
Guide for Project Promoters and Project Partners: submitting the amendment request for additional funds

(POLNOR 2019 Call, POLNOR CCS 2019 Call, IdeaLab Call for Full Proposals)

I. Legal basis

The Programme 'Applied Research' is implemented on the basis of the following legal acts:

- Regulation on the implementation of the European Economic Area (EEA) 2014-2021, hereinafter referred to as 'Regulation';
- Regulation on the implementation of the Norwegian Financial Mechanisms 2014-2021;
- Guideline for Research Programmes – rules for the establishment and implementation of programmes falling under the Programme Area "Research",
- Programme Agreement between the Financial Mechanism Committee and Norwegian Ministry of Foreign Affairs and the Ministry of Investment and Economic Development of the Republic of Poland for the financing of the Programme "Applied Research";
- Act of 30 April 2010 on the National Centre for Research and Development (Journal of Laws item 2279, 2022);
- Act of 20 July 2018 on the Law of Higher Education and Science, (Journal of Laws item 574, 2022 as amended);
- Regulation of the Minister of Science and Higher Education of 17 September 2010 on the detailed mode of performance of tasks of the National Centre for Research and Development (Journal of Laws No 178 item 1200);

II. Definitions

Words beginning with a capital letter shall have the meaning defined as follows:

Project – the undertaking implemented by the PP and Project Partners pursuant to the Project contract, involving the carrying out of fundamental research, industrial research and experimental development. The Project may also cover a feasibility study or pre-commercialisation activities;

Project contract – an agreement between the Programme Operator and the PP regulating the implementation of a particular Project;

Project Promoter (PP) – an entity formally responsible for submitting the proposal under the Programme ‘Applied Research’ and representing the consortium acting for and on behalf of himself/herself and the Project Partners during the Project implementation;

Project Partner – an entity actively involved in, and effectively contributing to, the implementation of a Project. Project Partner shares with the PP a common goal which is to be realised through the implementation of that Project;

Programme Operator (PO) – the National Centre for Research and Development, agency responsible for the management and implementation of the Programme ‘Applied Research’ in Poland;

Financial Mechanism Office (FMO) – the secretariat of the EEA Grants and Norway Grants.

III. Rationale for awarding additional funding

The exceptional price increases and the unprecedented current economic situation cause specific challenges for all actors operating in global and national environment. These developments also affect Projects implemented under the “Applied Research” Programme supported by financial contribution from the EEA and Norway Grants 2014 – 2021. At the same time significant depreciation of the zloty (PLN) against the euro (EUR) over the last years generates exchange rate surplus in the "Applied Research" Programme.

With this in mind the PO informs about the possibility of increasing funding for already approved POLNOR, POLNOR CCS and IdeaLab Projects while the limits in euro for the Programme outcomes shall not be exceeded. The aim of awarding additional funding to Projects is to mitigate risks faced by Projects and resulted from multiple crises of war in Ukraine, COVID pandemic and inflation. These risks were beyond the control of the PPs and Project Partners, and were unforeseeable when the Project proposals were submitted. Moreover, to maximise absorption of Programme allocation additional funds may be granted to scale up results.

The additional funding will allow the Projects to complete their planned/additional activities under the deteriorated circumstances within the eligibility period.

Decisions to award additional funds to already approved Projects are based on simple and transparent procedures, that include: assessment criteria, equal treatment of all PPs of POLNOR, POLNOR CCS and IdeaLab Projects and a clear deadline for submitting amendment requests. The purpose of this document is to describe these conditions and procedures.

IV. Eligible entities

Amendment requests for additional funding are submitted by the PPs representing the active (not completed yet) research Projects funded under POLNOR, POLNOR CCS and IdeaLab Calls. Before submitting the request the PP and Project Partners must reach agreement with respect to proposed changes.

