

Call for proposals concerning 'projects of common interest' under the Connecting Europe Facility in the field of Trans-European Transport Network

Single European Sky - SESAR

CEF-SESAR-2018-1 U-SPACE

Single stage

Contents

1.	INTRODUCTION & SUBJECT	4
2.	OBJECTIVES & OUTCOME	4
3.	TIMETABLE.....	5
4.	BUDGET.....	5
5.	ADMISSIBILITY REQUIREMENTS	6
6.	ELIGIBILITY CRITERIA.....	6
6.1.	Eligible applicants	6
6.1.1.	Consortium composition	7
6.1.2.	Third countries and third country entities.....	7
6.1.3.	Entities without legal personality	7
6.1.4.	Natural persons	7
6.1.5.	Affiliated entities	7
6.2.	Documentation Required for Eligibility	8
6.2.1.	Member State agreement	8
6.2.2.	Supporting documents	8
6.3.	Eligible activities.....	8
7.	EXCLUSION CRITERIA	9
7.1.	Exclusion	9
7.2.	Applicable Remedial measures.....	11
7.3.	Rejection from the call for proposals	11
7.4.	Supporting documents	11
8.	SELECTION CRITERIA.....	12
8.1.	Financial capacity.....	12
8.2.	Operational capacity.....	12
9.	EVALUATION AND AWARD	13
9.1.	Process Overview.....	13
9.1.1.	Evaluation	13
9.1.2.	Award.....	14
9.2.	Award criteria	14
9.2.1.	Criterion 1 - Relevance	14
9.2.2.	Criterion 2 - Maturity.....	15
9.2.3.	Criterion 3 - Impact.....	15
9.2.4.	Criterion 4 - Quality	16
10.	LEGAL COMMITMENTS.....	16
11.	FINANCIAL PROVISIONS.....	16
11.1.	Eligible costs.....	16

11.2. VAT	17
11.3. Form of the grant - Reimbursement of costs actually incurred	17
11.4. Balanced budget	17
11.5. Calculation of the final grant amount.....	18
11.6. Reporting and payment arrangements.....	19
11.7. Pre-financing guarantee	19
11.8. Other financial conditions.....	20
12. PUBLICITY.....	21
12.1. By the beneficiaries.....	21
12.2. By the SJU.....	22
13. PROCESSING OF PERSONAL DATA	22
14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS	23

1. INTRODUCTION & SUBJECT

In the context of the Connecting Europe Facility (CEF)¹ and on the basis of:

- Commission Implementing Decision C(2017) 5437 of 3 August 2017, as amending the Commission Implementing Decision C(2014) 1921 establishing a Multi-Annual Work Programme 2014-2020 for financial assistance in the field of Connecting Europe Facility (CEF) - Transport sector for the period 2014-2020, and
- SESAR Joint Undertaking (SJU) Single Programming Document (SPD) 2018-2019 (adopted with Decision of its Administrative Board ADB(D)21-2017 on 14 December 2017) section 2.6.1,

a call for proposals is launched by the SESAR Joint Undertaking entrusted with the implementation of the CEF in line with Article 6(3) of the Regulation (EU) 1316/2013.

The overall objective of this Call for Proposals is to comprehensively prepare and de-risk a rapid deployment of U-space initial services (U2) as outlined in the U-space Blueprint.

Unless specified otherwise, the present call is governed by the rules of the SESAR Regulation¹, CEF Regulation² and the Financial Regulation.³

This documentation for this Call for proposals is structured in the following way:

- Annex I: Technical Specifications (laying down the technical requirements of this call and including a list of Abbreviations and terminology)
- Annex II: Grant application form
- Annex II a): Declaration on honour on eligibility, exclusion and selection
- Annex II b): Estimated budget of the action (Model)
- Annex III: Grant Agreement (Model)
- Annex III a): Grant Agreement financial statement and summary (Model)
- Annex III b): Grant Agreement certificate on financial statements (Model)

2. OBJECTIVES & OUTCOME

The overall objective of the Call is to comprehensively prepare and de-risk a rapid deployment of U-space initial services (U2) as outlined in the U-space Blueprint. U2 provides the initial set of key services building on the foundation services (U1) by adding game-changing improvements enabling initial beyond visual line-of-sight operations (BVLOS) in rural, urban and sub-urban environments and facilitating the processes for authorisations for some drone operations.

Actions selected as a result of this call shall qualify as Studies under CEF and include 'Pilot activities'.

¹ Council Regulation (EC) 219/2007 of 27 February 2007 (as modified by Council Regulation (EC) 1361 / 2008 (SJU Regulation) and last amended by the Council Regulation (EU) 721/2014).

² Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 Text with EEA relevance

³ Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002. [Official Journal L 298 of 26.10.2012]

The Actions will provide, through the studies conducted, the basis for initiating a wide scale roll-out of U-space U2 services in Europe in a safe and harmonized fashion.

The results will make a significant contribution to the impacts of:

- Boosting EU collaboration and generating confidence from investors, innovators and regulators;
- Significantly reducing the business risks for key U-space investors;
- Putting the EU at the forefront of global standards setting in the domain;
- Raising awareness regarding SESAR activities related to U-space and showing tangible progress on technology and services with an objective to integrate results at EU level and in the context of the wider SJU work programme;
- Showing that drone operations are envisaged in a safe and secure framework to reduce/mitigate the risks linked to public acceptance;
- Confirming the full-scale deployment readiness at EU level for an interoperable, harmonised and standardised deployment of U2 services across Europe;
- Significantly contributing to the EU regulatory process for drones placed under the aegis of EASA.

