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CHIPS: NATIONAL GUIDELINES AND ELIGIBILITY CRITERIA FOR AUSTRIAN PARTICIPANTS IN THE CHIPS NON-INITIATIVE CALLS 2024

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1 PREFACE

“There's no digital without chips. The European need for chips will double in the next decade, this is why we need to radically raise Europe's game on the development, production and use of this key technology.”¹

In order to address this challenge, the European Chips Act regulation was proposed in February 2022, with a comprehensive set of measures to ensure the EU's security of supply, resilience and technological leadership in semiconductor technologies and applications. The Chips Act regulation is based on a three-pillar structure. The first Pillar, also known as Chips for Europe Initiative, aims to facilitate the transfer of knowledge from the lab to the fab, bridging the gap between research and innovation and industrial activities and by promoting the industrialisation of innovative technologies by European businesses. Pillar 2 targets the EU's security of supply, while pillar 3 deals with monitoring and crisis response.

Subsequently [Chips Joint Undertaking \(Chips JU\)](#) was launched in order to implement measures settled under the Chips for Europe Initiative. As a successor of the previous Key Digital Technologies Joint Undertaking (KDT JU), Chips JU continues to support activities previously funded under KDT JU. Therefore the Chips JU has a two-fold programme. It implements a number of activities within the Chips for Europe Initiative (the initiative part), including pilot lines, design platform, competence centers and support to quantum chips technology. In parallel, it supports actions in the so-called “non-initiative part”, covering the activities formerly included in the Work Programme of the KDT JU. This includes funding of transnational cooperative R&D in the field of electronic components and systems.

This document refers exclusively to the national implementation of the Calls started by the Chips JU under the “non-initiative part” (initiative calls are not addressed here). Most of the non-initiative Calls are co-funded by the European Commission and the Participating States. Therefore, funding applicants must submit applications both at the transnational and national level. Relevant information on the Chips JU non-initiative transnational calls (rules and conditions, budget, publication date and deadlines, ...) are published on the websites of the Chips JU and the [Funding & tender opportunities portal of the EU](#) and in particular in the [Chips JU Work Programme 2024 \(included in Appendix3 2024NI\)](#), which can be obtained from these websites. In addition to the general rules and conditions, country specific eligibility rules apply nationally. This document describes the **National Eligibility Criteria for Austrian participants** - it is designed to describe the conditions for Austrian partners and to support Austrian partners with the necessary information **for the national submission**.

In addition to that, all relevant information for Austrian participants can be obtained from the [Chips Call Website](#) at FFG, which is the National Funding Agency (NFA) for the Chips JU in Austria. National contact person for the Chips JU Programme is Ana Almansa, T +43 (0)57755 50 29, ana.almansa@ffg.at.

¹ European Commission President Ursula von der Leyen announced a new European Chips Act in a Special Address at The World Economic Forum in Davos in January 2022

2 GENERAL INFORMATION

2.1 What is the procedure for national submission?

In addition to the submission at the European Commission's "Funding & Tender opportunities Portal", national applications must be electronically submitted via the [FFG-eCall](#) before the respective deadline. The obligation to submit an eCall national application applies - in the case of the two-stage calls- both to the Project Outline (PO) AND the Full Project Proposal (FPP). In exceptional cases where partners join a transnational consortium for a two-stage call only in the FPP phase, they must submit a national application in the FPP phase as described below.

How does it work?

- Register at the eCall (please note: **do not register as consortium – each partner has to submit a separate national application**)
- Fill in the online forms and the budget calculation – the system verifies whether the funding requirements are met (e.g. max. funding, etc.)
- Upload the required documents
- Finalise the application in eCall and click "Submit application" ("Einreichung abschicken")
- Upon successful submission, an acknowledgement is automatically sent by email

Further information on how the electronic submission platform works is available in the [online eCall tutorial](#).

Please note: As the total length of Chips proposals is restricted, many proposals do not contain sufficient information for the national eligibility check. Therefore, national applicants must complete at the FPP stage the national annex "Chips 2024 Description of Project Contribution for Austrian partners" in which the organisation's own project contribution has to be described in detail.

2.2 What is necessary for the PO-Phase?

After the deadline of the PO-Phase we will conduct a basic eligibility check. The following criteria are checked:

- Both national and transnational submission completed
- Project duration (max. 48 Months)
- Financial viability
- Funding rate
- Person months ratio between enterprises and RTOs

The results of the national eligibility check (eligible/not eligible/conditional eligible) are communicated to the Chips Joint Undertaking, as well as information on how the status of ineligible or conditionally eligible proposals can be improved. Indications on the budget or other relevant topics (from a national point of view) will be communicated to the applicant if necessary.

