

Methodology of Funding Projects in the Field of Research and Innovation

I. General Provisions

1. The Methodology of Funding Projects in the Field of Research and Innovation (hereinafter referred to as the Methodology) regulates the organisation and conduct of the project competition in the field of research and innovation for obtaining State Budget funding.

2. State Budget funding shall be provided to projects in the field of research and innovation that fall under the strategic priorities set in the National Program for Research and Innovation approved by the Government. In order to grant State Budget funding, competitions shall be organised for the following types of projects:

a) state programs – fundamental and/or applied scientific research projects aimed at acquiring new knowledge, formulating and verifying new hypotheses and theories in one or more fields of science, in line with the strategic priorities and directions approved by the Government;

b) innovation and technology transfer projects – projects that include activities aimed at creating and implementing innovations and new technologies, including through technology transfer, in order to manufacture new or improved competitive products, as well as in order to use progressive processes, services and technologies;

c) bi-/multilateral projects – projects in a consortium where one party is a public law organisation in the field of research and innovation from the Republic of Moldova and the other party is one or more overseas organisations and they want to implement a project jointly;

d) postdoctoral programs – projects implemented for the purpose of advanced fundamental and applied scientific research with the main purpose of providing additional professional development opportunities for a research career.

3. Beneficiaries of research and innovation project funding from the State Budget shall be organisations in the field of research and innovation as defined by Articles 95 and 96 of the Code of Science and Innovation of the Republic of Moldova No 259/2004.

4. The following definitions shall be used for the purposes of this Methodology:

a) *contracting authority* – the authority that organises and ensures the contracting of research and innovation projects declared winners of the competition;

b) *project proposal* – detailed description of all activities and actions envisaged within the research and innovation project submitted to obtain funding from the State Budget;

c) *project proposal expert review* – a comprehensive analysis and assessment of the projects in the fields of research and innovation and of their expected results, in order to come up with justified conclusions about the necessity and opportunity to fund the activities described in the project proposals from State Budget resources;

d) *research and innovation project funding agreement* – a legal act concluded between the contracting authority and a legal entity that is a subject in the field of research and innovation, which was selected as a beneficiary and its project was approved for funding as a result of the competition. Should the beneficiary be a public law organisation in the field of research and innovation that does not have financial autonomy, the agreement shall be coordinated with the founder.

e) *applicant* – an organisation in the field of research and innovation that takes part in the project competition in order to obtain funding from the state budget;

f) *beneficiary* - an organisation in the field of research and innovation to which funding from the State Budget is awarded as a result of the national project competition;

g) *co-financing* – additional financing from other donors (beneficiary organisation, economic operators, external partners, etc.) for the implementation of a research and innovation project;

h) *budget* – detailed explanation of the expenses in the annex to the funding agreement wherein the distribution of the project allocations is presented.

5. The principles below underpin this Methodology:

a) transparency – publishing information about the organisation and conduct of the competition, funding and monitoring of the projects;

b) equal treatment – applying provisions of regulatory acts to the subjects in the field of research and innovation in a non-discriminatory manner, at all stages of the project competitions;

c) objectivity and competence in carrying out the of competition and expert review of the projects;

d) confidentiality – keeping personal data and other information that might affect industrial and intellectual property rights;

e) non-retroactivity – excluding the possibility to grant State Budget resources to an activity within a project(s) the implementation of which had already started or finished as of the date of the funding agreement;

f) competition – rivalry or competition between two or more beneficiaries for the best solution of a scientific problem that has a theoretical, applicative and innovative character;

g) research deontology and ethics – involved subjects observe the rules of conduct and exclude the conflicts of interest in the field of research and innovation.

6. Applicants to the project competition in the field of research and innovation may be organisations in the field of research and innovation as defined by Articles 95 and 96 of the Code of Science and Innovation of the Republic of Moldova, independently or in clusters/partnerships with other subjects in the field of research and innovation, including representatives of the business environment, civil society, international organisations and development partners of the Republic of Moldova, according to the concluded agreements.

