

Science, Technology and Higher Education

**Fundação para a Ciência e a Tecnologia, I.P.**

Whereas,

Scientific Knowledge is one of the fundamental pillars of modern societies' progress, its economic tissue and societal problems and it depends primarily on the development and implementation of scientific projects involving human, material and technical resources allied to researchers' creativity and dedication.

Within the scope of its duties, it is the responsibility of Fundação para a Ciência e a Tecnologia, I.P. (FCT,I.P.) to fund programs and projects and follow-up their execution within the areas of scientific research and technological development pursuant to paragraphs a) and c) of article 3 (2) of its Organic Law, approved by Decree-law no. 55/2013, of 17 April.

In its Program, the XXI Constitutional Government defends the strengthening and systematization of tenders for supporting projects by Fundação para a Ciência e a Tecnologia, I.P., guaranteeing the periodicity and foreseeability of assessments and different typologies of tenders.

That the aim of public support to projects is to reinforce scientific and technological activity, by stimulating projects with different typologies and guaranteeing an incentive frame that supports sustainability and foreseeability in the institutions' operation.

That, subsequent to the publication of the Specific Regulation of the Domain of Competitiveness and Internationalization (RECI), as annex to Order no. 57-A/2015, of 27 February, in its current wording, specifically its Part IV - Support system to scientific and technological activity, that outlines the regulation for projects with co-funding by structural and investment funds, it is urgent to approve a new regulation to update the assessment and funding rules of projects which are solely funded by national funds through FCT, I.P., making it compatible and aligned with RECI general lines.

That this regulation is compatible with the Regulation on State Aid, namely Regulation (EU) no. 651/2014, of 16 June (General Regulation on Exemption per Categories, RGIC).

Opinions received by the Scientific Councils from FCT, I.P.

Contributions received at the time of publication of the beginning of the procedure and public consultation carried out with regard to the Regulation proposal.

Thus, and pursuant to a) and c) of article 3 (2) of Decree-law no. 55/2013, of 17 April which approves the Foundation organic law for Ciência e Tecnologia, I.P. and paragraph h) of article 21 (1) and paragraph b) of article 41 (2) of the Framework law of Public Institutes, approved by Law no. 3/2004, of 15 January, in its wording given by Law no. 66-B/2012, of 31 December, the Regulation on projects solely funded by national funds is herein published, which was approved by his Excellency the Minister of Science, Technology and Higher Education on October 9, 2016.

# Regulation on projects funded solely by national funds

## Article 1

### Scope and Object

- 1- This Regulation outlines access conditions and support rules to projects funded solely by national funds through Fundação para a Ciência e a Tecnologia, I.P.
- 2- This Regulation applies to the entire national territory.
- 3- In the Regulation for submission, other technical conditions or restrictions to the rules described in this Regulation can be outlined.

## Article 2

### Projects Typology

Projects which can be supported are the ones that can be framed within one of the following typologies, without prejudice of others that can be outlined further on:

- a) Scientific research and technological development projects (SR&TD);
- b) Research projects of explanatory type (PeX), oriented to supporting original ideas without being based on preliminary outputs;
- c) Programs of joint activities (JAP) which are thematic and multidisciplinary projects designed for non-entrepreneurial entities consortia from the Research and Innovation system (R&I), set out with the aim of submitting proposals that contribute to answer significant challenges or, where appropriate, to bridge gaps identified within the scientific and technological tissue, being that experimental development activities can be framed;
- d) Projects of Proofs of Concept (PdC) aiming the valuation of knowledge already produced in previous research projects, including the production of laboratory prototypes or where relevant, semi-industrial pre-series, representatives of potential future applications for initial demonstration of the discovery potential and its dissemination with the economic tissue from non-entrepreneurial entities from the R&I system;
- e) Projects of development and implementation of research infrastructures included in the national research infrastructures roadmap (RNIIE);
- f) Projects of transnational cooperation that require national co-funding within their execution component.

## Article 3

### Beneficiaries

- 1- The following are individual or co-promotion beneficiaries:
  - a) Non-entrepreneurial entities of the R&I system, namely:
    - i. Higher education institutions, their institutes and R&D units;
    - ii. State or international laboratories with head office in Portugal;
    - iii. Non-profit private institutions whose main object is R&D activity;
    - iv. Other non-profit public and private institutions developing or participating in scientific research activities.

