



DECISION KDT GB 2022.28

On the evaluation and selection procedures related to Calls for Proposals

THE GOVERNING BOARD OF THE KEY DIGITAL TECHNOLOGIES JU,

Having regard to Council Regulation (EU) No 2021/2085 of 19 November 2021 establishing the Joint Undertakings under Horizon Europe (hereinafter "Single Basic Act") and in particular Article 17.2.k),

HAS ADOPTED THIS DECISION:

Article 1

The evaluation and selection procedures related to Calls for Proposals, as set out in the Annex to this Decision, are hereby approved.

Article 2

This Decision shall enter into force on the date of its adoption.

Done at Brussels, on 07.12.2022



Ralf Bornefeld
Chairperson of the Governing Board

Annex: Evaluation and selection procedures related to Calls for proposals

Key Digital Technologies Joint Undertaking Evaluation and selection procedures related to Calls for proposals

This document describes the steps that shall be followed by the KDT JU related to the Calls for proposals, the procedures for evaluation and selection of proposals, the allocation of public funding following such Calls and the subsequent establishment of grant agreements for projects¹.

¹ "Project" is a research and/or innovation action or coordination and support actions selected by the KDT JU following competitive calls for proposals

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I PRELIMINARY STEPS

1. The Private Members Board shall submit to the Executive Director the SRIA (Strategic Research and Innovation Agenda) in due time, to be included in the draft work programme.
2. The public authorities (participating states and the European Commission) shall communicate the following information to the Executive Director in due time to be included in the draft work programme and taking into account the SRIA:

- a. The estimates of expenditure for the next year(s) covered by the work programme;

Only for KDT participating states:

- b. The national reimbursement rate of the eligible costs to be used to determine the financial contribution of the public authority (if relevant, by category of participant and/or by type of action);
- c. When they differ from the conditions laid down in Horizon Europe Regulation², the specific national criteria regarding the eligibility of individual applicants to receive national funding from the participating states – such criteria should lend themselves to verification;

For non-entrusting KDT participating states:

- d. When the participating state does not entrust the KDT JU with the implementation of its contribution to its participants, any specific rules regarding the eligibility of costs.

For entrusting KDT participating states:

- e. cost recognition rules are those of HE.

3. Upon the completion of procedure set in Article 14(1) and in accordance with the requirements set out in Article 31(4) of KDT JU Financial rules³ the Executive Director shall prepare and submit for adoption to the Governing Board by the end of the year prior to its implementation the draft work programme including the number and scope of the calls and topics for proposals needed to implement the Strategic Research and Innovation Agenda and the corresponding expenditure estimates as proposed by the public authorities.

II LAUNCHING CALLS FOR PROPOSALS

1. The Public Authorities Board (PAB) shall approve the launch of calls for proposals, in accordance with the work programme. The following standard types of grants are implementable by KDT JU:
 - research and innovation actions (RIA),
 - innovation actions (IA),
 - coordination and support actions (CSA – standard and lump sum),

² Regulation (EU) 2021/695 of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination

³ KDT GB 2021.02, Annex 30 KDT

- Pre-Commercial Procurement (PCP)/Public Procurement of Innovative Solutions (PPI),
 - if provided in the Work programme: Identified beneficiary actions (e.g. coordination and support actions (CSA) or programme co-fund actions) can exceptionally be funded without an open call for proposals as identified beneficiary actions as well as ‘Framework partnerships and specific grants’ i.e. actions (e.g. RIA, IA or CSA actions) that can be organised as a long-term framework partnerships (FPAs) with specific grants for specific actions (SGAs).
2. Before publishing a call for proposals, the Executive Director shall receive from each public authority the confirmation or an update of the estimated expenditure for the call.
 3. The PAB shall instruct the Executive Director to publish the call. Each topic in a call shall specify the following:
 - Scope, objective(s) and outcomes as per the work programme;
 - Rules for participation, including any specific national criteria and/or rules as per the work programme;
 - Estimated expenditures from each public authority;
 - The reimbursement rates as per work programme;
 - Whether one/two-stage submission schemes will apply as per work programme and deadlines for submission of proposals at each stage;
 - The eligibility, selection and evaluation (award) criteria, the score ranges (half marks or scores with a resolution of one decimal), the corresponding thresholds and weights, and any overall threshold that a proposal should reach in order to be retained;
 - The planned date by which all applicants shall be informed of the outcome of the evaluation of their application and the indicative date for the signature of grant agreements;
 - Any other conditions for the establishment of the grant agreements.
 4. The call for proposals shall be published on the website of the KDT JU as well as on the EU Funding and Tenders portal/Single Electronic Data Interchange Area (SEDIA) for Horizon Europe.
 5. The KDT JU shall make use of the toolset made available by the European Commission to handle the submission, evaluation and grant management fully electronically with the participants.
 6. The Executive Director must assign KDT staff to act as:
 - Call coordinator to plan and organise the proposal submission and evaluation process and to act as contact point for practical questions
 - Programme officers that will manage part of the submission and evaluation procedure
 - Programme manager who will give directions on how to deal with any sensitive issue that may arise
 - Moderators who will help the consensus groups come to a conclusion
 - Panel chairs for the panel review
 - Quality controllers