7. Project funding shall be provided within the limits of the allocations approved for this purpose by the Annual Budget Law.

8. The project submitted to the competition shall be no shorter than 1 and no longer than 4 calendar years.

II. Way of Organisation and Conduct of the Competition

For the Selection of Projects in the Field of Research and Innovation

9. The research and innovation projects will be oriented towards integrating scientific and innovative results from the Republic of Moldova into the European Research Area, as well as into the regional and international infrastructure networks.

10. The selection of projects in the field of research and innovation to be funded from the State Budget shall be done by means of a public competition announced by the Agency on the basis of this Methodology. The Agency shall organise and conduct project competitions, ensure the independent expert review of projects submitted to competitions, in order to distribute the budgetary allocations for project funding.

11. The expert review of projects in the field of research and innovation shall be managed through an information system in the field of research and innovation, which would include data on projects, funding, human resources, research infrastructure, scientific results and ways of validation (publications, products, patents).

12. The Agency shall be the one to launch the competitions by publishing the participation notice on the Agency's official website (hereinafter referred to as the notice) and in a periodical with national coverage. The notice can be taken over and disseminated by other interested entities, too. The set of information included in the notice shall be subject to public debate for at least 15 days, in order to make sure that it includes no discriminatory condition of participation.

13. The notice shall include information regarding the following:

- a) priority and strategic direction of the fields of research and innovation wherein the competition is launched;
- b) total amount of financial resources designated for the funding of projects that are relevant to the respective strategic priority and project duration;
- c) terms of participation in the competition;
- d) list of documents to be included in the project application;
- e) the way the project application shall be submitted;
- f) deadline for the submission of project applications;
- g) project assessment criteria;
- h) the timetable of the project competition;
- i) guidance documents (technical and financial);
- j) contact details of the persons responsible to provide assistance regarding the technical editing of the project proposals.

14. Project proposals shall be drafted according to the template developed by the Agency and published on its official website and shall be filed mandatorily on-line, through an information system, or on paper.

15. Project proposals shall include information about the research team members, purpose, goals, activities, expected results, value of funding. In case of clusters/partnerships formed to run joint research and innovation activities, there shall be submitted the collaboration agreement between the partners, mentioning which is the legal entity that leads the cluster/partnership.

16. The deadline for submitting project proposals shall be set by specifying the precise date, month and calendar year, but it shall not be shorter than 30 days from notice publication.

17. Project proposals submitted past the established deadline shall not be examined by the Agency.

18. The Agency shall provide support and consultation on the technical rules of filling the template proposal forms and shall answer to any request for clarifications within 3 business days from the date when the participant filed the request, but not later than 5 working days before the deadline for project application submission. While providing support and consultation, the Agency shall not get involved regarding elements of content, which might affect the correctness of the competition.

19. The conditions for participating in the project competition are the following:

- a) the organisation must not be declared bankrupt in line with the legislation in force or its bank accounts must not be blocked according to a final court decision.
- b) the organisation must have the right to conduct research and innovation based on its act of foundation/statute;

c) the organisation must have not violated the provisions of another funding agreement in the field of research and innovation that has already finished.

20. Within 10 working days from the deadline for project applications, the Agency shall check whether the applications meet the general eligibility criteria for participation in the contest and shall announce the eligible/ineligible project proposals.

21. If no participant applied for the competition announced for a strategic priority in the field of research and innovation or only one project proposal was deemed eligible, the Agency shall announce a repeated competition.

22. If, following the repeated competition, only one participant has been declared eligible, their project proposal shall be subject to an expert review as provided for by this Methodology.

23. The results of the project proposals' eligibility check shall be published on the Agency's official website within 30 days from the expiry of the term mentioned at points 20 and 21 and then the eligible project proposals shall be subject to expert review.