- b) Companies of any type and under any legal form if included in SR&TD projects led by non-entrepreneurial entities from the R&I system.
- 2- The potential involvement of foreign entities, as partners in the project, does not grant them the status of funding beneficiary, except if such arises from a specific agreement or from an international reciprocity mechanism duly subscribed by FCT, I.P. and authorized by a higher entity.
- 3- The beneficiary leading the project is appointed by the Proposing Institution (PI), and it is its responsibility to dialogue with FCP, I.P. on behalf of its partners as well as to coordinate the project.
- 4- Entities mentioned in paragraph b) of no. 1 cannot be Proposing Institutions, except within the frame of tenders included in transnational cooperation programs.
- 5- Whenever several entities participate in the project under co-promotion, the application must state the responsibility of each institution within the execution of the activity plan and which is the PI.
- 6- In the case of transnational cooperation projects, all participating Portuguese institutions are individually interlocutors from FCT, I.P.

#### Article 4

##### **Modalities of applications**

- 1- Beneficiaries can apply within the scope of projects typologies foreseen in article 2, with the exception foreseen in paragraph c) according to the following modalities:
  - a) Individually (projects presented by one beneficiary);
  - b) In co-promotion (projects presented by two or more beneficiaries).
- 2- The project's typology foreseen in paragraph c) of article 2 can only be presented within the co-promotion modality.
- 3- The participation of companies as co-promoters is accepted within all the projects' typologies foreseen in article 2, with the exception foreseen in paragraph e).

#### Article 5

##### **Criteria of the beneficiaries' eligibility**

- 1- If notified to do so, and where applicable pursuant to their nature, and without prejudice to other requirement foreseen in the applicable European legislation or in specific applicable regulation, beneficiaries must state or prove that they meet the following criteria:
  - a) To be legally incorporated;
  - b) To have their tax payments in order with the tax administration and their contributions in order with social security, being that these situations must be verified until the time of signing the acceptance document;
  - c) To be able to legally develop activities covered by the typology of the project to which they apply;
  - d) To have their situation in order with regard to refunds and within the scope of funding granted through FCT, I.P.
- 2- Eligibility criteria of beneficiaries outlined in the previous numbers must be reported to the date of application, without prejudice of the ones outlined in paragraphs b) and c) of no. 1 of this article being reported until the moment of signing the acceptance document.
- 3- Non-entrepreneurial entities of the R&I system must ensure that support to be granted does not fall within the State aid regime, pursuant to the terms foreseen within the framework of state aids for research, development and innovation (Communication from the European commission 2014/C198/01), related to public funding of non-economic activities.

- 4- During the application phase, beneficiaries must undertake the fulfilment of applicable national and community laws, in written, and specifically within the areas of competitiveness, environment, equal opportunity, gender equality and public procurement, where applicable.

## Article 6

### Criteria of the projects eligibility

- 1- Projects eligibility criteria are the following:
  - a) Identify a person in charge of the project who is appointed Researcher in Charge (RC), and who shall be co-responsible for the proposing institution, the application, project direction, fulfilment of aims proposed and of rules underlying the granting of funds;
  - b) The RC identified cannot be in a situation of unjustified non-fulfilment of the regulatory requirements with regard to the presentation of reports on scientific execution of projects concluded and financed through FCT, I.P. and in which it acted as a RC.
  - c) Ensure that the RC has or shall have at the time of signing the project's acceptance document a labour bound or that he/she holds a post-doctoral grant with the PI or, in case there is no such situation, a written agreement between the parties;
  - d) Identify a co-responsible for the project, who shall be a co-Researcher in Charge, when stated in the notice of applications submission and who shall replace the RC when the latter cannot attend or is prevented from attending;
  - e) Provide a technical characterization and a substantiated budget with a costs structure appropriate to the aims pursued;
  - f) When applicable, justify the research project's contribution within the scope of the research strategy of beneficiary entities;
  - g) Provide a plan of disclosure of outputs and dissemination of knowledge and, when applicable, a strategy for knowledge transfer;
  - h) Have a maximum duration of 36 months, being that extensions can be authorized for a maximum of 12 months, in duly justified cases.
- 2- For projects which include companies shareholdings as co-promoters, the following requirements must also be met:
  - a) Ensure that companies, as beneficiaries, do not hold eligible expenditure higher than 30% of the project's total;
  - b) Ensure that there are no direct aids to the companied involved, being that they must fulfil one of the following conditions:
    - i. The outputs of the collaboration between the participating entities that do not give rise to intellectual property rights are widely disclosed and the intellectual property rights arising from non-entrepreneurial entities from the I&D system are fully allocated to those entities;
    - ii. Any intellectual property rights arising from the project, as well as related access rights are allocated to different collaborating partners in a manner that appropriately reflects their tasks, contributions and interest within the project.
- 3- In the case of projects of proofs of concept (PdC), only research teams which have successfully concluded research projects of which the outputs sustain proofs of concept that they wish to develop can be supported.
- 4- Regulations for submission of applications can establish the maximum number of applications submitted for each RC and co-RC.
- 5- No multiple applications of the same projects are admitted:

- a) In different scientific areas of the same tender;
  - b) In different tenders in which there is temporal overlap within the applications reception periods;
  - c) In the case of applications to tender of different theme scopes, and which take place in periods of different applications reception, the funding recommendation within one of them is a condition for exclusion from the decision process of the remaining ones.
- 6- Applications which have been submitted in previous editions of the same tender and about which no decision process is ongoing are not admissible to the application tender.
  - 7- Applications to projects of which the PIs are in unjustified default related to the refund of loans transferred to the said PI related to previous projects with the same RC are not accepted.
  - 8- Applications to projects of which the RC or the co-RC have been RCs of projects of which the final scientific report was rejected for reasons attributable to them within the two previous years before the tender opening are not accepted.

## Article 7

### Form of support and funding rate

- 1- Supports to be granted are non-refundable.
- 2- Payments made directly or indirectly to companies through the Proposing Institution cannot exceed 50% of the total cost of the company shareholding, and in the case of non-fulfilment of the thresholds foreseen by Regulation (EU) no. 1407/2013 of 18 December, applicable to Minimis Aids, they must meet the conditions set out in Regulation (EU) no. 651/2014, of 16 June (General Block Exemption Regulation, RGIC) for the exemption of notice foreseen in no. 3 of article 108 of the Treaty to be present.

## Article 8

### Eligible expenses

- 1- For the projects typology foreseen in paragraph a) to d) and f) of article 2, the following expenses are eligible:
  - a) **Direct costs:**
    - i. Expenses with human resources dedicated or related to the development of R&D activities related to the project execution in all mandatory components by the applicable labour legislation, including charges with grant holders directly supported by the beneficiaries;
    - ii. Expenses with missions in the country and abroad, and directly attributable to the project;
    - iii. Acquisition of scientific and technical tools and equipment, indispensable to the project if used within the project during their useful life time;
    - iv. Amortization of scientific and technical tools and equipment indispensable to the project and of which the useful life time falls within the execution period, but does not end within that period;
    - v. Subcontracts directly related to the project scientific tasks' execution;
    - vi. Expenses related to the national and foreign record of patents, copyrights, usefulness models and drawings, national models or brands when related to other forms of intellectual protection, namely rates, researches to the status of the technique and consulting expenses;
    - vii. Expenses with the demonstration, promotion and disclosure of project's outputs, namely dissemination fees within the fulfilment and pursuant to national policies of open access;
    - viii. Adaptation of buildings and facilities when indispensable to the project execution for environmental and safety reasons;

- ix. Acquisition of other goods and services directly related to the project execution, including costs with consultants that do not establish subcontracts;
  - x. In-kind contributions.
- b) Indirect costs:**
- 2- For the development projects and implementation of research infrastructures typology, the following expenses are eligible:
    - a) Expenses with human resources in all components that are mandatory due to the applicable labour legislation and seen as indispensable for the infrastructure implementation and development, including charges with grant holders directly supported by the beneficiaries under conditions to be set out in the Regulations for submission of applications;
    - b) Acquisition of scientific and technical tools and equipment, including computing and programming systems and communication networks that promote digital open access and other scientific resources such as scientific data archives and databases;
    - c) Construction or adaptation of physical facilities.
  - 3- In the case of companies, expenses mentioned in sub-paragraph viii of paragraph a) of no. 1 are not eligible and expenses foreseen in sub-paragraph vi) of the same paragraph are supported under the regime of de minimis for non-SMEs.
  - 4- Eligible costs outlined in the beneficiary payment requests are based on real costs and must be justified through invoices paid or other accounting documents of similar probatory value, except the modality of simplified costs is foreseen.
  - 5- When there is indirect costs allocation, these shall be calculated on a simplified costs base, by means of the application of a fixed rate of 25% of direct eligible costs with exclusion of subcontracting and resources made provided by third parties.
  - 6- For purposes of determining costs with staff related to the project execution, the following methods can be applied:
    - a) Refund of costs effectively levied and paid;
    - b) Methodology of simplified calculation based on the application of an hourly rate, calculated by dividing the gross yearly costs with the most recent work, duly documented by 1720 hours;
    - c) Standard cost model in the case of expenses with research grant holders based on the reference values foreseen in annex I of the regulation with research grants from Fundação para a Ciência e a Tecnologia, I.P., for the different categories of grant holders.
  - 7- To determine the value of the reimbursable eligible expenses, Value Added Tax (VAT) is deducted whenever the beneficiary entity (proposing or participant) is liable for VAT and can exercise the right to such deduction.
  - 8- Expenses eligibility is determined by their nature, reasonability and adequacy to the applicable legislation.
  - 9- Only expenses with supporting invoices or equivalent documents can be funded pursuant to the [VAT Code](#) and receipts or equivalent payment documents, being that all fiscal requirements present in the Code must be met, as well as the public procurement terms if applicable.