The SJU expects to co-finance between 5 and 10 proposals leading to the establishment of between 5 and 10 sites undertaking pilot activities located in five (5) different EU Member States (exact number, up to a maximum of five (5) member States, will depend on the applications received and the results of the evaluation). Each site will support one or more U-space operator configuration and demonstrations, where pilot activities will include the demonstration of U-space U2 urban services. The demonstration of U-space urban services may connect to sub-urban and rural services with either two or more U-space service providers providing the drone traffic management service in a shared airspace or Urban U-space, and a framework for urban traffic management of drones.

The activities to be undertaken as a result of this call are further developed in the document “Technical Specifications”, see Annex I.

3. TIMETABLE

	Stages	Date and time or indicative period
a)	Publication of the call	31 January 2018
b)	Deadline for submitting applications	15 May 2018 at 11.30 am (Brussels time)
c)	Evaluation period	June-July 2018
d)	Information to applicants	September 2018
e)	Signature of grant agreement	October-November 2018

4. BUDGET

The total budget available for the co-financing of actions is estimated at 9.500.000 EUR.

Applicants are encouraged to submit applications for actions with a total requested EU contribution of no less than 1.000.000 EUR per project.

The maximum EU contribution per project will be 2.000.000 EUR

The SJU reserves the right not to award grants up to the available budget.

5. ADMISSIBILITY REQUIREMENTS

Failure to comply with the following requirements will lead to the rejection of the application.

1. Applications must be sent no later than the deadline for submitting applications referred to in section 3.
2. Applications must be submitted in writing (see section 14), using Annex II - Application form available at <http://www.sesarju.eu/procurement>.⁴
3. Applications must be drafted in English.

It should be noted that English is the working language of the SESAR Joint Undertaking. Applicants submitting application reference documentation in a language other than English can do so, but are recommended to submit an English translation of the summary of these document(s). This is recommended for the only purpose of speeding up the evaluation process.

6. ELIGIBILITY CRITERIA⁵

Failure to comply with any of the eligibility criteria will lead to the rejection of the entity and/or the entire application (as applicable).

6.1. ELIGIBLE APPLICANTS

In accordance with the SPD 2018-2020 and pursuant to Article 9 of the CEF Regulation⁶, only those proposals submitted by one of the following types of **applicants** are eligible:

- One⁷ or more EU Member State(s); or
- a **consortium** of public or private undertakings or bodies (hereinafter individually as “an entity forming the consortium”) with the agreement of all the EU Member State(s) concerned.

For each consortium, at least one of the entities forming the consortium shall be established in an EU Member State;

The requirements set forth in sections 6, 7 and 8 of this Call for proposals shall apply to each entity forming the consortium.

A consortium must nominate a consortium coordinator.

The supporting documents of each entity forming the consortium will be collected and submitted to the SJU by the consortium coordinator, as part of the application.

Nota bene for British applicants/entities forming the consortium: *Eligibility criteria must be complied with for the entire duration of the grant. If the United Kingdom withdraws from the EU during the grant*

⁴ Article 131 FR.

⁵ Article 131 FR, 201 RAP

⁶ Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 Text with EEA relevance

⁷ In case of one MS being an applicant, it shall be understood as a ‘consortium coordinator’.

period without concluding an agreement with the EU ensuring in particular that British applicants/entities forming the consortium continue to be eligible, British applicants/entities forming the consortium will cease to receive EU funding (while continuing, where possible, to participate) or be required to leave the project on the basis of Article II.16.3.1(a) of the grant agreement.

6.1.1. Consortium composition

All public or private undertakings or bodies shall apply only in the form of a consortium. There are no additional minimum consortium requirements other than those set forth in Section 6.1.1 above.

6.1.2. Third countries and third country entities

“Third country” means any neighbouring country⁸ or any other country with which the Union may cooperate to achieve the objectives pursued by the CEF Regulation and, in this sense, has signed an international agreement in air transport with the EU.

Third countries and entities established in third countries may participate in actions contributing to projects of common interest where necessary in order to achieve the objectives of a given project of common interest. They may not receive financial assistance except where it is indispensable to the achievement of the objectives of a given project of common interest.

Third countries and entities established in third countries may only participate as part of a consortium with (an) entity(ies) forming the consortium from one or more EU Member State(s). The application must contain the agreement of the Member State(s) concerned by the proposed Action and a declaration from the European partner involved in the proposal on why the participation of the third country and/or entities established in third countries is necessary/indispensable.

6.1.3. Entities without legal personality

Proposals may be submitted by applicants including entities forming the consortium which do not have legal personality under the applicable national law, provided that their representatives have the capacity to assume legal obligations on their behalf and offer a guarantee for the protection of the Union's financial interests equivalent to that offered by legal persons.

6.1.4. Natural persons

Natural persons are not eligible to participate in the consortia submitting proposals under the present call.

6.1.5. Affiliated entities⁹

Entities forming the consortia may designate affiliated entities within the meaning of Article 122(2)(b) of the Financial Regulation¹⁰, for the purpose of supporting the implementation of the action submitted for funding. Such affiliated entities must comply with the eligibility and exclusion criteria for entities forming the consortia (see Section 7.1 of this document).

⁸ “Neighbouring country” means a country falling within the scope of the European Neighbourhood Policy including the Strategic Partnership, the Enlargement Policy, and the European Economic Area or the European Free Trade Association;

⁹ Affiliated entities are legal entities having a structural legal or capital link with applicants, which is neither limited to the action nor established for the sole purpose of its implementation, may take part in the action as affiliated entities. For that purpose, applicants shall identify such affiliated entities in the application form.

