# Invitation to Apply to ESA Phi-Lab Austria

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Thank you for your interest in ESA Phi-Lab Austria,

Space-based studies and technology developments bring benefits to Earth in the form of services and top-class science. This makes the space industrial sector of high strategic and economic value. At the same time leading edge research brings benefit to space, and indeed to Earth and society with disruptive innovation.

As part of the Phi-LabNET, one of the Components of the Innovate Element in the ScaleUp Programme, ESA is rolling out a dynamic network of Phi-Labs in ESA Member States.

Phi-Labs do bridge the gap between early-stage research and commercialisation. They ensure that the research is not just innovative but closely serve ESA or industry needs. Phi-Labs are geared for supporting the maturation of technologies that enable commercial applications. The focus is given to technologies with the potential to disrupt existing markets or even create new markets. The support provided is intended to boost the delivery of innovation, thereby reducing the time to market. Beyond the creation of new technical capabilities, the activity shall output an assessment of the market disruption potential and a roadmap to commercialisation.

In Austria, accent Inkubator GmbH is responsible for managing ESA Phi-Lab Austria.

ESA Phi-Lab Austria offers a comprehensive package of support to research teams selected, including access to and use of Phi-Lab Open Space and Makerspace, innovation seed funding, technical support, business coaching, and legal/IPR advice. ESA Phi-Lab Austria is a center of excellence dedicated to accelerating the industrialization of innovative upstream hardware and software through purposeful design and development support.

ESA Phi-Lab Austria hereby invites you to submit your application to enter the Phi-Lab Austria programme. All research activity proposals shall be rooted in novel technology maturation, as well as targeted and shaped for potential commercial applications.

This document provides an introduction to the application and evaluation process and contains references to the templates that should be used when applying.

Please contact ESA Phi-Lab Austra for any further questions.

Yours sincerely,

Michael Moll

Head of ESA PHI Lab Austria

## Introduction

The purpose of this Open Call for ESA Phi-Lab Austria is to inform about the opportunity for projects to become supported by ESA Phi-Lab Austria and to provide the material and guidance needed to apply for support.

Selection and evaluation of applications are scheduled periodically, see esaphilab.at for details. To benefit from our **preproposal support** contact us via preproposal application document (esaphilab.at) latest 6 weeks before submission deadline of selection.

The Call is permanently open, has no closing date for the submission of applications unless the ESA Phi-Lab Austria has indicated otherwise.

Focus at ESA Phi-Lab Austria: “Industrialisation by Design”

ESA Phi-Lab Austria invites all interested parties to submit their ideas that align with the following focus areas:

• Industrialization by design of innovative upstream space-hardware and space-software

• Clear commercial orientation and well-defined market potential

• Demonstrated customer interest

• A defined network of partners both within and beyond the space sector (with support from ESA Phi-Lab Austria)

The ultimate goal is to help participants achieve or sustain a strong competitive edge in their respective markets.

## Who can apply?

The research project proposal must be submitted by (a team part of) a legal entity or a consortium of legal entities. The team applying shall have the skills necessary to achieve the proposed activity, including insight in the industrial and market ecosystem that the technology will impact.

The entities composing the Phi-Lab consortium are allowed to be part of the applying consortium (yet not as prime contractor). The Phi-Lab compositing entities can receive (collectively) up to 25% of the ESA Innovation Seed funding.

The proposed research shall enable market disruptive application(s), with potential high socio-economic impact; it must include a clear plan of research activities, with defined roles for scientific or technical contributors. The proposed work shall be based on solid research-driven evidence of its feasibility. The proposal shall also outline a credible road to commercialisation for the applications that the technology (to be matured by the research project) enables and make a preliminary assessment of potential market disruption.

The idea shall have a valid space connection. This is:

* The exploitation of space technology, use of knowledge from the space domain, or utilisation of space systems and space-based services in non-space domains (spin-off),
* Or the provision of products or services for the space sector, addressing any part of the space value chain (from components to entirely new space systems or related facilities and services) and any related activity (from concept definition to operation), possibly using non-space technology (spin-in).