## Article 9

### Non-eligible expenses

- 1- The following are non-eligible expenses:
  - a) Charges with financial operations, commissions and exchange losses and other expenses that are solely financial expenses;

- b) Acquisition of vehicles;
  - c) Construction, acquisition or amortization of buildings, including lands;
  - d) Grants supplements;
  - e) Bonuses, gratifications and wage supplements;
  - f) Expenses with fines, legal proceedings and financial sanctions;
  - g) Refundable VAT, by any means, even if it was not or shall not be effectively recovered by the beneficiary;
  - h) Other taxes, contributions or rates, namely direct taxes and social security contributions on remunerations and wages, except if final and definitively borne by the beneficiary;
  - i) Amortization of existing equipment within the component that was co-funded under other national or international programs;
  - j) Transactions between entities participating in the project;
  - k) Payments in cash made by the beneficiaries to their suppliers, except in situations where this is the usual payment method pursuant to the type of expenses and if under a unit amount lower than 250 euros;
  - l) Expenses object of this funding by any other national or European program, with the exception of those framed within State aids, and if the total public support does not exceed the maximum limits foreseen in the community regulation;
  - m) Expenses prior to the date of project beginning stated in the acceptance document;
  - n) Expenses paid within the scope of contracts carried out through intermediaries or consultants, and in which the amount to be paid is expressed in a percentage of the co-funded amount or the eligible expenses of the operation;
  - o) Expenses related to the project execution, and of which the payment is not carried out via bank account of the corresponding beneficiary entity, without prejudice to the situations in which such procedure cannot be ensured and of which the proof of financial flow related to the transaction is provided;
  - p) Expenses proven by internal documents issued by beneficiary entities without being accompanied by the corresponding invoices or equivalent documents and payment documents that prove the acquisition and payment of goods and services;
  - q) Remunerations and other remuneration supplements from teachers, researchers and other staff with an indefinite period of time contract with Public Administration previously constituted, except if otherwise foreseen in the applications submission notice.
- 2- In the case of research infrastructures development and implementation projects, maintenance and operating expenses are not eligible.
  - 3- FCT, I.P. can set out other limits to expenses eligibility by means of the applications submission notice.

## Article 10

### **Applications submission**

- 1- Applications submission is carried out within the scope of a tender procedure, being equally admitted the submission of applications in a continuous or invitation regime, when its adequacy to the intervention typology is justified.
- 2- In the case of research projects applications, their main components must, in general, be submitted in English.
- 3- Applications are submitted in the period and pursuant to the conditions outlined in the applications submission notice.

## Article 11

### **Applications submission notices**

- 1- Notices for submitting applications must include the following elements:
  - a) Objectives and priorities aimed at;
  - b) Type of beneficiaries;
  - c) Projects typology and areas to be supported;
  - d) Indicative funding allocation to be granted;
  - e) Limits to the number of applications to be submitted by the RC and the beneficiary;
  - f) Rules and limits to the expense eligibility, namely through identification of non-eligible expenses when more restrictive than those provided for article 9.
  - g) Conditions of funding allocation, namely type, rates and minimum and maximum amounts;
  - h) Projects assessment criteria, which specifies the assessment methodology described in the assessment guide, with indication of the minimum merit threshold;
  - i) Elements to be sent by the beneficiary;
  - j) Contact point where additional information or clarifications can be obtained.