¹⁰ Regulation (EU, EURATOM) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002. [Official Journal L 298 of 26.10.2012]

6.2. DOCUMENTATION REQUIRED FOR ELIGIBILITY

In accordance with the SPD 2018-2020 and pursuant to Article 9 of the CEF Regulation¹¹, only those proposals submitted with the following documentation are eligible:

6.2.1. Member State agreement

Any applicant that cannot provide the agreement of the EU Member State for the location where the studies and/or pilot activities are proposed to be performed **will not be eligible**.

6.2.2. Supporting documents

In order to assess the eligibility of each entity forming the consortium, supporting documents are requested. These documents will vary depending on the status of the entity(ies):

- **Private Entity:** One of the following documents - extract from the official journal, copy of articles of association, extract of trade or association register, certificate of liability to VAT (if, as in certain countries, the trade register number and VAT number are identical);
- **Public Entity:** Copy of the resolution, decision or other official document establishing the public-law entity;
- **Entities without legal personality:** Documents providing evidence that their representative(s) have the capacity to undertake legal obligations on their behalf.

6.3. ELIGIBLE ACTIVITIES

The types of activities to be carried out, funded and therefore eligible under this call for proposals shall comply with the following cumulative conditions:

- a) In line with Article 7 of the CEF Regulation, only actions contributing to projects of common interest shall be eligible for support through EU financial assistance in the form of grants.
- b) Proposals shall qualify as Studies within the meaning of Article 2 (6) of the CEF regulation¹². Proposals shall include pilot activities. As specified in the Technical Specifications, Section 3:
 - Proposals shall include all the elements listed in the common basis layer and at least one focus area from the second layer;
 - A proposal may address both focus areas from the second layer;
 - A proposal may also include one or more options.

Applicants shall clearly state the choice of focus area(s) and options in the application form.

¹¹ Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 Text with EEA relevance.

¹² Art. 2(6) of REGULATION (EU) No 1316/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010, as amended defines "Studies" as follows:[...] "Studies" means activities needed to prepare project implementation, such as preparatory, mapping, feasibility, evaluation, testing and validation studies, including in the form of software, and any other technical support measure, including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package;[...]

- c) The awarded projects shall perform full demonstration activities within their host EU Member State by August 2019 and deliver to the SJU an initial study report, concentrating on the results of the demonstration activities, in September 2019.

After completion of all studies performed under the Action, a final Study report shall be delivered to the SJU by no later than end of January 2020 and the Action shall remain open to address any SJU comments on the final study report in the period up to the end of March 2020.

In the period from September 2019 to March 2020, actions shall provide recommendations to the SJU and contribute to the elaboration of the common requirements for the harmonised deployment of U-space in Europe under the aegis of the SJU. In addition, the actions should also provide recommendations on rules and standards needs for the set-up of appropriate rulemaking framework in particular under the aegis of EASA. These findings shall be documented through the initial and final versions of the Study Report submitted to the SJU for comment and approval.

- d) The beneficiaries must ensure that the activities under the action have an exclusive focus on civil applications.

7. EXCLUSION CRITERIA

For the purpose of this Section, the criteria applied to “applicants” below are applicable in full to all entities forming the consortium (see Section 6.1), as well as to designated affiliated entities, if any.

7.1. EXCLUSION

The authorising officer shall exclude an applicant from participating in call for proposals procedures where:

- a) the applicant is bankrupt, subject to insolvency or winding-up procedures, where its assets are being administered by a liquidator or by a court, where it is in an arrangement with creditors, where its business activities are suspended, or where it is in any analogous situation arising from a similar procedure provided for under national laws or regulations;
- b) it has been established by a final judgment or a final administrative decision that the applicant is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the authorising officer is located or those of the country of the performance of the contract;
- c) it has been established by a final judgment or a final administrative decision that the applicant is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the applicant belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:
 - (i) fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract, a grant agreement or a grant decision;
 - (ii) entering into agreement with other applicants with the aim of distorting competition;
 - (iii) violating intellectual property rights;
 - (iv) attempting to influence the decision-making process of the [SJU] [Agency] during the award procedure;
 - (v) attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;

- d) it has been established by a final judgment that the applicant is guilty of any of the following:
- (i) fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;
 - (ii) corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the law of the country where the contracting authority is located, the country in which the applicant is established or the country of the performance of the contract;
 - (iii) participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;
 - (iv) money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;
 - (v) terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
 - (vi) child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;
- e) the applicant has shown significant deficiencies in complying with main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union's budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an authorising officer, OLAF or the Court of Auditors;
- f) it has been established by a final judgment or final administrative decision that the applicant has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95.
- g) for the situations of grave professional misconduct, fraud, corruption, other criminal offences, significant deficiencies in the performance of the contract or irregularity, the applicant is subject to:
- (i) facts established in the context of audits or investigations carried out by the Court of Auditors, OLAF or internal audit, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;
 - (ii) non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;
 - (iii) decisions of the ECB, the EIB, the European Investment Fund or international organisations;
 - (iv) decisions of the SJU relating to the infringement of the Union's competition rules or of a national competent authority relating to the infringement of Union or national competition law.
 - (v) decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

7.2. APPLICABLE REMEDIAL MEASURES

If an applicant declares one of the situations of exclusion listed in section 7.1 (Exclusion), it should indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. This may include e.g. technical, organisational and personnel measures to prevent further occurrence, compensation of damage or payment of fines. The relevant documentary evidence which illustrates the remedial measures taken must be provided in annex to the declaration. This does not apply for situations referred in point (d) of section 7.1.

