterion (if there are shortcomings, they are minor):1. projects results make a direct contribution to the achievement of RIS3 goals and fulfilment of micro level indicators;2. the project application justifies sustainability of project results and their impact on the increase of the Latvian innovation system capacity, which is fostered by the creation of new market opportunities, development of competitiveness of enterprises, increase in productivity;3. project results make a contribution to the resolution of problem matters related to ensuring of climate change, environmental or other public needs. Engagement of the public and informing on project results, which are not related to intellectual property rights, is planned within the project.The project application receives “0” points, if it meets none of the aspects evaluated within the criterion or compliance cannot be evaluated due to missing or incomplete information. |
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| If less than 3 points are received in criterion 3.2, **the Project application is rejected**. |
| **3.3. Quality and efficiency of implementation** |
| * Scientific capacity of staff involved in the implementation of research and compliance for the achievement of specific objectives and results of the project.
 | 0-5(weight – 1) Evaluation unit – 0.5 points | 3 | The following aspects are evaluated within the criterion:**I. Scientific capacity and scientific management of the project**The capacity of the senior researcher or equivalent staff directly involved in the implementation of the research is evaluated, which is characterised by the information provided in curriculum vitae (CV) about the scientific and professional qualification and experience, which certifies professionalism of each person and their compliance for the fulfilment of anticipated duties and the achievement project objectives. **II. Development of research skills of students**The involvement of students or doctoral degree candidates in the implementation of a project not related to economic activity is evaluated. The aspect of involvement of students or doctoral degree candidates in the implementation of a project related to economic activity is not taken into account and the score in quality criterion No. 3.3 is not reduced. The purpose of involvement of students or doctoral degree candidates in the implementation of a project is to promote the renewal of scientific employee and involvement of young scientists in research.**!** The involvement of students or doctoral degree candidates is evaluated taking into account the workload of these persons in the implementation of the project as a full time equivalent. Those students and doctoral degree candidates mastering accredited or licenced higher education programmes qualify for the participation in the implementation of the project, who perform duties within the scope of the project according to provisions of the CM regulations on the measure, including these persons a) are employed in the Republic of Latvia and receive remuneration within the scope of the project according to an employment or a works contract; b) FTEavg during the entire project implementation period is at least 0.3 FTEavg or higher (Paragraph 43 of the CM regulations on the measure).Within the framework of a project not related to economic activity the beneficiary ensured the involvement of students or doctoral degree candidates in the implementation of the project, taking into account that the total workload of the students or doctoral degree candidates during the entire project implementation period is:1. at least two FTE if the total workload of research workers during the entire project implementation period is equal to or higher than eight FTE;2. 25 percent of the total workload of research workers during the entire project implementation period, if the total workload of research workers during the project implementation period is lower than eight FTE.**III. Administrative management and cooperation efficiency of the project**It is evaluated whether the activities performed by the cooperation partners are mutually complementary, excluding their overlapping or duplication, taking into account:* the breakdown of the actions implemented and responsibilities within the framework of the project;
* the contribution of each partner in the implementation of the research;
* the distribution of the intellectual property arising from the activity performed within the framework of the project, observing the contribution of each partner (human resources, financial and material resources) in the implementation of the project.

It is evaluated whether the management structure and the decision-making mechanism will ensure the achievement of the results of project objectives within the deadlines set in the project and the CM regulations on the measure.It is evaluated whether effective innovation management is implemented. ***Definition:*** *Innovation management is a process requires the understanding of market needs and technical problems with the goal of successfully implementing corresponding creative ideas.* *A new or improved product, service, or process is a typical outcome of this process.* **IV. Resource management system**The information provided in the research application in the resources at the disposal of implementers and necessary at each project implementation stage to ensure the implementation of the project and the achievement of results is evaluated. It is evaluated whether there are plans to involve third persons in the implementation of the project, including use their resources:* whether the project applicant or the cooperation partner (if applicable) is planning to conclude subcontracts with service providers on the performance of individual tasks;
* whether the project applicant and the cooperation partner (if applicable) is planning that part of the implemented activities will be ensured by linked enterprises (according to the definition laid down in Article 3(3) of Commission Regulation No. [651/2014](http://eur-lex.europa.eu/eli/reg/2014/651?locale=LV));
* whether the project applicant or the cooperation partner (if applicable) is planning to use contributions in kind of third parties (if yes, a description of the third parties and their contributions is provided).