V. Rules of awarding additional funding

1. **The additional funding can be awarded solely to the PPs and Project Partners of the active research Projects funded under POLNOR, POLNOR CCS and IdeaLab Calls which are **research organisation** as defined in the Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, and as stipulated in Article 37 paragraph 1 of the Act on the National Centre for Research and Development.**
2. The Enterprises as defined in the aforementioned Commission Regulation (EU) No 651/2014 cannot receive additional funding.
The additional funding does **not constitute State aid**.
3. The amendment request for additional funding may be submitted if the Project implementation was affected by circumstances which could not have been foreseen at the moment of submitting project proposal. In particular, **it shall be demonstrated that the exceptional price increases and the exceptional current economic challenges (COVID pandemic, war in Ukraine, delays in supplies, broken supply chains, serious change of socio-economic conditions etc.) faced by an active Project are clearly beyond the control of the PP and Project Partners, and were unforeseeable when the Project proposal was submitted.**
4. The amendment request for additional funding may be submitted if the **implemented Project has the capacity to scale up results. In particular, when the additional funding could yield better results and contribute to the results of the Programme to a greater extent.**
5. The amendment request for additional funding may address:
 - a) increase in costs of: personnel, consumables, supplies, equipment, travels, subcontracting, other direct costs;
 - b) the need to extend the Project duration and the related need to extend the employment of Project's personnel, increase the research team or otherwise change the Project;

- c) the need to adjust the Project activities, incl. Communication plan.
6. Costs indicated in the amendment request for additional funding shall meet the following conditions jointly. The aforementioned costs shall be:
 - a) necessary for the implementation of the Project's objectives;
 - b) consistent with the Project budget;
 - c) posted and documented in accordance with accounting regulations and the accounting policy applicable to the PP or Project Partner;
 - d) incurred in the period of Project implementation;
 - e) incurred in accordance with the rules of reasonable financial management, particularly the best ratio of expenditure to profit;
 - f) incurred in accordance with the "Cost eligibility guide";
 - g) in compliance with the applicable EU and domestic laws, in particular the Public Procurement Law (if applicable).
 7. Cost overruns, extension of the Project duration, increase in the number of the research personnel or any other change of the Project **due to e.g., budgeting/planning mistakes should not be covered.**
 8. **Project implementation may be extended max. until 30 April 2024.**
 9. **Exchange rate losses shall not be considered eligible and shall not be covered by additional funding.**
 10. The amendment request for additional funding should include a description of the additional/increased costs broken down by PP and Projects Partners that are research organisations as well as a justification for each of them indicating the occurrence of the circumstances described in V.3 and V.4.
 11. The amendment request for additional funds may be submitted only if the Project has the capacity to absorb additional funds, which is verified on the basis of the declaration of the person authorized to represent the PP that additional funds will be spent by the end of the Project implementation and no later than the end of the eligibility period (April 30, 2024). Abovementioned declaration shall be submitted in compliance with the template which is attached as Annex 4. to the Guide.
 12. **The maximum grant amount in PLN can be increased by 7 % of the total granted funding as stipulated in the Project contract.**
 13. Additional funding in PLN for already approved POLNOR, POLNOR CCS and IdeaLab Projects is awarded in accordance with the procedure set out in this 'Guide for Project Promoters and Project Partners: submitting the amendment request for additional funds' (hereinafter: 'Guide').