## Article 12

### **Verification of admissibility and eligibility of applications**

- 1- Verification of formal requirements of admissibility and eligibility of proposing entities and projects is carried out by the FCT, I.P. services.
- 2- Non-provision by the applicant of clarifications, information or documents requested within 10 business days implies application withdrawal.

## Article 13

### **Assessment panels**

- 1- Assessment is carried out by independent expert panels, mainly affiliated to foreign institutions with experience and recognized merit and repute. Besides the experts, the assessment can include external assessors who remotely assess proposals in their expertise area.
- 2- Assessment panels are constituted for each tender, guaranteeing the disciplinary representativeness of the scientific areas present in the tender.
- 3- The impartiality guarantees regime foreseen in articles 69 to 76 of the Administrative Procedure Code, as well as the one related to confidentiality, transparency and non-existence of interest conflicts are applicable to the assessment and selection procedure.
- 4- The FCT, I.P. Director Council appoints the experts that comprise the assessment panels and the external assessors. The list of experts comprising the panels is approved by the supervisory entity.
- 5- Each panel coordinators are identified in the internet FCT, I.P portal up to the limit date to submit applications. The remaining panel members are identified after the assessment process conclusion.
- 6- It is the responsibility of the experts panels mentioned in no. 1 to:
  - a) Apply the assessment criteria set out in the notice for applications submission and the assessment guide;
  - b) Elaborate an assessment opinion on each project;
  - c) Select and rank applications to be funded;

- d) Elaborate a Final Report including outputs, critiques or recommendations that can contribute to improve the assessment system; The Final Report must identify all interest conflict situations verified during the panel operation.

## Article 14

### **Applications assessment criteria**

- 1- Applications are assessed taking into account the proposal merit based on the criteria set out in the applications submission notice and the corresponding assessment guide.
- 2- Applications assessed and subject to the tender regime are listed in diminishing order according to the proposal merit and selected up to the budget limit outlined in the applications submission notice, without prejudice to this limit being reinforced per decision of FCT, I.P and a minimum merit threshold set out in that notice is verified.

## Article 15

### **Notice of decision proposal, prior hearing and decision**

- 1- FCT, I.P. notifies the RC and the PI of the decision proposal and of the opinion of the corresponding assessment panel, without prejudice to the exemption provided in the Administrative Procedure Code, and within twenty business days after the reception of opinions and reports from the assessment and selection panels.
- 2- The FCT, I.P. Director Council can notify the decision proposal before receiving all the opinions.
- 3- If the decision proposal is accepted, the RC formalizes its acceptance within the ten business day deadline at the FCT, I.P. portal and must insert all corresponding changes in the budget if the funding proposed is less than the one in the program presented.
- 4- The RC can, if he/she wishes to do so, state his/her opinion on the decision proposal within ten business days counting from the decision proposal notice.
- 5- Comments presented by the RC for the decision proposal are assessed:
  - a) by FCT, I.P. with regard to administrative and/or procedural aspects;
  - b) By the panel which carried out the assessment with regard to matters of scientific nature.
- 6- The administrative and procedural observations and the scientific observations are submitted simultaneously to the FCT, I.P. portal.
- 7- After the conclusion of procedures mentioned in the previous numbers, and pursuant to terms of article 17 and of art. 18 (1), FCT, I.P. notifies the RC and the PI of the decision.

## Article 16

### **Claim**

- 1- After the decision notice, claims can be submitted to the FCT, I.P. Director Council within fifteen business days.
- 2- The claim is analysed:
  - by FCT, I.P. with regard to administrative or procedural aspects;
  - b) by a second independent experts panel, with regard to the scientific merit which recommend the maintenance or the change of the decision in a duly justified manner.
- 3- Confirmation of the presence of gross errors or negligent acts is the basis for the change of decision.

- 4- The FCT, I.P. director Council, or some of its members to which it might delegate this competence, appoints the members comprising the experts panels mentioned in number 2 paragraph b). The list of experts comprising the panels is approved by the supervisory entity.
- 5- The experts panels mentioned in no. 2 paragraph b) must also elaborate a Final Report including outputs, critiques or recommendations that can contribute to improve the assessment system. The Final Report must identify all interest conflict situations verified during the panel operation.
- 6- FCT, I.P. communicates the final decision on the claim process results to the RC after fulfilment of process in article 17.