**!** The summary of the project budget **is evaluated** (including files in XLS format ensuring traceability of calculations), including calculations of reimbursement of the staff, indicating the number of persons, the number of hours and the rate according to the job rates defined in the waging procedure of the institution for equivalent work.The project application receives five points, if the project application successfully meets all the relevant aspects of the criterion (if there are shortcomings, they are minor):1. scientific capacity of the project team is sufficient for the achievement of objectives and results of the project;2. students are involved in the implementation of the project, thus fostering research skills, academic growth of these persons and the renewal of scientific staff;3. the project management and the resource management system is sufficient for the achievement of objectives and results of the project.The project application receives “0” points, if the project application meets none of the aspects evaluated within the criterion or compliance cannot be evaluated due to missing or incomplete information. |
| * The involvement of students or doctoral degree candidates in the implementation of the project.
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| * Cooperation efficiency – breakdown of functions and responsibilities of partners, contribution to knowledge and technology transfer and ensuring sustainability of project results.
* Quality of resources, tools and result management system.
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| If less than 3 points are received in criterion 3.3, **the Project application is rejected**. |
| 3.4. CONTRIBUTION TO ACHIEVEMENT OF INDUSTRIAL POLICY OBJECTIVES |
| Contribution of the project to the fulfilment of the following output indicators:3.4.1. private investment matching public support in innovation or R&D projects;3.4.2. number of new researchers in supported entities (full-time equivalent).  | 0-4(weight – 1) | n/a | 3.4.1. Contribution of the project to the fulfilment of the output indicator – *private investment matching public support in innovation or R&D projects* – by fostering the involvement of economic operators (enterprises) in the implementation of R&D and diversification of financial sources in scientific institutions established by the state.Procedure of awarding additional points:1. A project not related to economic activity.The score P3.4.1.1. is calculated using the following formula P3.4.1.1. = KD – 1, provided that P3.4.1.1. = 0.5, if the cooperation partner’s – enterprise’s project part is 20 % and the part of national co-funding eligible to it is KD=1.5, and P3.4.1.1. = 2.0, if the cooperation partner’s – enterprise’s project part is 40 % and the part of national co-funding eligible to it is KD=3.0. The score is written down using two decimals after the point.Example:

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| --- | --- | --- | --- | --- |
|  | **Total eligible funding (%)** | **Public eligible funding (%)** | **National eligible co-funding (%)** | **Score P3.4.1.1.** |
| Project | 100 | 92,50 | 7,50 |
| Project part of the cooperation partner – enterprise | 20 | 18,50 | 1,50 | private | 0,5 |
| 30 | 27,75 | 2,25 | 1,3 |
| 40 | 37,00 | 3,00 | **2,0** |

2.  A project related to economic activity.The score P3.4.1.2. is calculated using the following formula P3.4.2.= 0.4\*A, provided that P3.4.1.2. = 0, if the maximum permissible public funding intensity has been requested, and P3.4.1.2 = 2.0, if the requested public funding intensity A was reduced by at least five percentage points A ≥ 5.0 % of the maximum permissible public funding intensity. The score is written down using two decimals after the point.Example:

|  |  |
| --- | --- |
| **Requested public aid funding intensity:** | **Score P 3.4.1.2.** |
| is maximally permissible  | 0 |
| has been reduced by 2 percentage points of the maximum permissible aid intensity  | 0,8 |
| has been reduced by 3.5 percentage points of the maximum permissible aid intensity  | 1,4 |
| has been reduced by 4.5 percentage points of the maximum permissible aid intensity  | 1,8 |
| has been reduced by 5 percentage points of the maximum permissible aid intensity  | 2 |

3.4.2.  Contribution of the project to the fulfilment of the output indicator – *number of new researchers in supported entities (full-time equivalent)*.Additional points are awarded, if the following conditions are fulfilled:1. at least one new job for a researcher (scientific staff or research technical staff) is created within the scope of the project, thus increasing the total number of scientific staff or research technical staff employed in the institution as FTE.2. the beneficiary ensures preservation of the newly created job for a researcher for at least five years after the last payment (project follow-up period) provided that the workload of the new researcher during the entire follow-up period is at least 0.5 FTE.The score P3.4.2. is calculated using the following formula P3.4.2.= 10\*D – 0.5, provided that P3.4.2 = 1, if the number of jobs for new researchers as FTE D is 15% of the total number of research workers employed in the project as FTE (D = 15%), and P3.4.2 = 2,0, the number of jobs for new researchers as FTE D is at least 25% of the total number of research workers employed in the project as FTE (D ≥ 25%). The score is written down using two decimals after the point.

|  |  |
| --- | --- |
| **Share of new jobs (FTE)****in the total number of jobs in the project** | **Score P 3.4.2.** |
| 15% | 1,0 |
| 18% | 1,3 |
| 20% | 1,5 |
| 25% | 2,0 |