VI. Submission and assessment of the amendment request for additional funding

1. Information about the possibility to request additional funding is provided directly to PPs of Projects funded under POLNOR 2019 Call, POLNOR CCS 2019 Call and IdeaLab Call for Full Proposals. In addition, information about the possibility to request additional funding along with this Guide is published on the POs website.
2. The amendment request for additional funds with annexes shall be prepared in compliance with the template which is attached as Annex 1 to the Guide and filed with declaration mentioned in V.11.
3. The PPs submits the amendment request in English to the PO.
4. The on-line submission system (LSI) is available for PPs as of **20 February 2023**. The amendment request for additional funds can be submitted continuously with the deadline for submission established as 20 April 2023 16:00 CET. The amendment request for additional funding submitted after this deadline will not be assessed.
5. The request for an amendment shall be submitted solely in an electronic manner through the LSI system, available under the following address: lsi.ncbr.gov.pl.
6. Amendment request for additional funding submitted in paper form, removable electronic storage medium (e.g. CD-ROM, diskette, portable drive etc.), via email or fax shall not be deemed as delivered in a prescribed manner.
7. The assessment of the amendment request for additional funding is carried out by the PO, in accordance with the criteria set out in Annex 2 to the Guide.
8. The amendment request for additional funding together with accompanied documents is subject to a formal assessment performed by the PO in terms of completeness and correctness of the documentation and (if the amendment concerns the financial part) financial verification. The purpose of the financial verification is to analyse the eligibility of expenditure, assign costs to the appropriate categories to indicate any circumstances that prevent the PO from agreeing to the proposed change.
9. If the amendment request is incomplete which means it needs modification, the PO issues a request to the PP.
10. PP responds to the request referred to in point 9, electronically through the LSI system, within the time limit specified in the aforementioned request.
11. Amendment request is considered incomplete where the PP has failed to fully respond to the POs request within the prescribed period of time.
12. A complete and correct amendment request along with a positive formal assessment are then subject to substantive assessment by external experts.
13. Based on the expert's assessment, the PO decides on awarding additional funding.
14. The amendment request may be accepted or subject to changes or rejected.
15. The results based on the assessment of the amendment request will be known within 3 months of the deadline for submission of request for an amendment at the latest. In justified cases, the period will be extended to 6 months.

VII. Funding decision and amendment to a Project contract

1. The PO notifies the PP about the results of the assessment of the amendment request.
2. Once the amendment request is accepted or the PO approves the required changes to the amendment request, the PO issues a funding decision via the institution of the Director of the PO, which specifies the increased amount awarded to the Project, thus changing the previous funding decision.
3. A decision of the Director of the PO concerning the award of grant, mentioned in VII.2, may be appealed against on grounds of procedural breach or other formal issues, to the Appeal Committee of the Council of the National Centre for Research and Development, within 14 days from the date of the decision's delivery. The Appeal Committee of the Council of the National Centre for Research and Development will issue its decision no later than within 3 months after the appeal date. The decision of the Appeal Committee of the Council of the National Centre for Research and Development may be appealed against at the administrative court.
4. The PP is obliged to prepare the amendment to a Project contract in compliance with the results of the assessment using the template of the amendment to a Project contract which is attached as Annex 3 to the Guide.
5. The amendment to a Project contract additionally includes provisions concerning the extension of PP's and Project Partners' rights, responsibilities, liabilities and obligation in relation to the Project as indicated in the Project contract, covering the period of 5 years from the approval of the final programme report as well as PP's obligation to upload high quality photos and videos from the Project implementation phase to the Media Library multimedia platform launched by the FMO.
6. Amendment to a Project contract is signed between the PO and the PP acting on behalf of all Project Partners.
7. The conclusion of the amendment to a Project contract is a condition for receiving additional funding.
8. Rules for payment, settlement and possible return of funds as well as rules for reporting related to the disbursement of funds remain as specified in the Project contract.
9. In matters not regulated in this Guide, the acts listed in I. are applicable.

VIII. Contact information

For any additional information about amendment request for additional funding under POLNOR 2019 Call, POLNOR CCS 2019 Call and IdeaLab Call for Full Proposals please contact your Project office or contact the PO via the following e-mail address: norwaygrants-at-ncbr.gov.pl.

IX. Personal data protection

1. Each of the entities participating both in submitting the amendment request for additional funds and implementation of the Project (PO, Project Promoter, Project Partner) has the status of a separate Personal Data Controller regarding Article 4(7) Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and the free movement of such data and repealing Directive 95/46/EC (General Data Protection Regulation – GDPR).
2. Information on data processing by PO is included in the information clauses in Annex 5 to the Guide.
3. The Project Promoter is required to provide the information clauses referred to in IX.2 to the relevant persons.

X. Annexes

1. Template of the amendment request for additional funds with annexes,
2. Assessment criteria,
3. Template of the amendment to a Project contract,
4. Declaration of the person authorized to represent the PP that additional funds will be spent by the end of the Project implementation and no later than the end of the eligibility period (April 30, 2024),
5. Information clause under Art. 13 and Art. 14 GDPR.