7.3. REJECTION FROM THE CALL FOR PROPOSALS

The SJU shall not award a grant to an applicant who:

- a. is in an exclusion situation established in accordance with section 7.1¹³ except when remedial measures as per Section 7.2 above are applied;
- b. has misrepresented the information required as a condition for participating in the procedure or has failed to supply that information;
- c. was previously involved in the preparation of calls for proposal documents where this entails a distortion of competition that cannot be remedied otherwise.

The same exclusion criteria apply to affiliated entities.

Administrative and financial penalties may be imposed on applicants, or affiliated entities where applicable, who are guilty of misrepresentation.

7.4. SUPPORTING DOCUMENTS¹⁴

Applicants, all entities forming the consortium and designated affiliated entities (if any) must provide a declaration on their honour certifying that they are not in one of the situations referred to in articles 106(1) and 107 FR, by filling in the relevant form attached to the application form accompanying the call for proposals and available at <http://www.sesarju.eu/procurement>.

This obligation may be fulfilled in one of the following ways:

- i. the coordinator of a consortium signs a declaration on behalf of all entities forming the consortium and their affiliated entities OR
- ii. each entity forming the consortium signs a declaration in its name and on behalf its affiliated entities OR
- iii. each applicant in the consortium and the affiliated entities sign each a separate declaration in their own name.

¹³ Article 106 FR

¹⁴ Article 197 RAP

8. SELECTION CRITERIA¹⁵

8.1. FINANCIAL CAPACITY¹⁶

Applicants must demonstrate financial stability and sufficient source(s) of funding to maintain their activity throughout the duration of the grant and to participate in its funding. The applicants' financial capacity will be assessed on the basis of the following supporting documents to be submitted by all entities forming the consortium with the application:

- a declaration on their honour

AND EITHER

- the profit and loss account as well as the balance sheet for the last financial year for which the accounts were closed (for newly created entities: the business plan might replace the above documents);

OR

- the table provided for in the application form, filled in with the relevant statutory accounting figures, in order to calculate the ratios as detailed in the form.

In addition, in case a grant is $\geq 750.000\text{€}$, an audit report produced by an approved external auditor certifying the accounts for the last financial year available shall also be provided.

The above requirements apply to each entity forming the consortium.

On the basis of the documents submitted, if the SJU considers that financial capacity is weak, it may:

- request further information;
- decide not to give pre-financing;
- decide to give pre-financing paid in instalments;
- decide to give pre-financing covered by a bank guarantee (see section 12.5.2 below);
- where applicable, require the joint and several financial liability of all the beneficiaries.

If the SJU considered that the financial capacity is insufficient it may reject the application.

8.2. OPERATIONAL CAPACITY¹⁷

Applicants (see Section 6.1) must have the professional competencies as well as appropriate qualifications necessary to complete the proposed action.

Applicants must show within their respective proposal the intended means of delivering the complete set of skills, competencies, experience and availabilities in all aspects of the planning, executing, coordination, analysis and reporting necessary to cover the full scope described in Section 2 and applicable parts of section 3 of the Technical Specifications document.

In this respect, applicants have to submit, concerning all entities forming the consortium, a declaration on their honour¹⁸, and the following supporting documents:

¹⁵ Article 132 FR, 202 RAP

¹⁶ Article 131, 132 FR, 202 RAP.

¹⁷ Article 131 FR, 202 RAP.

¹⁸ Annex II a to this Call for Proposals.

- Curriculum vitae or description of the profile of the people primarily responsible for managing and implementing the Action;
- The organisation's recent activity reports (two years);
- A comprehensive list of previous projects and activities performed and relevant to the policy field of the call or to the actions to be carried out;
- A list and description of the technical equipment, tools and/or facilities and patents at the disposal of the applicant;
- Letter of support from the National Supervisory Authority of the State where the activities are proposed to be performed.

The need to demonstrate financial and operational capacity does not apply to applicants/entities forming the consortium which are:

- a Member State,
- a third country,
- a public sector body established in the EU (i.e. regional or local authority, body governed by public law or association formed by one or several such authorities or one or several such bodies governed by public law).

The requirement to demonstrate operational and financial capacity also applies to the designated affiliated entities implementing (part of) the Action.

9. EVALUATION AND AWARD

9.1. PROCESS OVERVIEW

Proposals must first meet the admissibility requirements, as well as the eligibility and selection criteria (of applicants and applications). These proposals are then evaluated on the basis of the award criteria (see Section 9.2).

For the whole evaluation and award process independent external observer(s) will be appointed to provide autonomous reporting and advice to the SJU management on the conformance to applicable rules and processes.

The award procedure is summarised in the steps described below:

9.1.1. Evaluation

Technical experts will evaluate the proposals that meet the admissibility requirements and the eligibility criteria. The technical experts consist of independent internal experts representing at least two organisational entities belonging to the institutions, executive agencies or other bodies of the EU, and will be assisted by independent external experts not employed by the SJU.

All experts are selected and appointed on the basis of their technical knowledge, taking into account the thematic focus of the call, and with consideration of independence, geographical and gender balance.