The Executive Director should set up the evaluation committee for the call. The Executive Director must appoint:

- Outside experts as evaluators,
- Qualified staff members to perform the ethics pre-screening
- Outside ethics experts to perform the ethics screening and the ethics assessment

III EVALUATION AND SELECTION PROCESS AND ALLOCATION OF PUBLIC FUNDING

III.1 General rules

1. The Governing Board may appoint independent observer(s) to:
 - a. observe the practical workings of the evaluation process with full access to documents,
 - b. give independent advice on:
 - i. the conduct and fairness of the evaluation, particularly whether the evaluation process is carried out with respecting the principles stated in III.1(2)
 - ii. the application of the evaluation criteria
 - iii. ways in which the procedures could be improvedbut not to express views on the proposals or the opinions of the experts.

The independent observer(s) shall report to the KDT JU Governing Board on any aspect of the evaluation as required, in particular on the respect of the evaluation rules and procedures.

2. The evaluation process carried out with the assistance of independent experts shall respect the principles of excellence, transparency, fairness & impartiality, efficiency & speed, ethics & security and confidentiality.
3. The work programme may provide that prior to submitting a Full Project Proposal (FPP), applicants shall submit a Project Outline (PO) to the KDT JU (two-stage submission scheme). In this case the Call for proposals shall state the deadlines for the submission of POs and FPPs and provide templates for the PO and FPP. When a PO phase is foreseen, it shall be eliminatory, i.e. only applicants of successfully evaluated POs shall be invited to submit a FPP.
4. If the two-stage evaluation process is provided for in the work programme, the following shall apply:
 - a. At the PO stage of the evaluation process, a minimum of two experts will evaluate each proposal during individual evaluation. There will be no panel review,
 - b. Applicants will be informed of the results of the PO stage of the evaluation process and if successful, invited to submit the FPP,
 - c. ESR⁴'s (see section III.4.D(4)) shall not be sent before the completion of the FPP stage, unless decided otherwise by the Public Authorities Board for the PO phase;
 - d. The FPP must be consistent with the PO proposal and may not differ substantially.
5. For each Call and before the deadline of submission of PO (if applicable) or FPP, the KDT JU shall establish a pool of experts who may participate in the evaluation of proposals.

⁴ Evaluation summary report.

These experts must be registered in the lists of experts at the disposal of the KDT JU (the Horizon Europe experts database).

6. The KDT JU may call upon the advice of the Private Members Board and the PAB for the identification of independent experts. These experts will need to register into the EC database in order to be selected for the proposals evaluations.
7. Experts that have a conflict of interests (as defined in the expert model contract) shall be excluded by the KDT JU from the concerned activity.
8. The PAB may invite coordinators to provide further clarification on their proposal.
9. Any public authority may appoint one of its representatives to act as observer in the evaluation process.
10. The Call Coordinators and Programme Officers must check the admissibility and eligibility of the proposals and partners. The Executive Director (as RAO) validates decisions on inadmissible or ineligible proposals or partners.

III.2. Evaluation process

1. The evaluation process shall be organised in three main phases:

Phase 1 – Individual evaluation

Phase 2 - Consensus group

Phase 3 – Sub-panel and/or Panel review

Any of these phases can be done remotely. When a two-stage submission scheme is provided for in the work programme, the PO stage shall not include the sub-panel and panel review. The FPP stage shall include all three phases.

2. The following shall apply for the assignment of experts to a proposal at any stage:
 - Rules for conflict of interest (as defined in Model Contracts for Experts , “Code of conduct for evaluators”);
 - A balance of profiles (private/public), expertise, gender and nationalities at proposal and panel level;
 - A regular renewal of experts.
3. The Executive Director shall implement the above rules as well as any other rule indicated in this document for the assignment of experts without compromising the quality of the evaluation. The Executive Director shall justify any exceptions to these rules to the Governing Board.

III.3 Project Outline (PO) stage evaluation

A. Admissibility & Eligibility check

1. To be considered admissible, a proposal shall be as set out in the Work programme:
 - Submitted by the coordinator in the Electronic Submission System before the call deadline,
 - be readable, accessible and printable.
 - fulfil any other admissibility conditions foreseen in the respective annual work programme

Proposals without a draft plan for the exploitation and dissemination of the results (if required by the work programme) or incomplete proposals (that is not containing all the requested administrative data, proposal description, etc. and any supporting document specified in the call) may be inadmissible if essential elements are missing.