2.3 What is the formal check after Full Project Proposal submission?

In the formal check FFG verifies the national application for formal correctness and completeness.

You will be notified of the result of the formal check within 2 weeks after the submission deadline 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 revise 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 following criteria are checked and deficiencies can be corrected:

- Consistency between data submitted in FFG eCall and EC Participant Portal
- Uploads to organization's master data in eCall (e.g. annual accounts of the last 2 financial years) as specified in chapter 3.1.2.
- Declaration of SME status as specified in chapter 3.1.2.

The following criteria are checked and deficiencies cannot be corrected:

- The applicant is eligible for submission of a proposal. See chapter 3.1.1
- Person months ratio between enterprises and RTOs: see chapter 3.1.3.
- Project duration (max. 48 Months)
- Completeness of the application (complete application in FFG eCall and application in the EC Funding and Tenders Portal)
- Language: English or German
- Attachment to eCall project data: "Chips 2024 Project Contribution for Austrian partners" (FPP Phase)

2.4 What is the eligibility check?

In the eligibility check we combine the results of the following checks:

- Formal check
- Check of the eligibility of costs with respect to the guidelines for costs
- Check of the financial viability of the participating enterprises by FFG experts (credit rating and liquidity). It is not possible to provide funding to undertakings in difficulty.
- Compliance with the national eligibility criteria (see chapter 3)

The results of the eligibility check (eligible/not eligible) are communicated to the Chips Joint Undertaking.

2.5 What is the legal background for the funding?

Legal background for funding: [FFG-Technologie-Richtlinie](#).

2.6 What is the legal basis for the national funding?

In case of a positive funding decision, the FFG will provide each partner with a view in the eCall System of the most important basic parameters of the funding contract (e.g. amount of national funding granted, amount of eligible costs, start and ending date of the funding period, reporting obligations and possible binding requirements). If the full eligible funding cannot be awarded for budgetary constraints, FFG can make an offer for funding with reduced eligible costs.

Upon agreement with the presented offer, the legal representative of the applicant organization confirms the terms by accepting the project data view on the eCall Portal.

After acceptance of the data view within the given deadline, the FFG prepares the funding contract and delivers it to each partner. The project participant signs the contract electronically in the eCall System. Thereby the funding contract is valid in law. Until then, there is no title for being funded.

3 NATIONAL ELIGIBILITY CRITERIA FOR AUSTRIAN PARTICIPANTS

3.1 Legal requirements for the eligibility of a partner or a project

3.1.1 Type or nature of participants (Who is eligible to receive funding?)

Legal entities, partnerships and sole traders that are not part of the Austrian federal administration are eligible to receive funding.

The following are eligible for funding:

- Companies of any legal form
- Institutions of research and knowledge dissemination
 - Universities ²
 - Universities of applied sciences
 - Non-university research institution
 - Technology transfer institutions, innovation agents and other research oriented organisations such as associations with a relevant purpose

² The smallest possible unit of a university is an institute of the university or an organisation comparable to a UOG 2002/§20 organisation unit. It is a precondition that the participating organisation unit (institute or comparable unit) is authorised with corresponding mandate according to UOG 2002/§ 27. Units below this size (for example working groups) cannot act as project partners.

- Other non-commercial institutions
 - Local authorities and autonomous bodies (Note: Activities of local authorities falling within their statutory mandate are not eligible for funding)
 - Non-profit making organisations such as NPOs (“Non-profit making organisations” do not distribute profits to their owners, members or other natural persons or legal entities in accordance with their legal status or articles of association.)

3.1.2 Legal, administrative and financial conditions (Submission Procedure)

The national application of Austrian partners has to be submitted electronically via [eCall](#) before the deadline of the project submission.

Formal correctness and completeness of the application are examined in a formal check.

FFG experts will check the financial viability (credit rating and liquidity) of the participating enterprises. It is not possible to provide funding to undertakings in difficulty (as defined in the General block exemption Regulation (EU) N°651/2014 of 17 June 2014). Austrian enterprises have to provide the following documents:

- Annual statement of accounts (balance sheet, profit and loss account) from the past 2 financial years
- [Declaration of SME Status](#) for associations and sole traders
- The company size is to be determined according to the SME definition as specified by EU competition law: [information on SME definition](#).

3.1.3 Criteria on project composition for the Austrian participants

The ratio of the personnel resources (persons*months allocated) between Austrian companies and Austrian research organisations has to be 1.5 to 1 or higher within each project bundle in the national contract preparation phase and throughout the entire project duration. All national submissions belonging to the same transnational (Chips JU) project are considered as a project bundle.