All experts sign declarations on confidentiality and absence of conflicts of interest and are required to adhere to confidentiality rules at all times before, during and after the evaluation. The external experts will sign a contract with SJU and will perform assessments in their personal capacity and not as representatives of their employer, country or any other entity.

Each proposal will be assessed independently against the award criteria set in this call, with a view to determining which proposals may be financed (Art. 133(1) FR). The external expert's opinion will serve as a basis for deliberations among the other members of the evaluation. Overall, the evaluation will establish the scores attributed to the applications and their ranking, along with providing adequate justification and references.

The result of the evaluation will be summarised in a call evaluation report containing a draft ranked list of proposals including evidence and traceability of evidence to justify the relative ranking and any recommendation for funding / not funding.

9.1.2. Award

Before taking a final award decision on the ground of actions recommended for funding, drawn up as the output of the evaluation, an Award Advisory Committee - composed of representatives from the SJU, the European Commission and, where appropriate, Executive Agencies or other bodies of the EU such as EASA (among others) - will advise the SJU Authorising Officer in consideration of:

- the contribution of the proposed actions to achieving the overall call objective in terms of co-financing between 5 and 10 proposals leading to the establishment of between 5 and 10 sites undertaking pilot activities located in 5 different EU Member States, and
- the available maximum budget for this call.

9.2. AWARD CRITERIA¹⁹

The evaluation will be performed in light of all criteria and sub-criteria in the following sub-sections.

The weightings and thresholds for scoring are summarised in the following table:

Criteria	Relevance	Maturity	Impact	Quality
Weight (%)	20	20	30	30
Threshold per criterion (n/5)	3	3	3	3
Overall pass threshold (n/100)	70			

The scoring scheme used in evaluation for each criterion will be on a scale ranging from 0-5 with half points and decimals being valid; therefore, scores above 0 will be on a 50 point scale. Pass thresholds per criterion and overall are established in the table above.

The four award criteria, with their scope descriptions and respective sub-criteria are described below:

9.2.1. Criterion 1 - Relevance

Scope includes contribution to the Action through alignment of the proposal with the call description (both from this document and Annex I – Technical Specifications) as well as the contribution to EU added value & CEF priorities. The following sub-criteria will be applied according to the scope & context of the proposal:

1. Alignment of proposal objectives and material with the call technical specifications. The proposal describes in a clear and pertinent manner how it proposes to address the call technical specifications defined. Correct identification of existing SESAR projects (listed in the technical specification) to be linked to the proposed Action, and the inclusion of any existing reference material and planned information exchange with these project(s). The proposal

¹⁹ Article 132 FR, 203 RAP

addresses one or more options of the third layer (corresponding to additional 0.30/5 points under this criterion, independently from the number of options addressed).

2. Contribution to EU added value. The proposal is sufficiently ambitious and credible to add substantial value to Europe if deployed at a wide scale and also has the potential to move to market take-up (B2B or B2C) within 36 months. The proposal demonstrate complementarity with other EU projects, in view of optimising the impact of investments already made in the field of U-Space and reducing the risk of double-funding.
3. Relevance to CEF priorities. The proposal shall provide evidence of synergies between at least two of the sectors covered by Connecting European Facility Regulation and/or other Union Programmes, e.g. “Smart Cities”, H2020 programme, SESAR project.

9.2.2. Criterion 2 - Maturity

Scope includes an assessment of whether the proposed Action is ready to demonstrate by August 2019 and be fully implemented and deployable within a further 18 months.

1. Credible, realistic and optimal roll-out of U2. The proposed activities to be executed will contribute to a credible, realistic and optimal roll-out of U2 to the level of market uptake.
2. Potential to bring important progress. The underlying architecture is sound and has the potential to bring important progress to an existing state, industrial sector, business practice and/or societal challenge if deployed.
3. The intrinsic quality of the proposal shows readiness to bring U-space services to a significantly higher level than current state-of-the-art. The proposal demonstrates that, in terms of value for money, problems solved, new applications, sustainability, etc. there is significant potential to deliver the required demonstrations by September 2019 and complete the scope of work, meeting the requirements of the call specifications within 18 months.

9.2.3. Criterion 3 - Impact

Scope of this award criterion covers the expected effect of the EU contribution on the financial viability and expected results; meaning, the extent to which the outputs of the project should contribute to meeting the call objectives, including at the European and/or International level. The following sub-criteria will be used in the evaluation:

1. The proposal could reasonably lead to implementation of U-space services in Europe. In addition the result can be enhancing the innovation capacity of the consortium partners.
2. Strengthens / accelerates the implementation of U-space. The approach to demonstrating, involving key players and describing a clear path to implementation is well documented, including the use of planned collaboration with other projects awarded under this call.
3. Contributes to regulation, standards and market opportunity. The market size, prospects for growth, and intended positioning of the solution shall be well documented, taking account of the needs for regulation and standards, and leading towards a positive opportunity for market launch within 36 months (unless specifically justified otherwise).
4. Plan includes effective measures to exploit and disseminate the project results. The project plan (including IPR management) addresses blocking factors and mitigations towards new business opportunities and means of capitalising on this with stakeholder buy-in to the approach.
5. Involvement of key stakeholders that can help with market introduction. A convincing strategy is provided to get key stakeholders on board, including EASA.

6. Generation of a positive impact at the European level. The proposed innovation is expected to deliver impacts other than economic (societal, environmental, scientific, etc.), in particular safety, privacy and security aspects are to be addressed.