In case of an ‘obvious clerical error’ (e.g. omission to submit evidence or information on a non-substantial element of the proposal), the Executive Director may ask the applicant to provide the missing information or supporting documents. However, if the missing information or document would substantially change the proposal, it shall not be taken into account.

2. To be considered eligible, the proposal and/or partner shall correspond to the standard and specific eligibility criteria and conditions as set in the work programme and in Regulation (EU) 2021/695 of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination.
3. The Executive Director shall validate the proposal or partner rejection decisions for inadmissible or ineligible proposals or partners. The Executive Director shall inform the applicants accordingly as part of step III.3D.(2).
4. Eligible POs shall be made available to the experts, to appointed observers, and to the public authorities potentially involved in the funding of the proposal.

B. Individual evaluation

1. The Call Coordinator with the Programme Officers must assign the experts to the proposals that must be evaluated.
2. Upon admissibility and eligibility check, the POs shall be made available to the experts in electronic form for remote evaluation. Each expert shall give scores and accompanying comments to the evaluation criteria as set below.
3. The PO shall be evaluated according to one or more of the following Horizon Europe criteria: (1) Excellence, (2) Impact, (3) Quality and efficiency of the implementation.

For each criterion, proposals will be given **scores of 0 to 5**, as follows:

0	The project fails to address the criterion or cannot be assessed due to missing or incomplete information.
1- Poor	The criterion is inadequately addressed or there are serious inherent weaknesses.
2- Fair	The project broadly addresses the criterion but there are significant weaknesses.
3- Good	The project addresses the criterion well, but a number of shortcomings are present.
4- Very good	The project addresses the criterion very well, but a small number of shortcomings are present.
5- Excellent	The project successfully addresses all relevant aspects of the criterion; any shortcomings are minor.

The maximum overall score is therefore fifteen (15). The granularity for the scores (0.5 or 0.1) defined in the work programme shall be applied. If the work programme provides for a weighting factor, this will be used to determine the final ranking.

- Each expert must examine each proposal individually to evaluate and give a view on the additional questions (scope, exceptional funding for third country participants/international organisations, use of human embryonic stem cells (hESC), use of human embryos, activities excluded from funding, do not significant harm principle, exclusive focus on civil applications, artificial intelligence) and submit his/her individual evaluation report.

C. Consensus group

- The consensus group consists of the experts who carried out the individual evaluations for a given proposal. The group is assisted by a moderator and a consensus group rapporteur.
- Upon individual evaluation, the individual experts form a ‘consensus group’ to come to a common view and agree on comments and scores (in a ‘consensus report’). The rapporteur is in general one of the experts who performed an individual evaluation
- The consensus discussions shall be moderated by the KDT JU operational services managing the call. The experts shall synthesise and consolidate the individual scores, and remarks for each project outline.

D. Results of the PO stage

- The Executive Director shall present to the PAB the results of the evaluation of the PO proposals. Participating states may provide comments on the potential eligibility of their applicants against any predetermined national criteria as published with the call.

2. The Executive Director shall inform the applicants in writing at the latest 6 weeks before the deadline for submitting FPPs of the decision on their application following the PO stage procedure. If the proposal is not successful, the reasons for the rejection of the application will be provided, with reference in particular to the selection and award criteria. This information shall not constitute a commitment for funding, neither for the KDT JU nor for any of participating states towards the applicant.

III.4. Full Project Proposal (FPP) stage evaluation

A. Admissibility & Eligibility check

1. The Call Coordinators and Programme Officers must check the admissibility and eligibility of the proposals and partners to verify if the eligibility conditions are still complied with. The Executive Director (as RAO) validates proposal or partner rejection decisions for inadmissible or ineligible proposals or partners.
2. The Executive Director shall inform the applicants accordingly as part of step. III.9(8).
3. Eligible FPPs shall be made available to the experts, to appointed observers, and to the public authorities potentially involved in the funding of the proposal. Public authorities shall also receive a summary of those FPPs with which they are not financially concerned.
4. FPPs shall be evaluated and scored as described in section III.3.B(3).

B. Individual evaluation

1. The Call Coordinator shall assign at least 2 experts preferably 4 to evaluate each FPP.
2. The FPPs shall be made available to the experts in electronic form for remote evaluation. Each expert shall give scores and accompanying comments to the three evaluation criteria. Their individual evaluation reports shall be communicated to the KDT-JU operational services managing the call within the defined timeframe.

C. Consensus group

1. Upon individual evaluation, the individual experts form a 'consensus group' to come to a common view and agree on comments and scores (in a 'consensus report'). Generally one of the experts who performed the individual evaluation will act as rapporteur.
2. The consensus group shall be moderated by the KDT JU operational services managing the call. The experts shall synthesise and consolidate the individual scores, and remarks for each proposal.
3. Proposals shall be evaluated on their own merit and not their potential, should certain changes be made.