## Article 17

### **Funding decision process**

The Director Council, with the possibility to delegate in its members, submits the funding decision to the supervisory entity approval.

## Article 18

### **Acceptance document and date of projects beginning**

- 1- The notice on the projects funding decision is made to the PI and/or to the RC within a maximum of 15 business days after knowing about the final decision approval pursuant to the previous article.
- 2- With the funding decision notice sent to the PI and to the RC, and in situations that do not breach the content of article 5, the Acceptance Document is returned to FCT, I.P. within 30 business days, signed by those who have legal capacity for binding the Proposing Institution and the Participating Entities, as well as by the Researcher in Charge, being that this deadline can be extended if the Proposing Entity provides FCT, I.P. grounds for such extension.
- 3- In the case of projects carried out in co-promotion, a protocol concluded between the co-promoters involved, who have funding from FCT, I.P. or their own funding, must be provided up to the time of signing the acceptance document, explaining the cooperation scope of the entities involved, the PI identification, the joint responsibility, the parties rights and duties and, if applicable, issues related to confidentiality, intellectual property and the end ownership of goods and products acquired and developed during the project's execution.
- 4- Non-return to FCT, I.P. of the duly signed Acceptance Document and the protocol mentioned in the previous number, and within the period mentioned in no. 2, when applicable, and for reasons attributable to the Proposing Institution determines the expiry of the support granting decision.
- 5- The projects' starting date cannot exceed 90 consecutive days after the date of the notice related to the funding decision to the RC and PIs, except in situations duly justified to FCR, I.P. and by decision of its Director Council.

## Article 19

### **Projects changes**

- 1- It is the responsibility of the RC, with the validation from the PI, to execute the following changes needed for the correct execution of the project and that do not need the FCT, I.P. approval:
  - a) budget changes, if within the full funding granted and within the budget approved for each beneficiary entity or within the limits set out in the applications submission notice;

- b) type of expenses in each budget heading foreseen in the application and approved;
  - c) number and type of human resources to be hired;
  - d) equipment proposed during the application phase.
- 2- Budget changes and others changes mentioned in the previous number are duly identified and grounded in electronic platforms or other means appointed by FCT, I.P. and shall be taken into account in the expenses eligibility analysis.
  - 3- The change of RC, beneficiaries and the corresponding financing maximum or the projects' objectives do not need approval from the FCT, I.P., being that they must be formalised through the provision of the written document containing the detailed information that grounds the needed change.
  - 4- Authorization for extension request can only be granted in duly justified cases.
  - 5- No extension requests that exceed the end date more than 12 months from the date initially approved are authorized.

## Article 20

### Payments

- 1- An advance payment of a minimum of 15% of the funding approved for the project is made to the PI by FCT, I.P. after the Acceptance Document return.
- 2- The advance payment is made up within a maximum of 30 business days after the date of reception of the Acceptance Document.
- 3- The PI receives payments as refunds for each list of proven expenditure, with amounts that allow the progressive reduction of the advance payment amount mentioned in no. 1.
- 4- No payments can be made without proving that the situation towards Social Security and the Tax Authority is in order.
- 5- The sum of the payments can never exceed 95% of the global approved funding before the project's closing.
- 6- The remaining amount, until the approved funding, is paid after the scientific and financial components of the project are closed and by means of a final refund payment.

## Article 21

### Expenditure justification

The expenditure justification is made via electronic submission of the identifying lists of expenses paid, and in a specific form provided through the FCT, I.P internet portal.

## Article 22

### Support reduction or revocation

- 1- Non-fulfilment of the beneficiary's obligations, as well as the lack of or loss of any support granting requirements can determine their reduction or revocation.
- 2- Where applicable, and among others, the following are grounds susceptible of determining the project's support or expenses reduction, or if the situation continues, its revocation:
  - a) Total or partial non-fulfilment of the beneficiary's obligations, including the expected outcomes;
  - b) Non-justification of expenses, except within the scope of funding in simplified costs regime or allocation of higher amounts to the ones legally allowed and approved or non-eligible amounts;