24. The expert review of project proposals shall be carried out as follows: individual expert review and result ranking by the Board of the Agency. During the individual expert review, each expert gives a score for each review criterion, according to the assessment form, also leaving a comment on the score they gave. The individual expert review shall be organised in such a way that the experts would not know the assessment and score assigned by each of them to a project proposal.

25. While ranking the results, the Board of the Agency shall fill in the assessment form. The final score shall be the sum of the scores awarded by the experts for review criterion. After the ranking, the assessment form shall be signed by all experts that have taken part in the assessment.

26. The assessment form shall include assessment criteria, minimum and maximum score for each criterion, scientific justification of the awarded score and the conclusions.

27. The Agency shall keep the assessment forms during the lifespan of the projects. The Agency shall have the duty to submit abstracts from the assessment forms to the project leader, but shall ensure the confidentiality of the experts.

28. In order to conduct the expert review, the Agency might delegate the provision of expert review services to similar overseas institutions, on the basis of collaboration agreements.

29. The Agency shall be responsible to take the appropriate measures related to establishing, ensuring and coordinating the expert review with the greatest extent of efficiency.

30. For the purpose of organising and conducting the expert review, the Agency shall establish the experts' working manner and timetable.

31. The expert review of project proposals in the competition shall be carried out via an information system, as the case may be, by at least 3 experts, one of which should be in the economic and financial area, selected from the Register of Independent Experts or in line with point 28.

32. The Register of Independent Experts is a register used for storage and recording of information about independent experts, which is continuously kept by the Agency. The criteria and the method of independent experts' registration shall be approved by the Agency and made public. The Agency shall ensure the confidentiality of experts' data in relation to the competition participants.

33. When appointing independent experts, conflicts of interest shall be avoided. A conflict of interest is the overlapping of exercising the expert duty and the personal interests of the experts as private individuals, which could influence inappropriately the objective and unbiased

assessment of project proposals. The expert must not have any kinship, work or service provision contract relationships with the competition participants.

34. The way the expert review is organised and conducted shall be published in the competition information set on the Agency's official website.

35. The project proposals declared eligible shall be subject to expert review based on the timetable established in the set of information related to the announced competition, according to each strategic priority.

36. The criteria for project proposals' expert review shall be the following:

- a) technical-scientific relevance and excellence;
- b) potential socio-economic impact of the project in relation to its expected results and return;
- c) schedule of activities under the project, timeline and demanded costs;
- d) membership of the research team;

37. The criteria for project proposals' expert review shall be published on the official website of the Agency at the same time with the competition notice and they shall not change during the competition.

38. The results of the project expert review shall be validated by the Board of the Agency after the end of the appeal period.

39. Should it happen that several project proposals in the competition under the same research and innovation priority gathered an equal score, the Board of the Agency shall prioritise the proposals according to the criteria below:

- a) higher number of young people under 35 years of age on the team (not less than 20%);
- b) significant scientific impact of the research at international level;
- c) facilitating the cohesion between the public and private sectors, between universities and research institutes;
- d) number of connections between fields of research and innovation.

40. The results of the projects' expert review shall be ranked in a descending order of the score they obtained and shall be made public.

41. The project manager may appeal the competition results within 3 working days from the day the competition results are published. The appeal examination deadline is 10 working days. The results of the appeal are final, but they may be appealed in the administrative court. The decision of the Appeals Committee shall be published on the Agency's official website.

42. The final list of projects selected for funding shall be published on the Agency's official website, including the list organisations in the field of research and innovation, score of the evaluated projects and budgets allocated to them.

43. The Agency shall keep records of all research and innovation projects funded from the State Budget. Up-to-date information on projects funded from the State Budget shall be published on Agency's official website.

44. A change in the project manager or research team membership shall be approved by a decision of the Scientific Council/Senate of the beneficiary organisation, on the proposal by the research team, and shall be communicated to the Agency and the founder. The share of young people on the research team shall not change during the project.

III. Funding of Research and Innovation Projects

45. The funding of research and innovations projects shall be done in instalments, on the basis of a funding agreement, according to the template provided in Annex 2 to this Decision.

