

Rules for International grant projects evaluated on the Lead Agency principle
(LA grants) - 2021

These rules shall apply in cases when GACR acts in the role of Partner Agency.

This is only a translation of Czech version of the Rules. In case of discrepancies between Czech and English version of the Rules, the version in Czech language shall prevail.

1. Method of submission of project proposals

(1) Joint international project must demonstrate elements of justified cooperation between teams, the added scientific value of joint research, the scientific work of both research teams must be closely linked. Proposed projects will be evaluated based on the Lead Agency (LA) principle. This means that project proposals are evaluated by only one of the agencies. The project proposal must be elaborated in accordance with the formal guidelines and regulations of the LA agency (the agency to which the project is submitted). The LA Agency shall ensure the entire evaluation process in accordance with its usual procedures, rules and decision-making processes.

(2) The project proposals may be submitted in all disciplines of the basic research in the following fields:

- a) technical sciences;
- b) physical sciences;
- c) medical and biological sciences;
- d) social sciences and humanities;
- e) agricultural and biological-environmental sciences.

(3) The forms for completing the Czech part of the budget proposal and other information necessary for the registration of the project in GACR is available exclusively on the GACR website at <http://www.gacr.cz> in an internet on-line application created by GACR for this purpose (hereinafter the "application"). The project proposal must be completed and converted from it in PDF format according to the instructions contained in the application.

(4) A copy of the project proposal submitted to foreign agency must be an attachment to the Czech part of the project proposal. The attachments must be inserted into the application in PDF format.

(5) The Czech part of the project proposal including the attachments must be submitted via the data mailbox information system to the data mailbox of the Czech Science Foundation with the identifier "ntq92qs" no later than the last day of the deadline for submitting project proposals.

(6) Eligibility according to the provisions of § 18 para. 2 (c) to (f), (h) and (i) and for natural persons also according to para. 2 g) of Act No. 130/2002 Coll., is demonstrated by the organization with the solemn declaration. The eligibility according to the provisions of § 18 para. 2 e) and f) of Act No. 130/2002 Coll. in the case of legal entities, is proved for persons performing the function of the statutory body of the organization or its member (or all members of the statutory body) with the exception of persons, for

whom the conditions of executing the function of the statutory body or its member stipulated by other legal provision (e.g. Act No. 341/2005 Coll., on public research institutions), are similar eligibility conditions as those stipulated in provision § 18 par. e) and f) of Act No. 130/2002 Coll. The form of solemn declaration can be downloaded here: <https://gacr.cz/formulare-cestnych-prohlaseni/>.

(7) In addition, the provider shall require necessary cooperation from the organization consisting in providing the data necessary for submitting an application for an extract from the Criminal Register. Licence to carry out activities according to the provisions of § 18 para. 2 b) of the Act No. 130/2002 Coll., is to be submitted by the organizations that are not a public higher education institution or a public research institution, in the form of a business license or other required license (e.g. incorporation documents or founding documents or other similar or other similar proof of incorporation or establishment, extract from the public register); if carrying out the grant project demands another required license according to a special legal regulation, every organization shall submit this license, irrespective of their legal form.

(8) Organization, that is a legal entity, submits in accordance with provisions under § 14 para 3. Letter e) of Act No. 218/2000 Coll., on budgetary rules and on amendments to certain related acts (Budgetary Rules), as amended, in the form of solemn declaration, a template of which can be downloaded here: <https://gacr.cz/formulare-cestnych-prohlaseni/>.

(9) Single person may only participate in one call in the given calendar year in one project in role of applicant and in one project in role of co-applicant. The applicant or co-applicant of the LA project may participate in the given calendar year also in the public tender announced by GACR for standard and international bilateral project, no more than in one project in the role of applicant and no more than one project in the role of co-applicant.

(10) If the applicant or co-applicant of the LA project also participates in the public tender for support of EXPRO project or JUNIOR STAR projects in the given calendar year as applicant or co-applicant, in the event of success in the call and in the EXPRO or JUNIOR STAR tenders, the participation is possible only in carrying out the EXPRO or only the JUNIOR STAR or only the LA GACR project (as investigator or co-investigator).