3.1.4 Other conditions

The following Topics are eligible for national funding in the research category of experimental development:

- **HORIZON-Chips 2024-1-IA T1:** Global call according to SRIA 2024 (IA)
- **HORIZON-Chips-2024-1-IA Topic 2:** Focus topic on “High Performance RISC-V Automotive Processors supporting the vehicle of the future”
- **HORIZON-Chips-2024-1-IA Topic 3:** Focus topic on “Software-define vehicle middleware and API framework for the vehicle of the future”

The following Topic is eligible for national funding in the research category of industrial research:

- **HORIZON-Chips 2024-2-RIA-T1:** Global call according to SRIA 2023 (RIA)

The planned distribution of the national budget to the different topics is outlined below:

Call 2024-1 (IA)	National Budget
HORIZON-Chips 2024-1-IA T1 Global call according to SRIA 2024 (IA)	3.0 Mio. EUR
HORIZON-Chips 2024-1-IA T2 Focus topic on “High Performance RISC-V Automotive Processors supporting the vehicle of the future”	1.5 Mio. EUR
HORIZON-Chips 2024-1-IA T3: Focus topic on “ Software-defined vehicle middleware and API framework for the vehicle of the future ”	2.5 Mio. EUR

Call 2024-1 (RIA)	National Budget
HORIZON-Chips 2024-2-RIA T1 Global call according to SRIA 2024 (RIA)	3 Mio. EUR

Austria aims to reach a good balance between hardware oriented projects and software oriented projects. Furthermore, the objective of the national funding programme is to prioritise projects that demonstrate a compelling impact in Austria, particularly those that strengthen the Austrian research and Industrial community in the field of Electronics and Software based Systems (see [Technical Position Paper 2023](#) of the ESBS-Austria Association).

Applicants are requested to take into consideration the total national commitment per topic (available national funding budget) when defining their participation in this Call. In order to support a reasonable balance in the distribution of national funding, single organisations should avoid applying for an excessive total national funding amount.

Project participations of Austrian partners are eligible for national funding only if they comprise mainly R&D activities.

3.2 Eligibility of costs and funding

3.2.1 Eligibility of costs

The eligibility of costs is in accordance with the national rules on eligible costs. For details on the eligibility of costs, see the [Cost Guidelines Version 3.1](#). Eligible costs must be allocable directly to the project. This means that:

- they are incurred additionally to the normal operating costs during the funding period
- they are in accordance with the Funding Contract
- they can be evidenced by receipts or other type of valid documentation (e.g. timesheets, equipment use records, etc.)

Non-deductible value added tax paid by the beneficiary which is not refunded according to national legislation is eligible.

The earliest possible date for the start of the project is after submission of the application for funding.

3.2.2 Funding rates

The maximum funding rates depend on the research category, the type and size of organisation and the call topic.

Percentage of the national subsidy to the beneficiaries

Table 1: Maximum funding rates

Research Category	Call and Topic	Large enterprise	Medium-sized enterprise	Small enterprise	Research institutions and other institutions (non-commercial activities)
Experimental development	HORIZON-Chips 2024-1-IA T1 Global call according to SRIA 2024 (IA)	up to 20 %	up to 20 %	up to 30 %	up to 30 %
Experimental development	HORIZON- Chips 2024-1-IA T2	up to 15 %	up to 20 %	up to 30 %	up to 30 %
Experimental development	HORIZON- Chips 2024-1-IA T3	up to 15 %	up to 20 %	up to 30 %	up to 30 %
Industrial Research	HORIZON-Chips 2024-2-RIA T1 Global call according to SRIA 2024 (RIA)	up to 25 %	up to 35 %	up to 40 %	up to 35 %

To determine the company size see information on [SME Definition](#).

In addition, the following needs to be considered:

- If the contributions to the project involve a commercial activity, the funding rates for research institutions and other institutions are the same as those for enterprises.
- The centre of gravity of individual Austrian partner’s project participation has to be within the type of action that the overall project addresses (RIA/IA).
- Experimental development does not extend beyond the system completion and validation (TRL 8). Exception: commercially usable prototypes and pilot projects if the developed product would be too expensive for demonstration and validation purposes alone.

3.3 Additional information to be provided at submission and other conditions

- Registration (national submission) at the [eCall](#) System
- Completion of all relevant forms
- Upload of relevant documents in the eCall: balance sheets, **“Chips 2024 Project Contribution for Austrian partners”**, etc.