9.2.4. Criterion 4 - Quality

Scope of this award criterion covers the quality & efficiency of the proposed implementation in terms of soundness, coherence, capacity to deliver, management & control, quality & risk, communications approach and completeness & clarity of the information provided. In particular the following sub-criteria will be used in the evaluation:

1. The work plan is coherent, effective & realistic. Taking into account the project's ambition and objectives, includes a realistic and relevant time-frame, and refers to a sound and comprehensive implementation plan, in particular in relation to major deliverables. Tasks and resources are allocated in an appropriate and cost-effective way.
2. The partners are able to deliver and continue towards a fast, wide market uptake. Together the partners have what it takes (personnel, facilities, skills, networks, access to markets...). All implementation risks and threats are well identified; the proposal contains a risk mitigation plan, with detailed actions.
3. The organisational framework & governance structure are established in a clear and efficient way. Decision-making framework and strong engagement plan for relevant authorities including EASA is in place.
4. There is a broad and adequate strategy for knowledge management and protection. This strategy must be sufficient to ensure "freedom to operate" for all within the context of the Call and the proposed innovation/solution.
5. The roll-out plan is realistic and convincing. It is reasonable to presume that after concluding the work viable U-Space service and related applications could be in place within 36 months.

10. LEGAL COMMITMENTS²⁰

In the event of a grant awarded by the SJU, a grant agreement, drawn up in euro and detailing the conditions and level of funding, will be sent to the applicant, as well as the information on the procedure to formalise the agreement of the parties.

11. FINANCIAL PROVISIONS

11.1. ELIGIBLE COSTS

Eligible costs are costs actually incurred by the beneficiary of a grant, which meet all the criteria laid down in Article 126(2) of the Financial Regulation.

Only expenditure incurred in EU Member States may be eligible, except where the project of common interest involves the territory of one or more third countries and where the action is indispensable to the achievement of the project concerned.

²⁰ Article 121 FR, 174 RAP.

The beneficiary's internal accounting and auditing procedures must permit direct reconciliation of the costs and revenue declared in respect of the action with the corresponding accounting statements and supporting documents.

The same criteria apply to the costs incurred by designated affiliated entities and implementing bodies²¹.

Eligible costs may take exclusively the form of direct costs, i.e. those specific costs that are directly linked to the implementation of the action and can therefore be attributed directly to it.

The full costs of purchase of equipment and infrastructure which are treated as capital expenditure are NOT eligible under this call.

Also, costs of research activities are NOT eligible under this call.

Costs may be eligible at the earliest from the date on which an application is submitted. Beneficiaries affected shall justify their request and demonstrate the need to start the action before the agreement is signed.

11.2. VAT

In line with the first subparagraph of Article 8(7) of the CEF Regulation and Article 126(3)(c) of the Financial Regulation, VAT paid by beneficiaries of grants awarded following this call for proposals is eligible except:

- deductible VAT (VAT paid by the beneficiary for the implementation of taxed activities or exempt activities with right of deduction);
- VAT paid for the implementation of activities engaged in as a public authority by the beneficiary where it is a Member State, regional or local government authority of a Member State or another body governed by public law of a Member State.

Detailed information on eligible and ineligible costs is included in Article II.19 of the model grant agreement, which is available on the call webpage.

11.3. FORM OF THE GRANT - REIMBURSEMENT OF COSTS ACTUALLY INCURRED

The grant will take the form of reimbursement of costs actually incurred.

The grant will be defined by applying a maximum co-financing rate of 50% to the eligible costs actually incurred and declared by the beneficiary and its affiliated entities²².

11.4. BALANCED BUDGET²³

The estimated budget of the action must be attached to the application form. It must have revenue and expenditure in balance. A model for the budget structure is attached in Annex II b).

²¹ As defined in Article 2(11) of the Regulation establishing the Connecting Europe Facility (Regulation (EU) No 1316/2013), "implementing body" means a public or private undertaking or body designated by a beneficiary, where the beneficiary is a Member State, to implement the action concerned. Such designation shall be decided upon by the beneficiary under its own responsibility and, if it requires the award of a procurement contract, in compliance with the applicable Union and national public procurement rules.

²² A study with pilot activities is considered as a study, so the applicable funding rate under the call is up to 50%

²³Article 196.2 RAP

The budget must be drawn up in euros.

Applicants from countries outside the euro zone may use the conversion rates published in the Official Journal of the European Union, series C, during the month in which they are submitting the application or the monthly rate published on the Commission's website at www.ec.europa.eu/budget/inforeuro/.

The applicant must ensure that the resources which are necessary to carry out the action are not be entirely provided by the EU grant.

Co-financing of the action may take the form of:

- the beneficiary's own resources,
- income generated by the action or work programme,
- financial contributions from third parties.

Overall co-financing may also include in-kind contributions from third parties, i.e. non-financial resources made available free of charge by third parties to the beneficiary or to the consortium. The corresponding costs of third parties are not eligible under the grant, e.g. volunteer work, providing a meeting room for free, etc.

The value of the contribution in kind must not exceed:

- either the costs actually borne and duly supported by accounting documents;
- or, in the absence of such documents, the costs generally accepted on the market in question.

In-kind contributions shall be presented separately in the estimated budget to reflect the total resources allocated to the action. Their unit value is evaluated in the provisional budget and shall not be subject to subsequent changes.

In-kind contributions shall comply with national tax and social security rules.

11.5. CALCULATION OF THE FINAL GRANT AMOUNT

The final amount of the grant is calculated by the SJU at the time of the payment of the balance. The calculation involves the following steps:

Step 1 — Application of the reimbursement rate to the eligible costs

The amount under step 1 is obtained by application of the reimbursement rate specified in section 11.3.1 to the eligible costs accepted by the SJU.