D. Sub-Panel group

See **Appendix 1** “Rules of procedure for Sub-Panels and Panels”.

E. Panel review

1. The Executive Director (as RAO) must set up a panel and appoint Panel chairs and Panel rapporteurs (see Appendix 1 “Rules of procedure for Sub-Panels and Panels”).
2. In this session, the consensus reports shall be examined, the consistency of the comments and the scores shall be checked and any cases where there are dissenting views shall be resolved and recorded in the panel report. The panel session shall resolve eventual score ties according to predefined criteria. Where necessary, the panel shall propose a new set of scores or a revision of the comments.
3. The ‘panel report’ shall include the Consensus Report or ESR of each proposal (if available) (based on the consensus report, including comments and scores, and taking into account the panel’s deliberations and any new scores or comments considered necessary), with explanations and a list of proposals passing all thresholds, along with a final score, (‘panel ranked list’) and, where necessary, the panel’s recommendations for a priority order for proposals in the event of equal scores, using the procedure set out in the work programme.
4. The applicants shall receive a copy of their respective ESR when they are informed of the final outcome of their proposal following the PAB decision on allocation of funding in accordance with section III.9(8).
5. The panel session shall result in two lists of proposals: "above threshold" and "below threshold". Proposals with a score below threshold in any criterion or in the total score shall be included in the "below threshold" list. The "above threshold" list is ordered according to the total score of the proposals (following the procedure to resolve the score ties).
6. The Executive Director shall submit to the PAB the "above threshold" list of proposals with the evaluation results.
7. The Executive Director submits to the Commission the list of above threshold proposals for a double funding check⁵.

III.5. Ethics review (ethics pre-screening, ethics screening and ethics assessment)

1. The KDT JU carries out the ethics review⁶ that comprises three steps: ethics pre-screening, the ethics screening and the ethics assessment of proposals. These procedures

⁵ ‘Double funding’ means information on whether the project is already funded/proposed for funding under Horizon Europe or another EU funding programme.

⁶ The main focus of the ethics review is on the **ethical dimension** (e.g. human rights and protection of human beings, animal protection and welfare, data protection and privacy, environmental protection,

shall be equivalent to those of the Commission. The KDT JU will check, with the help of independent ethics experts, whether the proposal complies with ethical principles and relevant legislation.

The ethics review begins in parallel with the evaluation or soon after.

2. All proposals retained for funding shall go through an ethics review process (made up of one, two or three consecutive steps, depending on whether or not ethics issues are confirmed, whether they are adequately addressed in view of their severity and complexity). The ethics review may lead to 'ethics requirements' to be incorporated in Annex 1 'Description of Action'⁷ to the grant agreement. The grant agreement shall only be signed after the ethics screening/assessment has been carried out, and provided all conditions are met.
3. The ethics review is part of the Commission's overall 'Horizon Europe ethics appraisal scheme'⁸ which includes all the following:
 - ethics self-assessment (by the applicants, in their proposal),
 - ethics review (by the KDT JU, during the selection procedure),
 - if necessary, ethics checks, reviews and audits (during the implementation of the action and up to two years afterwards).
4. The KDT JU uses external ethics experts to ensure that ethics issues identified in proposals are adequately addressed (both for the ethics review and other procedures of the ethics appraisal scheme).
5. KDT JU must use the list of ethics experts drawn up by the Commission's DG RTD Ethics Sector.
6. For the first step in the ethics review the proposals are pre-screened by the Programme Officers of the KDT JU. All the proposals are 'pre-screened', in order to establish potential ethics issues. Proposals that have potential ethics issues identified in the pre-screening are referred to ethics screening.
7. Ethics screening (if necessary)

The call coordinator is responsible for the ethics screening. He/she together with the Programme Officers must assign ethics experts to the proposals that must be screened.

Each expert must first examine each proposal individually and draft and submit his/her ethics screening individual report.

misuse of research results, dual use), however, **research integrity aspects** may also be addressed (e.g., fabrication, falsification and plagiarism, in proposing, performing, or reviewing research or in reporting research results; including misrepresentation of credentials and improprieties of authorship).

⁷ The "Description of action" is a technical document which presents, in as clear and concise a manner as possible, all activities, actions and tasks which the Project participants are committed to undertake in order to fulfil the scientific and research objectives stipulated in the grant agreements. It is based upon the description of scientific/technological objectives and work programme outlined in the Project proposal and possibly modified according to specific recommendations made by the experts during evaluation and as further discussed during grant preparation. In addition to its legal significance, the 'description of action' is meant to serve as benchmark for the grant beneficiaries, the Joint Undertaking, the national funding authorities and possibly experts to effectively monitor and check the progress during the Project's lifetime

⁸ The global approach on ethics issues is developed under the responsibility of the Commission's DG RTD Ethics department.