The total score P 3.4. is calculated using the formula:1. a project not related to economic activity P 3.4. = P3.4.1.1. + P3.4.2.2. a project related to economic activity P 3.4. = P3.4.1.2. + P3.4.2. **The compliance of the project application with quality criterion 3.4 is evaluated by the commission for evaluation of project applications.**The maximum possible score is granted to projects, which were submitted for the EU Framework Programme for Research and Innovation Horizon 2020 and were assessed above the quality threshold, but did not receive funding within the framework programme Horizon 2020, this excluding the impact of the criterion on the evaluation of the project submitted within the framework of the Horizon 2020 programme within the scope of measure 1.1.1.1. |

 Procedure for selection of project applications in the second and subsequent project application selection rounds:

1. the project application is evaluated and compared within the framework the set of project applications not related to economic activity and the set of project applications related to economic activity, respectively;

2. the following conditions are applicable to each selection set:

2.1. the project application, which has received the highest score in the total evaluation of quality criteria, should be supported as a priority;

2.2 if the total quality evaluation of several project applications is equal, the project application, which has received the highest score in the quality criterion “Excellence”, should be supported as a priority;

2.3. if the total evaluation of several project applications in the quality criterion "Excellence” is equal, the project application, the results of which foster the increase in the Latvian innovation capacity pursuant to provisions of Sub-paragraph 24.12 of the CM regulations on the measure, should be supported as a priority;

3. the regulations of the selection round lay down the mechanism for alignment of the project quality evaluation systems within the Horizon 2020 programme and within the framework of the measure, observing the following conditions:

3.1. the expert evaluation of project quality received within the Horizon 2020 programme is used for the evaluation of quality of the project application submitted within the framework of the Horizon 2020 programme;

3.2.  if the evaluation systems of a specific quality criterion within the Horizon 2020 programme and within the measures are not identical, the evaluation referred to in paragraph 1 of this section is recalculated using the following formula:

PKV = PH2020 x PKV Max/PH2020 Max, where:

PKV – evaluation of compliance of the project application to the specific quality criterion within the framework of the measure;

PH2020 – evaluation of compliance of the project application to the specific quality criterion within the framework of the Horizon 2020 programme;

PKV Max – maximum score to be obtained in the specific criterion within the framework of the measure;

PH2020 Max – maximum score to be obtained in the specific criterion within the framework of the Horizon 2020 programme;

3.3. the project application submitted within the Horizon 2020 programme received the maximum possible score in the quality criteria, which were not evaluated in the Horizon 2020 programme: the criterion for the contribution of the project to achievement of industrial policy objectives and quality criteria for horizontal priorities;

3.4. provisions of the *Project Application Selection Regulations* are observed.

Notes:

P – Criterion to be updated, if the criterion is not met, the cooperation authority takes a decision on the approval of the project application provided that if the project applicant ensures complete compliance with the criterion during the time and according to the procedure defined in the decision;

N – Criterion not to be updated, if the criterion is not met, the cooperation authority takes a decision on the rejection of the project application;

V – One proper criterion is applied;

S – All proper criteria are applied (by summing up the points awarded to them).

In the evaluation of quality criteria, the expert applies an evaluation approach according to the practice evaluating Horizon 2020 projects:

“0 points – The **proposal fails to address the criterion** or cannot be assessed due to missing or incomplete information (unless there was an ‘evident transcription error’);

1 point – Poor. The criterion is inadequately addressed, or there are serious inherent weaknesses;

2 points – Fair. The proposal broadly addresses the criterion, but there are significant weaknesses;

3 points – Good. The proposal addresses the criterion well, but a number of shortcomings are present;

4 points – Very good. The proposal addresses the criterion very well, but a small number of shortcomings are present ;

5 points – Excellent. The proposal successfully addresses all relevant aspects of the criterion. Any shortcomings are minor .”

According to the expert’s evaluation form, the expert justifies the awarded number of points.

1. Goal: corresponds to the purpose of measure 1.1.1.1, in a concise way gives an insight into project results and solutions used to resolve the identified problem [↑](#footnote-ref-2)
2. Additional information is available on the website: <http://www.izm.gov.lv/images/zinatne/Tautsaimniec%C4%ABbas_transform%C4%81cijas_virzieni.pdf> [↑](#footnote-ref-3)
3. In case of industrial research and experimental development the implementer of the research may set restrictions for the process of distribution of information, research results related to intellectual property rights (including to ensure protection of industrial property rights). [↑](#footnote-ref-4)
4. Number of new researchers in supported entities (full-time equivalent) [↑](#footnote-ref-5)
5. Source of the definition: Enterprise Europe Network Latvia (b.g.) *Eco-innovations*. Viewed online: <http://www.een.lv/pakalpojumi/es-atbalsta-programmas/eiropas-kopienas-programmas/eco-inovacijas> [↑](#footnote-ref-6)