2. Definition of eligible cost items

(1) Targeted support may only be provided for the activity defined in the project proposal.

(2) Only costs or expenditures (hereinafter “costs”) that are defined by the provisions of § 2 para. 2 (k) of Act No. 130/2002 Coll., on Support for Research, Experimental Development and Innovation from Public Funds, and on the amendment to some related acts (the Act on the Support of Research and Development), as amended, which are specified in Articles 2.1. and 2.3. and are substantially and timewise related to carrying out the grant project, are eligible.

(3) All eligible cost items listed in the project proposal must be justified and it must be clear from the project proposal that they are indispensable for carrying out the grant project.

(4) If the project proposal requests supply or supplies from a single supplier for a total value of over 500,000 CZK over the whole duration of the grant project, it is necessary to submit the offer with identification of the supplier, the subject of supply and the preliminary price, including a justified calculation of the bid price in total and for individual supplies. The actual price may not be more than 10% higher than the original bid price. At the same time at least two other competing bids for the same supply shall be submitted including justification for the selection. Competing offers are not submitted

in cases where the selected supplier is the sole supplier offering supply of the required parameters necessary for carrying out the grant project. This fact is to be mentioned in the commentary attached to the bid. In the event that the organization has concluded a framework contract for the required type of delivery, this framework contract instead of offers shall be attached.

(5) The supplier of the procured property or services may not be the investigator, co-investigator or other employee of the beneficiary or other project participant or person associated (within the meaning of § 23 para. 7 of Act No. 586/1992 Coll., on income tax, as amended) with the beneficiary, other project participant, investigator or professional co-worker taking part in carrying out the grant project. Supplies realized in the form of internal supply are eligible if they do not exceed the conventional prices for the place and time and are charged in accordance with the legislation.

(6) The project proposal must state the proposed rate of support. The decision on the final amount of allowed costs and rate of support for the allowed costs lies with the provider, based on the evaluation of the project proposal.

(7) The following cannot be included in the eligible costs:

- a) profit;
- b) value-added tax (applies for beneficiaries who are payers of this tax and who deduct it or deduct a percentage of it);
- c) costs for marketing, sale and distribution of goods;
- d) interest on debt;
- e) shortfalls and damages;
- f) costs for financial leasing and lease with subsequent purchase;
- g) costs for securing the rights to the project results;
- h) other costs not directly related to the subject of the grant project;
- i) costs associated with the subject of the project that exceed the usual standard price for the time and place.

(8) The following cannot be included in the eligible costs paid from grant funds under items other than additional (overhead) costs listed under Article 2.3. para. (6) of this document:

- a) costs for meals, gifts and entertainment;
- b) costs for rental of spaces, devices, equipment, etc. with the exception of rental of packing materials, highly specialized laboratories and venues for holding short-term events with academic output as stipulated in Article 2.3. para. (4) of this document;
- c) costs for furniture and other non-specialized equipment for workspaces;

d) costs for telecommunication services; costs for the acquisition, repair and maintenance of devices and equipment from the field of communication technology (telephones, dictation machines, readers etc.);

e) costs for issuing journals and textbooks;

f) costs associated with attending conferences and workshops with the exception of active presentation of results of the project;

g) costs for expanding the qualifications of persons taking part in the project (purchase of textbooks, training, courses etc.);

h) costs for acquiring, renting and using electronic information databases;

i) costs for the repair or maintenance of rooms; costs for the construction or renovation of buildings or rooms;

j) costs for the services of consultants, both domestic and foreign.

2.1. Personnel costs

(1) Personnel costs are the costs spent to remunerate the work performed as part of basic employment relationships as per Act No. 262/2006 Coll., the Labour Code, as amended.

(2) The amount of eligible personnel costs for persons (applicants, co-applicants, professional co-workers, other collaborators) taking direct part in carrying out the project must correspond to the beneficiary's (or other participant's) internal regulations or through other demonstrable means, and simultaneously must correspond to the workload (FTE) expended on the grant project. For the purpose of establishing the amount of eligible personnel costs in the project proposal, remuneration under § 134 of the Labour Code, targeted remuneration under § 134a of the Labour Code and other similar remuneration shall not be considered as a part of the wage or salary, including variable components, convalescence leave pay and temporary incapacity compensation (hereinafter "wage").