The group of ethics experts must then look at each proposal together and come to a common view. The rapporteur prepares — for each proposal — an ethics screening consensus report.

As a result, the proposal can either be cleared, conditionally cleared or go through the ethics assessment.

8. Ethics assessment (if necessary)

The guidelines of Horizon Europe are applied.

If during the ethics screening process the experts estimate that a proposal raises serious ethics issues which need more in depth analyses (cannot be cleared at screening step) they can recommend an ethics assessment for the proposal.

If a proposal declares at the submission stage (in the Part A – ethics questions) that it involves human embryonic stem cells (hESC) the proposal is automatically transferred to the ethics assessment stage as per HE procedures.

9. The KDT JU may contact applicants during the ethics review if more information or supporting documents are needed.

10. If as a result of the ethics assessment the proposal gets NO ethics clearance, the call coordinator must prepare a proposal rejection letter and a proposal rejection decision. The Executive Director validates them.

11. Ethics requirements that must be fulfilled during grant implementation, are automatically included as ethics deliverables in Annex 1 to the grant agreement. Other ethics requirements must be implemented before grant agreement signature.

III.6. Security scrutiny

1. A proposal should not contain any information that is 'EU classified' under the rules on security of information in the Commission internal Rules of Procedure⁹. Proposals concerning actions that would deal with information that is 'EU-classified' under the Commission Internal Rules of Procedure shall undergo a periodic 'security scrutiny'¹⁰.

2. The scrutiny check shall be limited to identifying actions that involve security-sensitive information (and classifying them and their deliverables as 'classified deliverables') and shall not constitute a fully-fledged security check on all potentially security-relevant aspects of an action.

3. Security scrutiny may apply to proposals submitted to KDT JU, for instance, if:

- the applicants declared in the proposal submission form that it is 'security-sensitive', i.e. concerns EU-classified information;
- the topic is flagged in the work programme as potentially resulting in security-sensitive actions;
- the KDT JU detects or suspects that:
 - classified information is, or may be, used as background and/or
 - it is planned that some results will be classified.

⁹ Commission Decision 2001/844/EC, ECSC, Euratom amending the Commission's internal Rules of Procedure (OJ L 317, 3.12.2001, p. 1–55).

¹⁰ The security scrutiny does not concern other issues or 'activities involving dual-use goods or dangerous materials and substances'.

In such cases, the process will be triggered by the KDT JU operational services managing the call and passed to the chair of the 'Security Scrutiny Committee' in the Commission.¹¹

III.7. Complaints

1. If the applicants consider that the submission of their proposal was not entirely successful due to a technical error on the side of the EC IT systems involved, the coordinator may lodge a complaint through the IT Helpdesk on the Funding and Tenders Portal/ Single Electronic Data Interchange Area (SEDIA). For the complaint to be admissible it must be filed by the coordinator within four (4) calendar days following that of the call closure¹².
2. For specific complaints concerning the evaluation of proposal, the coordinator may — within thirty (30) days of receiving the proposal rejection letter — file a request for an evaluation review via the Funding and Tenders Portal/ Single Electronic Data Interchange Area (SEDIA), using the on-line forms provided. The KDT JU shall thus convene a redress committee to examine the complaints. The redress shall assess solely the procedural aspects of the evaluation, without deciding on the merits of the proposal.

¹¹ Unless the applicant have already included them in the proposal, the KDT JU operational services managing the call/the Commission may request the following:

- a 'Security Aspect Letter (SAL)' and 'Security Classification Guide (SCG) 3', covering the level of classification of background information (and the formal written authorisation by the competent security authorities to use this information);
- the classified results (including which participant will have access to what information).
- a copy of the 'Facility Security Clearances (FSC)' (or of the FSC request).

The validity of the FSC may be checked by the Commission Security Directorate through the appropriate formal channel with the national security authorities (NSAs) involved.

¹² The following procedure will apply for applicants:

Applicant will receive an acknowledgement of receipt the same or next working day.

Applicant should secure a PDF version of all the B-parts and annexes of their proposal holding a time stamp (file attributes listing the date and time of creation and last modification) that is prior to the call deadline dd/mm/yyyy:hh:mm , as well as any proof of the alleged failure (e.g. screen shots). Later in the procedure applicant may be requested by the IT Helpdesk to provide these items.

Any information regarding the proposal shall be treated in a strictly confidential manner. In order that a complaint would be upheld, the IT audit trail (application log files and access log files of the ECIT-systems involved) must show that there was indeed a technical problem at the EC side which prevented the applicant from submitting (or resubmitting) the proposal using the electronic submission system. Applicants shall be notified about the outcome of the treatment of their complaint as soon as possible and at latest within 15 working days following the reception of their complaint. If a decision cannot be reached in this term applicants shall receive a holding reply.