Some further criteria apply:

* the project shall be relevant for the specific focus of competence of the Phi-Lab and the specific topics as defined in the previous Section;
* the project shall be focused on maturing (a) technology(ies), through a research led process, towards the performance levels required by the target application(s).
* the applicants must fulfil all the requirements below:
  + To be part of a legal entity established in an ESA Member State, Associate Member of European Cooperating State (specify Country), and can demonstrate that the research activity can deliver a benefit to the Phi-Lab, which is of particular importance for applicants that are part of a legal entity established in a State different from the one of the Phi-Lab.
  + In the case this legal entity is not registered in Austria the research activity shall deliver **a clear benefit to Austria**. A detailed plan in the proposal that outlines the benefits to Austria including measurable KPIs is needed. For further guidelines regarding this point consult the ESA Phi-Lab Austria Pre-Proposal Team.
  + To observe the remaining requirements stated in this document;
  + When acting in collaboration with other national or foreign entities, the applicant will be the sole contractor and will be fully responsible for managing the funding.
  + To declare that the work proposed under the submitted ESA Phi-Lab project is not being funded through other means (e.g. ESA R&D activities, ESA Business Incubation, ESA Business Applications, European Commission etc).
* The Phi-Lab composing entities may be part of up to 2 applications per call (as sub-contractor)
* An Economic Operator may be part of maximum 2 applications per call and may be the prime contractor of only one application.

## How to apply

Please make sure you have received the following documents, which are part of the Open Call documentation:

* Cover Letter including Requirement Checklists
* ESA Phi-Lab Research Proposal:
  + Executive Summary
  + R&D and Potential Impact Proposal
  + Activity and Management Proposal
* Draft Research Contract including Draft Service Agreement

Make sure to fill in all required sections in the application templates and pay particular attention to the following:

* Instructions inside the documents (highlighted in blue in each template) shall be followed in order to fulfil all pre-conditions of the Open Call and for the application to be accepted.
* Please read the Draft Contract carefully. The Cover Letter must include a clear, explicit and unambiguous statement declaring that the applicant has read, understood and accepted the terms and conditions contained in the contractual documentation (this is part of the Cover Letter template). Modifications or amendments to the Contract may only be done in exceptional cases. Please contact the local ESA Phi-Lab Austria Manager for guidance.
* Make sure the Cover Letter and the Requirement Checklists are signed by a representative of the legal entity that will sign the contract.
* Support in ESA Phi-Lab [Country] may be requested for a maximum of 24 months.

Please submit the application documents in electronic form (pdf, maximum three files, one for each required document) to the following e-mail address: [philabaustria@accent.at](mailto:philabaustria@accent.at) with subject “ESA Phi-Lab Austria Open Call”. [ The Agency can request to use any other platform suitable for the purpose e.g. the ESA Open Innovation Platform (OSIP)]

Any questions related to submission of proposals should be sent to the same e-mail address.

## Budget and additional benefits

The available Innovation Seed Funding per selected project ranges from a **minimum of €200,000** to a **maximum of €500,000**. The total budget for this call is € 1.6 Mio.

This funding is intended to cover **50% to 100%** of the total eligible costs of the activity, subject to the following conditions:

* **Small and Medium-sized Enterprises (SMEs)** may receive funding of up to **80%** of the total eligible cost.
* **Universities and research institutions**, when involved **as subcontractors within a consortium** and demonstrating **no commercial interest** in the resulting product or service, may be funded with **up to 100%**, provided that:
  + Their funding **does not exceed 30%** of the total eligible cost. (If subcontracted work exceeds 30% of total eligible costs, the **excess portion** will be **co-funded up to a maximum of 50%**.)
  + If the university or research institution has a **commercial interest** in the future exploitation of the outcome, the **funding level applicable of SMEs or non-SMEs** will apply.
* **Large enterprises and other non-SME economic operators** may be funded up to a **maximum of 50%** of the total eligible cost.

**Rental costs** for office space at the **Vienna Space Hub**, for the project duration, may also be covered by ESA seed funds, according to the applicable funding levels outlined above.

In addition to the budget made available for the research activity, the Phi-Lab will contribute with the following elements:

* Research mentoring and technical advisory
* Business and IP coaching / advisory
* Access to technical facilities at favourable conditions
* Access to background IP

Additional cooperation in the R&D may be negotiated between the bidder and the ESA Phi-Lab.

The projects requesting ESA Innovation Seed Funding equal or larger than 500 kE should provide evidence of their co-funding.

## Eligible costs

In order to be eligible, all project costs must be:

* Necessary to the execution of the project;
* Incurred by the beneficiary and recorded in its accounts;
* Incurred during the contract term;
* Indicated in the cost planning in the proposal;
* Without VAT, interest owned, or duties.

Expenses incurred in the preparation and dispatch of the proposal will not be reimbursed.

The project may consider the following direct costs: (calculated according to FFG cost guideline: <https://www.ffg.at/recht-finanzen/kostenleitfaden> )

1. Staff costs;
2. Subcontracting costs;
3. Access to data sources or intellectual property;
4. Materials, equipment, and facilities;
5. Travelling, subsistence, and accommodation costs

The following costs incurred are eligible:

* Train and plane costs in Economy Class, up to 700 Euro travelling in Europe and up to 1600 Euro travelling outside Europe;
* Taxi costs;
* Car rental and/or car mileage;
* Accommodation up to 250 Euro per person per night;
* Subsistence costs up to 100 Euro per person per day.