(3) Zero workload (FTE) is not permitted. The sum of all workloads (FTEs) allocated for all projects supported by GACR may not exceed 100% for a single employee.

(4) The recommended workload on the project (FTE) is at least 0.20 for applicant and at least 0.10 for co-applicant. The applicant (subsequently the investigator) is assumed to spend the time in the organization's workplace (subsequently the beneficiary) when carrying out the project corresponding to the amount of their workload.

(5) The following costs are eligible personnel costs (only one option may be used for each employee):

a) for the relevant part of the wages as per para. (2) of this article for those employees carrying out the grant project based on an employment contract, in the amount corresponding with the workload in conducting the project. In such a case the subsidy requested in the project proposal can reach up to the amount of gross salary or wage of the employee (prorated based on the employee's FTE), however, a maximum of 60,000 CZK per calendar month (prorated according to the employee's workload);

b) for the payment of commitments from agreements on work performed outside of employment that were concluded exclusively for conducting the grant project

i. the subsidy for the payment of obligations arising from agreements to complete a job can reach up to the amount of remuneration from this agreement, however, no more than 400 CZK/hour; the subsidy can be provided for maximum 100 hours per year for one employee.

ii. the subsidy for the payment of obligations arising from agreements to perform work can reach up to the amount of remuneration from this agreement, however, no more than 400 CZK/hour.

(6) Under personnel costs it is possible to include the costs for the compulsory legal deductions and contribution to the fund of cultural and social needs (or another similar fund) or the proportionate amount thereof (unless such a fund is made up of allocations from profit) in an amount corresponding to the relevant personnel costs. The maximum possible amount of subsidy provided for such costs is set at an amount corresponding to the subsidy for the relevant personnel costs.

(7) For the applicant, co-applicant and professional co-workers remunerated according to para. (5) letter a) of this article, the project proposal shall include the name and surname of the worker, or identification as student or postdoc, as well as the workload (FTE), the corresponding amount of personnel costs and the corresponding amount of requested subsidy. For other collaborators, only the total workload (FTE), the corresponding amount of personnel costs and corresponding amount of required subsidy shall be stated.

(8) If the organization or co-organization is a natural person, the amount of their remuneration for work in the project shall be included in the personnel costs item for the purposes of keeping records of costs, even if they are not the cost of remuneration for work performed in the framework of labour relations under the Labour Code.

2.2. Costs for procuring tangible and intangible assets

(1) Costs for acquiring tangible fixed assets (devices, machinery, equipment, separate movable items or sets of movable items with an independent technical-economic purpose and other tangible fixed assets that were acquired for consideration, by conversion or created through own activities where the purchase price is higher than 40,000 CZK and the operational-technical function is longer than one year) and intangible assets (software and other intangible fixed assets that were acquired for consideration, by conversion or created through own activities where the purchase price is higher than 60,000 CZK and the period of use is longer than one year) which are necessary for carrying out the grant project and are purchased and used in the direct connection with the grant project may be included among the eligible costs.

(2) In the case of acquiring tangible fixed assets (the purchase price is higher than 40,000 CZK and the operational-technical function is longer than one year) and of acquiring intangible fixed assets (the purchase price is higher than 60,000 CZK and the operational-technical function is longer than one year) with the operational-technical function longer than the period for which the assets are to be used for carrying out the grant project, the amount of eligible cost shall be established at most in the amount of the depreciation with the formula: $U(N) = (A/B) \times C \times D$, whereby $U(N)$ is the eligible costs, A the period for which the assets are to be used for carrying out the project, B is the period of operational-technical function (in accordance with Act No. 563/1991 Coll., on accounting, as amended, and Act No. 586/1992 Coll., on income tax, as amended; if the operational-technical function determined by these regulations differs, the longer operational-technical function is to be used for the

purpose of determining the amount of the eligible costs), C is the purchase price of the equipment and D is the percentage of its use for the grant project.

(3) In the case of acquiring tangible and intangible fixed assets with the operational-technical function equal to the duration of the grant project or shorter, the eligible costs shall be established using the formula: $U(N) = C \times D$, whereby the symbols U(N), C and D have the same meaning as in the similar formula in para. (2) of this article.