If a complaint is upheld, the secured files (provided by you to the IT helpdesk), for which the investigation has demonstrated that technical problems at the EC side prevented (re)submitting, will be used as a reference for accepting the proposal for subsequent evaluation. In absence of such documents, the version present in the IT system will be evaluated.

4. If the complaint is justified, the KDT JU will arrange for a re-evaluation and inform the coordinator. If the complaint is not justified, the KDT JU will inform the coordinator, together with the reasons why.

The equivalent procedure as for complaints concerning the evaluation of proposals shall apply for complaints concerning the outcome of the admissibility and eligibility check.

III.8. Eligibility check by participating states and financial capacity check

1. Participating states shall verify the eligibility of their listed applicants against any predetermined national criteria for funding as published with the call. The Executive Director shall verify the eligibility of all the listed applicants for funding from the Union according to the KDT JU Financial Rules and the criteria published with the call. The results of those verifications by the national authorities and the Executive Director shall be available at least twenty (20) days before the PAB meets to discuss the selection of proposals and the allocation of public funding. Applicants shall be informed on the results of those verifications as part of step III.9(8).
2. Based on the evaluation results, the Executive Director shall elaborate the draft final ranking list with the draft allocation of public funding as well as any other observations and suggestions before the PAB proceeds with the selection decision.

III.9 Selection decision and allocation of public funding

1. Based on the draft final ranking list and the draft allocation of funding, the PAB shall decide on the final ranking of proposals per topic: the PAB shall follow the procedure described in **Appendix 2**.
2. Following this decision, the PAB shall decide on the selection of proposals to be retained for public funding, taking into account the budgets available and the verifications of the eligibility for funding of individual applicants made earlier. The PAB shall also decide which proposals are not viable in the light of the available public funding.
3. The national expenditure estimated by a Participating State for Calls shall normally be dedicated to cover a percentage of the eligible costs of the participants in projects established in its territory. Nevertheless, a Participating State may decide to fund organisations established in other EU Member States or Associated States of the Framework Programme.
4. In this case, the "host" Participating State shall bear the same rights, responsibilities and obligations with respect to this "foreign" participant as if such participant was based in the host Participating State (as specified in the administrative arrangements concluded between the KDT JU and the host Participating State e.g. in terms of grant agreements, audits and cost claims). Participating states may also allocate national funding beyond their estimated expenditure for the Call.

5. In case that the total funding allocated by a Participating State is less than the expenditure estimated for the Call, that State may allocate the difference to applicants in proposals that would not be viable without further funding. Alternatively, the non-allocated amounts may remain unused by the KDT Participating State in the specific call.
6. In case the total EU funding allocated is less than the total expenditure foreseen for all the topics and calls, the non-allocated amount may be de-committed and reused in up to the next 3 years as per article 6(5) of KDT JU's Financial rules (KDT GB 2021.02 Annex 12).
7. The PAB may decide to create a reserve list of proposals per topic. Such a list shall be made of the proposals that are not viable for reasons of budget availability following the decisions above. It shall be ordered according to the final ranking as decided under step III.9 (1).
8. Following the evaluation and PAB mandate to Executive Director, and within a maximum period of 5 months from the deadline for submission of FPPs, the Executive Director shall communicate the PAB decision on selection (including any budget changes resulting from the PAB decision) to applicants.

The Executive Director shall invite the coordinators to the Grant Agreement Preparation phase through the electronic exchange system.

III.10. Mandate to Executive Director

For each proposal retained for funding, the PAB shall give the Executive Director a mandate to prepare the JU grant agreements. To that end, the KDT JU operational services managing the call shall prepare with the consortia, under the responsibility of the Executive Director, the Grant Agreements' within the limits of the PAB mandate¹³.

At the end of the Grant Agreement Preparation phase, the PAB approves an amendment to the decision regarding the selection of projects to update the budget and consortium's composition.

The amended PAB decision is the legal basis enabling the Executive Director to sign the Grant Agreements. It also allows the national authorities to proceed, where relevant, with the establishment of the national grant agreements.

Changes, such as the withdrawal of a partner and eventually replacement by another, changes of the total eligible costs and subsequent change of the EU funding are discussed with the relevant national authorities in the process of establishing the Grant Agreement.

In case of failure of the grant preparation, or in case of change requests refused by the PAB, the consortium shall be considered as unsuccessful. The JU Office shall inform the unsuccessful consortia and the corresponding national funding authorities. All those changes will be reflected in the amendment to the PAB decision.

¹³ The mandate shall include if appropriate the results of verifications carried out by the public authorities (early warning, non-eligibility of partners, outstanding legal and/or financial obligations, etc.) as well as the modifications in budget.