Step 2 — Limit to the maximum amount of the grant

The total amount paid to the beneficiaries by the SJU may in no circumstances exceed the maximum amount of the grant as indicated in the grant agreement. If the amount obtained following Step 1 is higher than this maximum amount, the final amount of the grant is limited to the latter.

Step 3 — Reduction due to the no-profit rule

'Profit' means the surplus of the amount obtained following Steps 1 and 2 plus the total receipts of the action, over the total eligible costs of the action.

The total eligible costs of the action are the consolidated total eligible costs approved by the SJU. The total receipts of the action are the consolidated total receipts established, generated or confirmed on the date on which the request for payment of the balance is drawn up by the beneficiary.

The following are considered receipts:

- (a) income generated by the action;
- (b) financial contributions given by third parties to a beneficiary or to an affiliated entity, if they are specifically assigned by the third parties to the financing of the eligible costs of the action reimbursed by the SJU.

The following are not considered receipts:

- (a) financial contributions by third parties, if they may be used to cover costs other than the eligible costs under the grant agreement;
- (b) financial contributions by third parties with no obligation to repay any amount unused at the end of the implementation period.

If there is a profit, it will be deducted in proportion to the final rate of reimbursement of the actual eligible costs of the action approved by the SJU.

Step 4 — Reduction due to improper implementation or breach of other obligations.

The SJU may reduce the maximum amount of the grant if the action has not been implemented properly (i.e. if it has not been implemented or has been implemented poorly, partially or late), or if another obligation under the Agreement has been breached.

The amount of the reduction will be proportionate to the degree to which the action has been implemented improperly or to the seriousness of the breach.

11.6. REPORTING AND PAYMENT ARRANGEMENTS²⁴

The beneficiary may request the following payments provided that the conditions of the grant agreement are fulfilled (e.g. payment deadlines, ceilings, etc.). The payment requests shall be accompanied by the documents provided below and detailed in the grant agreement:

Payment request	Accompanying documents
A pre-financing payment ²⁵ corresponding to 25% of the grant amount	[if requested, bank guarantee (see section 12.5.1)]
Payment of the balance The SJU will establish the amount of this payment on the basis of the calculation of the final grant amount (see section 11.5 above). If the total of earlier payments is higher than the final grant amount, the beneficiary will be required to reimburse the amount paid in excess by the SJU through a recovery order ²⁶ .	(a) Study report; (b) final financial statement; (c) summary financial statement aggregating the financial statements of the beneficiaries and indicating the receipts; (d) a certificate on the financial statements.

11.7. PRE-FINANCING GUARANTEE²⁷

A pre-financing guarantee for up to the same amount as the pre-financing may be requested in order to limit the financial risks linked to the pre-financing payment (see section 8.1).

The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the EU Member States. When the beneficiary is established in a third country,

²⁴ Article 90, 135 FR, 207 RAP.

²⁵ Article 109, 110 RAP

²⁶ Article 109, 110 RAP

²⁷ Article 134 FR, 206 RAP

the SJU may agree that a bank or financial institution established in that third country may provide the guarantee if it considers that the bank or financial institution offers equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts shall not be accepted as financial guarantees.

Subject to the SJU's approval, the guarantee may be replaced by:

- a joint and several guarantee by a third party or,
- a joint guarantee of the beneficiaries of an action who are parties to the same grant agreement.

The guarantee shall be released as the pre-financing is gradually cleared against interim payments or the payment of the balance, in accordance with the conditions laid down in the grant agreement.

11.8. OTHER FINANCIAL CONDITIONS

a) Non-cumulative award²⁸

An action may only receive one grant from the EU budget.

In no circumstances shall the same costs be financed twice by the Union budget. To ensure this, applicants shall indicate in the grant application the sources and amounts of Union funding received or applied for the same action or part of the action or for its (the applicant's) functioning during the same financial year as well as any other funding received or applied for the same action.²⁹

b) Non-retroactivity³⁰

No grant may be awarded retrospectively for actions already completed.

A grant may be awarded for an action which has already begun only where the applicant can demonstrate in the grant application the need to start the action before the grant agreement is signed.

In such cases, costs eligible for financing may not have been incurred prior to the date of submission of the grant application.

c) Implementation contracts/subcontracting³¹

Where the implementation of the action requires the award of procurement contracts (implementation contracts), the beneficiary must award the contract to the bid offering best value for money or the lowest price (as appropriate), avoiding conflicts of interests.

The beneficiary is expected to clearly document the tendering procedure and retain the documentation for the event of an audit.

²⁸ Article 129 FR

²⁹ Article 196.4 RAP

³⁰ Article 130 FR

³¹ Article 137 FR, 209 RAP

Entities acting in their capacity of contracting authorities in the meaning of Directive 2014/24/EU³² or contracting entities in the meaning of Directive 2014/25/EU³³ must comply with the applicable national public procurement rules.