(4) Minor tangible and intangible assets with an operational-technical function of longer than one year and an input price lower than or equal to 40,000 CZK or 60,000 CZK respectively may be acquired under the item of other operating costs.

(5) Subsidy allocated to expenditures on obtaining tangible and intangible fixed assets, which is essential for the carrying out the project, must not be higher than 10% of the total subsidy allocated to approved costs as per Article 2.1. and 2.3. para (2) to (5) of this document for the whole duration of the project as stated in the contract, or in the decision, respectively, on provision of targeted support.

2.3. Material costs

(1) The material costs that can be included among eligible costs are costs for materials, travel costs, intangible costs, costs for other services and additional (overhead) costs.

(2) Costs for materials are expenses used exclusively in direct connection with the grant project that can be documented with a separate supply document or in another objective manner (e.g. independent measurement) comprising the consumption of material (e.g. consumption of office and laboratory material, acquisition of minor tangible assets as per Article 2.2. para. (4) of this document purchased or procured through own activity as part of the project, scholarly literature), in exceptional and justified cases the consumption of energy and other non-storable supplies.

(3) Travel costs are expenses comprising all costs for work trips in accordance with the provisions of § 173 to 181 of Act No. 262/2006 Coll., the Labour Code, as amended, up to the amount laid down or allowed by this law, for the investigator, co-investigator, professional and other collaborators. These are costs incurred exclusively in direct connection with the grant project including working stays and trips made in connection with active participation at conferences. These are also the travel expenses and costs for stays associated with the participation of foreign employees taking part in the grant project. In the case of work trips abroad, these include only the costs for the length of stay that corresponds to the duration of the event for which the worker was dispatched.

(4) Costs for other services and non-material costs are expenses used exclusively for carrying out the grant project that can be documented by a separate supply document or in another objective manner, including costs: for the operation, repair and maintenance of assets used during the project; procuring of minor intangible assets as per Article 2.2. para. (4) of this document purchased or procured through own activity as part of the project; costs for additional services, e.g. orders. It is also possible to include among other services costs for publishing results (publishing and editorial costs). Furthermore, conference fees, rental of venues for holding short-term events with scholarly output (e.g. conferences, seminars etc.), membership fees for institutions if membership is demonstrably necessary or cost-effective for carrying out the grant project; telecommunications with the exemption listed under Article 2 para. (8) d) of this document; other costs such as exchange rate losses, bank fees, taxes and fees tied exclusively to the grant project.

(5) Following costs are considered eligible: patent and license payments for the exercise of industrial property rights that apply to the subjects of industrial property (e.g. patents, inventions, industrial designs, royalties for the use of copyrighted works) used in direct connection with the grant project and essential for carrying it out, solely for the period during which the industrial property rights are exercised for conducting the grant project (for the duration of the grant project at the longest). If the period of exercising the industrial property rights is longer than the period for which the rights are to be used for carrying out the grant project, the amount of eligible costs shall be established with the formula: $U(N) = (A/B) \times C \times D$, whereby $U(N)$ is the eligible costs, A the period for which the rights are to be used for carrying out the project, B is the period of operational-technical function (in accordance with Act No. 586/1992 Coll., on income tax, as amended), C is the purchase price of the rights and D is the percentage of its use for the grant project. For industrial property rights exercised for a period equal to the duration of the grant project or shorter, the eligible costs shall be established using the formula: $U(N) = C \times D$, where the symbols $U(N)$, C and D have the same meaning as in the previous formula in this paragraph.

(6) Eligible costs may include additional (overhead) costs incurred in direct substantial and time connection to carrying out the grant project assuming their expenditure contributed to realization of the project (e.g. administrative costs, costs for infrastructure, or other costs defined in Article 2 para. 8 letter d) of this document). The maximum amount of subsidy for additional (overhead) costs is 25% of the total approved subsidy for other non-investment costs, i.e. excluding additional (overhead) costs, listed in the contract or decision on provision of targeted support. If no additional (overhead) costs are requested in the project proposal, they may not be included among the eligible costs.