For each proposal on the reserve list, the JU Office will explore with the consortium and relevant national authorities the resolution of outstanding issues. As a result of this process, the JU Office will advise the PAB if the proposal can be put on the list of selected projects or not. If it can be, the PAB decision is amended to include those projects and the Grant Agreement Preparation can proceed.

IV Grant agreements

After a successful preparation, the KDT JU shall transmit to the coordinators of the selected consortia the Joint Undertaking's grant agreement and the accession forms for electronic signature, in the terms and conditions specified by the grant agreement. The grant agreements shall be signed within a maximum period of 8 months from the deadline of submission of FPP (step III.9.(8)).

The decision of the PAB on the allocation of public funding to Projects shall be binding for the Participating states without any further local evaluation or selection processes. In particular:

- The KDT JU shall conclude grant agreements with consortia of selected projects for the contribution of the EU and of participating states having decided to entrust the KDT JU with the implementation of their contribution.
- Where applicable, the funding bodies responsible for fulfilling the obligations of Participating States shall establish grant agreements with partners in selected projects, according to the local financial and legal requirements.
- The approved “Description of action” for each project as established by the KDT JU shall be used without change¹⁴ for the JU Grant Agreement and, where applicable, for the grant agreements in KDT Participating States.
- The administrative and financial conditions of the JU grant agreements shall be governed by the Rules for Participation in Horizon Europe, the KDT JU Financial Rules and the administrative arrangements between the KDT JU and the KDT Participating States, if appropriate.

Where relevant, participating states shall make best efforts to synchronize and accelerate their procedures for concluding their own grant agreements.

¹⁴ Except for translations if necessary

Appendix 1 - Rules of procedure for Sub-Panels and Panels

Aim

A procedure (Sub-Panels) is implemented to provide harmonization/alignment of the scoring teams of experts. It follows an established model with two subsequent sets of sessions with the sub-panels taking place before the final panel(s). There is one sub-panel dedicated to each evaluation criterion: e.g. one for EXCELLENCE, one for IMPACT, one for IMPLEMENTATION, etc.). The sub-panels can take place subsequently (one after another) or at the same time (parallel sessions) due to time constraints. If several calls are evaluated at the same time and providing that the evaluations criteria for each call are the same or very similar (minor differences) the proposals from these calls can be discussed in the same sub-panels (i.e. the sub-panel addressing EXCELLENCE criterion can include proposals from a RIA Call and a IA Call).

The output of the sub-panels is taken over for the final decision in the Final Panel(s). there will be a panel for each topic (a ranking list for each topic)

Organisation of the sub-panels/panels is described below:

Background

Each sub-panel strives to ensure the highest level of consistency possible between the scores given in the CRs (consensus reports) and the corresponding evaluation texts across all the proposals evaluated: similar text contents should have similar scoring. To implement the procedure, the text of each criterion is extracted from the consensus reports together with its corresponding score and rendered anonymous (i.e., the name of the proposal was blacked out and the proposals receive a random number: e.g. RIA 1, RIA2, IA7, IA9, etc.) in order to ensure an objective assessment by all the sub-panel members. This step is carried out by the KDT JU office. The 3 sub-panel discussions occur concomitantly (parallel sessions).

The sub-panel moderator presents the text and its corresponding score to the experts participating in the respective panel for appreciation. The sub-panel then assess the text-score for each proposal and decides either to accept the text and the score (good match) or suggest to revise either the text or the score if the panel estimates that they do not match.

The sub-panels can also check the quality control of the written remarks/comments/recommendations and it may propose the evaluating experts a clearer text and style improvements, as well.

At the end of the sub-panels exercise, the outcome of the discussions is collected by the KDT JU office (from each of the sub-panel moderator) and compiled at proposal level (all the criteria for each proposal). It is then communicated to the team of experts that evaluated the proposal (prepared the CRs). They are given the opportunity to convene together and discuss on the action to take on the suggestions proposed by the subpanels. They communicate the

final decision they reached to the final panel. This decision could be either an acceptance (full or partial) or disagreement with the panels' suggestions.

In case of a disagreement between the original evaluators and the suggestions of the subpanels, the opinion of the experts who originally read and evaluated the proposal is preferred but the final decision stays with the final panel.

The final panel approves or disapproves all suggested changes of scores or texts and establishes the final ranking.

Composition of the sub-panels/Panels

For a better harmonization the maximum possible number of experts is allocated to each sub-panel. As a rule to decide the number of experts assigned to each sub-panel the total number of experts taking part in the evaluations is divided by the number of criteria. For criteria where a specific background might be useful care will be taken by the KDT staff to take into account these factors when assigning the experts to the sub-panels. For example for the sub-panel addressing the criterion IMPACT, where business background is generally appreciated, experts who have indicated more business experience in their profiles are given a preference. At the same time care is taken that a balanced distribution of the experts for each panel is ensured concerning the gender, background (industry/academia), nationality, etc.