46. The funding agreement shall be concluded with the beneficiary within at most 60 working days from the invitation the Contracting Authority submitted to it.

47. The financial resources for the implementation of the project shall be transferred annually, in line with the Annual Budget Law for each year of project implementation. For the first implementation year, funding shall be allocated in the amount approved in the project timetable, which is part of the funding agreement. The following installments shall be transferred upon submission of the annual report, in line with the project timetable. If the annual report is not submitted, the funding shall be suspended.

48. In case of clusters/partnerships between organisations in the field of research and innovation, the Agency shall ensure that the funding agreement is concluded with each of them. In the collaboration agreement, the partnership subjects shall agree on the project leader responsible for implementation on behalf of the partnership.

49. The categories of expenses from the budget of the research and innovation project, eligible to be covered by the State Budget include the following:

a) payroll for the staff that is part of the research team, in line with the legislation in the budgetary sector and the related regulatory framework;

b) procurement of raw materials, supplies, including reagents, animals, laboratory equipment needed to carry out experiments in order to implement the project;

c) organisation of scientific events (conferences, seminars, symposia, workshops, etc.) during the research project;

d) overseas and domestic business trips, in line with the regulatory framework;

e) editing and publishing monographs, scientific articles, scientific journals, including the publication fee;

f) project-related services (experimental and production works);

g) promotion activities for innovation projects;

h) procurement of equipment for innovation projects.

50. The Agency shall determine the expenses that are eligible under point 50 and their percentage allowed into the budget of the research and innovation project.

51. Expenses for the maintenance and development of public infrastructure in the field of research and innovation used in the project and payroll expenses for administrative and support staff shall not be eligible for the research and innovation projects.

52. The amount of project funding from the State Budget may be amended during the validity of the agreement if the Annual Budget Law is amended or based on contractual provisions regarding increase of salaries, fluctuation in the cost of reagents, equipment in innovation projects, etc. In case if the funding is modified (especially when it is diminished) the provisions of the agreement may be amended (terms, outcomes, deliverables, number of participants, etc.) based on negotiations between project beneficiaries and the Agency.

53. It shall be prohibited to change the purpose of the funds provided under the funding agreement of the research and innovation projects.

54. Based on the annual reporting results it shall be decided to extend project funding or to terminate the agreement with the reimbursement of the funds used contrary to the provisions of the agreement. The decision on extending the funding or terminating the agreement shall be

approved jointly by the Board of the Agency and the public authority that founded the given beneficiary.

55. The amounts left unused after the end of the project or in case if the project has not been completed shall be wired by the beneficiary to the State Budget within at most 30 working days from the date of project completion or the day when its implementation stopped.

IV. Reporting and Monitoring

56. The Agency, in coordination with the public authority responsible for policy-making in the field of research and innovation and the Academy of Sciences of Moldova, shall develop and publish on the official website the templates of the annual report and final reports on the implementation of projects in the field of research and innovation.

57. The annual and final reports shall be subject to a public hearing in the Scientific Council of the beneficiary organisation. The annual reports shall be submitted to the Agency at latest in December of the implementation year. The annual reports shall be heard in the meeting of the Board of the Agency, which shall be attended by the public authority responsible for policy-making and the representatives of the beneficiaries' founders.

58. The beneficiary of the funding shall be responsible to implement the project and submit to the Agency until 1 March of the year following the implementation year the final report on project implementation which shall be accompanied by the consultative endorsement of the Section of the Academy of Sciences of Moldova.

60. The annual and final reports on the implementation of research and innovation projects shall be published on the official websites of the beneficiary, Agency and Academy of Sciences of Moldova. The outcomes achieved as a result of implementing projects funded from the State Budget shall be published in Open Access – fact that shall be stipulated in the project funding agreements.

61. The Agency shall develop an annual consolidated report on the implementation of research and innovation projects in line with the National Program for Research and Innovation and shall submit to the Government until 30 March and publish it on the Agency's official website.