Beneficiaries may subcontract tasks forming part of the action. If they do so, they must ensure that, in addition to the above-mentioned conditions of best value for money and absence of conflicts of interests, the following conditions are also complied with:

- a) subcontracting does not cover core tasks of the action;
- b) recourse to subcontracting is justified because of the nature of the action and what is necessary for its implementation;
- c) the estimated costs of the subcontracting are clearly identifiable in the estimated budget;
- d) any recourse to subcontracting, if not provided for in description of the action, is communicated by the beneficiary and approved by the SJU. The SJU may grant approval:
 - (i) before any recourse to subcontracting, if the beneficiaries requests an amendment
 - (ii) after recourse to subcontracting if the subcontracting:
 - is specifically justified in the interim or final technical report and
 - does not entail changes to the grant agreement which would call into question the decision awarding the grant or be contrary to the equal treatment of applicants;
- e) the beneficiaries ensure that certain conditions applicable to beneficiaries, enumerated in the grant agreement (e.g. visibility, confidentiality, etc.), are also applicable to the subcontractors.

d) Financial support to third parties³⁴

The applications may not envisage provision of financial support to third parties.

12. PUBLICITY

12.1. BY THE BENEFICIARIES

Beneficiaries must clearly acknowledge the European Union's contribution in all publications and communication or in conjunction with activities for which the grant is used.

In this respect, beneficiaries are required to give prominence to the name and emblem of SJU and European Union on all their publications, posters, programmes and other products realised under the co-financed project. To do this they must use the text, the emblem and the disclaimer available at <http://www.sesarju.eu/sites/default/files/documents/2017%20SESAR%20Guideline-FINAL.pdf> (page 8).

³² Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC

³³ Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC

³⁴ Article 137 FR, 210 RAP

If this requirement is not fully complied with, the beneficiary's grant may be reduced in accordance with the provisions of the grant agreement.

Moreover, beneficiary shall respect the U-Space Terms and Conditions (including the Registration form) available at: <https://www.sesarju.eu/node/2861>.

12.2. BY THE SJU³⁵

With the exception of scholarships paid to natural persons and other direct support paid to natural persons in most need, all information relating to grants awarded in the course of a financial year shall be published on an internet site of the European Union institutions no later than the 30 June of the year following the financial year in which the grants were awarded.

The SJU will publish the following information:

- name of the beneficiary;
- address of the beneficiary when the latter is a legal person, region when the beneficiary is a natural person, as defined on NUTS 2 level³⁶ if he/she is domiciled within EU or equivalent if domiciled outside EU;
- subject of the grant;
- amount awarded.

Upon a reasoned and duly substantiated request by the beneficiary, the publication shall be waived if such disclosure risks threatening the rights and freedoms of individuals concerned as protected by the Charter of Fundamental Rights of the European Union or harm the commercial interests of the beneficiaries.

13. PROCESSING OF PERSONAL DATA

The reply to any call for proposals involves the recording and processing of personal data (such as name, address and CV). Such data will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, the questions and any personal data requested that are required to evaluate the application in accordance with the call for proposal will be processed solely for that purpose by the SESAR Joint Undertaking.

Personal data may be registered in the Early Detection and Exclusion System by the Commission, should the beneficiary be in one of the situations mentioned in Article 106(1) and 107 of the Financial Regulation 966/2012 (for more information see the Privacy Statement on:

http://ec.europa.eu/budget/library/explained/management/protecting/privacy_statement_edes_en.pdf).

Processing of personal data within the frame of the project shall comply with Directive 46/1995, and relevant national legislation in place, and as from 25 May 2018 with Regulation 2016/679.

³⁵ Article 35, 128.3 FR, 21, 191 RAP.

³⁶ European Union Official Journal L 39, of 10 February 2007.

14. PROCEDURE FOR THE SUBMISSION OF PROPOSALS

Proposals must be sent by the deadline set out under section 3.

No modification to the application is allowed once the deadline for submission has elapsed. However, if there is a need to clarify certain aspects or to correct clerical mistakes, the SJU may contact the applicant during the evaluation process³⁷.

Applicants will be informed in writing about the results of the evaluation process.³⁸

Application forms are available at <http://www.sesarju.eu/procurement>.

Applications must be submitted in the correct form, duly completed and dated. They must be submitted in:

- **2 paper copies** (one original clearly identified as such, plus **one** copy). The original paper version of the application must be marked "ORIGINAL", initialled (each page) and signed by the person authorised to enter into legally binding commitments on behalf of the applicant organisation.
- **1 electronic copy** (in pdf format) submitted on a memory stick/USB key.

Applications must be clear and concise, perfectly legible so that there can be no doubt as to words and figures, include continuous page numbering, and assembled in a coherent fashion (e.g. bound or stapled).

It is recommended that the proposals are submitted in environmentally friendly way, e.g. double side printing, limiting attachments to what is required in this call for proposal (i.e. no additional material) and avoiding plastic folders and binders.

Applications must be sent to the following address³⁹:

SESAR Joint Undertaking
Grant Management team
Avenue de Cortenbergh, 100
B-1000 Brussels
BELGIUM

- by post, date as postmark;
- in person, date as receipt,
- by courier service, date of receipt by the courier service.

Applications sent by fax or e-mail will not be accepted.

Applicants are strongly advised to use the delivery service offering tracking option of the sent items. Any proposal submitted to the SJU after the deadline will not be examined and returned unopened to the applicant.

³⁷ Article 96 FR

³⁸ Article 133 FR, 205 RAP

³⁹ Article 195.3 RAP

When submitting their applications, applicants are strongly encouraged to send an email (without any attachment) to the following functional mailbox: info-call@sesarju.eu, informing the SJU of the name/title of their proposal and confirmation of its submission.

➤ **Contacts**

Questions should be addressed, **by the 28/04/2018**, to the following functional mailbox:

info-call@sesarju.eu

Frequently Asked Questions and Answers will be published regularly at
<http://www.sesarju.eu/procurement>