Each sub-panel is moderated by a Programme Officer and another KDT JU staff member will record the minutes and register all the suggestions made by the experts in the respective sub-panel. The changes made following the sub-panels (final decision taken in the Final Panel(s)!) are implemented directly in the ESRs by the KDT JU staff (generally the Programme Officers that monitored the respective Consensus Group meetings). Due to the specific set up of the SEP evaluation system it is not possible for the team of experts to make changes to the CRs anymore.

The Final Panel(s) is/are chaired by the Call Coordinator and/or Head of Programmes and one/two KDT JU staff members will record the minutes. The final panel is attended by all experts participating to the evaluations, except the ones with declared conflict of interest. The latter are requested to leave the room during the discussion of the respective proposals. One or several KDT JU staff members will assist the experts that need to temporary leave the room due to conflicts of interest.

Sub-Panel/ Panel Organization

In order to ensure the best possible quality of sub-panels' results and to avoid interferences due to the conflicts of interest, the materials presented to the experts in the sub-panels are rendered anonymous (i.e., not leading to possible identification of proposals). To achieve this, the experts are also requested not to use the proposal acronym, nor its number, nor the names of the beneficiaries in the consensus reports. During the sub-panels, experts who may

recognize their texts are requested not to reveal the identity of the proposal to the other participants in the sub-panel.

In the sub-panels, the proposals are introduced with code names (e.g. RIA 1, IA 9) and the order in which they are presented is scrambled so that no link could be made between the code names and the proposal name/acronym.

Sub-Panels / Panel minutes

The sub-panels and panel(s) results/outcome are recorded in sub-panels/panel(s) reports by KDT JU staff members as above-mentioned.

At the end of the Final Panel meeting all the participating experts will approve the ranking list established in the Panel (electronically in the SEP platform) , which captures the decisions of the Final Panel.

Appendix 2 - Procedure for the selection of project proposals by the PAB

Aim

The PAB needs to come to a decision as to the selection of projects and this per topic. This selection decision is based on the ranking, on the available funding (both national and EU), eventually any other criteria that are pre-announced in the work programme. Focus topics are priorities for the KDT programme and therefore are prioritized in the funding decision.

The PAB should agree on the ranking to be adopted per topic. The expert ranking is the default, but the PAB can decide to change this ranking based on considerations of portfolio, European priorities, synergies with national programmes or other considerations. Changes in the ranking must be motivated.

Participating states declare national funding either per call, per topic or global. Those funding amounts are announced, together with the EU funding, in the work programme prior to the closure of the calls.

Procedure

In a **first step**, the national funding is temporarily allocated, for calculational purposes, to the different calls and topics.

- For those national authorities that have announced such a distribution, that distribution is used.

For national authorities that did not announce upfront, the PAB will decide the distribution.

If a participating state has no participants in a specific topic, the distribution of the national funding as described above does not take this topic into consideration.

In a **second step**, for each topic the proposals are ranked according to the experts ranking. If the PAB decides on another ranking (for example in the case of ties or very similar scores) then that ranking is adopted. Working from the top of the list of proposals (first ranked proposals), national and EU funding is allocated to the proposals. The PAB decides then for a cut-off based, in other words a first list of proposals to be funded.

The cut-off can be based on following rules :

- No EU funding available for the proposal (due to budget exhaustion)
- No national funding for partners (due to budget exhaustion or national eligibility) that play a crucial role in the proposal. The assessment of the importance of the participants in a proposal is done by the Office and communicated to the PAB.

- Total national funding available for a proposal is lower than 60% of the originally requested funding.

After this step has been performed for each topic in each call, a list of selected proposals is drawn per topic for each call.

The remaining budget per national funding agency is calculated and used to eventually complement the national funding, first in the list of proposals selected for funding, then in the list of proposals that were not considered because of budget exhaustion (EU or national).

After this final distribution, the PAB can then decide to add some proposals to the list of selected proposals or add them to a reserve list of proposals per topic. The PAB could do this for example for proposals where the coordinator does not get national funding, in which case the PAB could mandate the office to discuss with the consortium alternatives.

For the proposals on a reserve list, the PAB mandates the JU Office with instructions to enter in negotiation with the consortia of those proposals to work out an acceptable solution to the different issues in collaboration with the national authorities involved in that proposal. The conclusions of those negotiations are then submitted to the PAB that then can decide or not to include the project in the list of selected projects for that call or not.

As conclusion of the PAB, the PAB adopts a list of selected proposals, a list of proposals on the reserve list, a list of proposals not selected and not on the reserve list because of budget exhaustion and the list of proposals below threshold.