Information regarding all Travelling, Subsistence and Accommodation costs must be provided in the Mid-Term (where applicable) and Final Reports, and shall include the objectives of the occasion (event, meeting, etc.), contacts made and results.

* Business development and promotion (data sheets, flyers, trade shows etc.). Attendance to trade shows (or similar) should be agreed in advance with the local ESA Phi-Lab Manager.
* Other – costs not included in the above categories but deemed critical to the execution of the project should be agreed in advance with the local ESA Phi-Lab Manager.
* The full cost of equipment may be considered eligible when the equipment is clearly and directly required for the implementation of the project and its necessity is beyond doubt.

## The evaluation procedure

The evaluation of all received applications is managed locally by ESA Phi-Lab Austria and follows common ESA Phi-Lab procedures.

Once a published submission deadline has passed, ESA Phi-Lab Austria first assesses the formal aspects of applications received before the submission deadline. If a formal non-compliance of formal nature is found, the applicant may be asked to address this in an updated proposal within 48 hours. If the proposal is found non-admissible, the applicant will be informed, and the reason will be explained. In such a case an applicant is eligible to submit a revised proposal at a later date.

If the application is compliant with the formal requirements, applicants will be invited to hold a presentation to the ESA Phi-Lab Austria evaluation board. The evaluation will typically take place a few weeks after the submission deadline. The evaluation board consists of representatives of ESA Phi-Lab Austria, ESA, National Delegation and other experts. There will also be an opportunity for the evaluation board to ask questions to the applicant.

The application and the presentation will be marked against the criteria in Table 1, taking weighting factors into account.

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| **Criteria** | **Sub criteria** |
| **Background and Experience** **(25%)** | a) Experience Team composition  b) Partnerships and Support Entities  c) Vision |
| **Research and Technology developments**  **(30%)** | 1. Relevance for the Call 2. Suitability of technology for targeted application 3. Understanding of and leveraging on the State of the Art (SoA), novelty of the proposed research 4. Depth and significance of technical innovation 5. Maturity of the technology and feasibility for target application(s) 6. Clarity and relevance of the research objectives |
| **Commercial Opportunities and Potential Socio Economic Impact** **(25%)** | 1. Potential applications, problems addressed and target markets 2. Hurdles, risks and roadmap to commercialisation 3. Potential for market disruption, industrial transformation and socio-economic impact 4. IPR strategy |
| **Activity and Management proposal** **(20%)** | 1. Clarity and relevance of work to achieve objectives 2. Feasibility: Access to facility and data / Availability of personnel. 3. Milestones /Cost-planning / Work break-down 4. Approach to align the R&D with the market needs 5. Management of the activity 6. Fit with the Phi-Lab 7. No double funding |

Table 1: ESA Phi-Lab evaluation criteria and weighting factors

Proposals with a score below 40 (out of 100) for any one of the 4 evaluation criteria will be disqualified.

All applicants will be notified in writing about the outcome of the evaluation. The applicant may require, within 10 calendar days from the receipt of the notification, an oral debriefing explaining the reason why the application was successful or not.

ESA Phi-Lab Austria will enter into contract negotiations the best applications with an overall score of 60 and above within the limits of the available budget. ESA Phi-Lab Austria has the right *not* to place a contract if, after three months after the notification to a successful applicant, no contract still has been signed, and this is because of a reason for which the applicant can be held accountable.

Furthermore, we kindly ask you to pay attention to the following:

* Please note that applications will be treated as confidential. However, the applicant’s idea may through this application fall into the public domain (e.g. if local laws require so). Therefore, we strongly recommend that the applicant discusses the protection of his/her idea with a dedicated expert in this field prior to application, and – if relevant – takes appropriate steps to protect the idea (e.g. by applying for a patent).
* As far as allowed by law, any title held by the applicant to his/her idea shall remain vested in him/her. An application to ESA Phi-Lab Austria will not result in the acquisition of any title whatsoever to the idea. *However, ESA retains a right to use the Intellectual Property in specific cases. Please read the detailed conditions described under the section “Use of Intellectual Property Rights” in the Draft Contract.*
* No expenses incurred in either stage of the application procedure will be reimbursed to the applicant by ESA Phi-Lab Austria ESA and/or any third party.
* This Open Call does not impose any obligation upon ESA Phi-Lab Austria to enter into negotiations with any applicant.