- c) Not accounting for revenues arising from projects in the amount attributable to the said projects;
  - d) Allocation of expenses not related to the project's execution or not justified by means of invoices or equivalent documents accepted by tax authorities, as well as expenses not accounted for in accounting;
  - e) Non-fulfilment of standards related to information and dissemination and scientific publications' disclosure generated within the scope of the project, pursuant to the FCT, I.P open access policy, being the reduction set out in accordance to the non-fulfilment seriousness;
  - f) Disrespect for the applicable European and national legislation, namely with regard to public procurement and financial instruments; being that in this case, a reduction proportional to the seriousness of the non-fulfilment shall be applied without prejudice to the applicable European legislation, namely the one from the financial corrections table approved by the European Commission.
- 3- The following are grounds susceptible of determining the revocation of project or expenditure support:
- a) Execution of the approved project does not start within 90 days after the funding decision notice date to the RC and the PI;
  - b) Beneficiaries do not send the acceptance document to FCT, I.P. within 30 business days from the funding decision notice date;
  - c) Non-fulfilment of regulations or commitments undertaken which undermine the achievement of objectives set out for a reason attributable to the Proposing Institution and/or the Participating Entities and/or the Researcher in Charge, as well as refusal to disclose information or other relevant elements requested;
  - d) Non-fulfilment, for a reason attributable to the Proposing Institution and/or the Participating Entities, of their legal obligations, namely tax and social security obligations;
  - e) Provision of false information on the beneficiary situation, vitiation and falsification of the beneficiary data during the application, assessment, signing of acceptance document and/or follow-up of project execution phases, including scientific outputs, scientific reports and elements sustaining expenses (presentation of same costs to more than one financing entity, without application of criteria duly grounded or to other entities in charge of public procurement);
  - f) Non-fulfilment of essential objectives outlined in the application for reasons attributable to beneficiaries, justified, namely, by the non-approval of the project's final scientific report;
  - g) Total non-performance of the application pursuant to the terms within which it had been approved;
  - h) Presence of changes in the elements determining the approval decision that undermine the project' merit or its budget reasonability, except in case of express acceptance by FCT, I.P. pursuant to terms identified in article 19;
  - i) Non-timely submission of forms on submission of final payment request, except if such delay is accepted by FCT, I.P., being that in this case, the eligible period for considering expenses remains the one set out as final payment delivery deadline;
  - j) Non-existence or lack of regularization of organization deficiencies in the process related to the project's execution and not sending elements requested by FCT, I.P. within the deadlines set out;
  - k) Refusal from the beneficiary of beneficiary entities to submit to the control and audit to which they are legally subject to;

- l) Duplication of a project's scientific component which is already the object of funding in tenders promoted by FCT, I.P. or other funding entities.
  - m) Breach of the codes of ethics, deontology and responsible conduct in scientific research.
- 4- Revocation of the funding decision implies suspension of funding and subsequent obligation to refund the amounts collected, being the Proposing Institution obliged to refund the amounts received plus potential interest pursuant to the content of the Acceptance Document within 30 days.
  - 5- When there is revocation for the reason mentioned in paragraph e) of number 3, the institution in question shall not benefit from aids within the scope of the Support System to National Scientific and Technological System Entities for a period of three years.
  - 6- When revocation is for the reason set out in paragraph l) of no. 3, the Researcher in Charge is prevented from being RC, co-RC or member of a team from a project funded by FCT, I.P. for a period of two years.
  - 7- Non-application of support reduction foreseen in no. 2 can take place if duly authorized by the Director Council, or a member in which competence has been delegated and when sustained on reasons of force majeure, implying a non-recoverable deadline in the project's development and of which the occurrence is duly proven by FCT, I.P. up to 30 days after the situation has been acknowledged.

## Article 23

### Supports recovery

- 1- Amounts unduly collected, namely due to non-fulfilment of legal or contractual obligations, as well as non-existence or loss or any requirement of support granting are regarded as a debt from the PI which benefited from them.
- 2- For purposes of the previous number, FCT, I.P. shall notify the beneficiary of the amount due and the reasoning for that debt pursuant to the Administrative Procedural Code.
- 3- The refund deadline is of 30 business days, starting the date of notice reception to which the previous number refers to. In case of default, interest shall be added to the amount due, which, in the case of lack of special European legislation provision shall be calculated at the legal rate set out in no. 1 of article 559 of the Civil Code, from the end of the deadline for voluntary payment to the total effective refund of the amount due.
- 4- In case of non-fulfilment of the duty to refund, FCT, I.P. promotes the recovery of the amount due through the legally foreseen mechanisms or the coercive collection via tax execution process, being that there might be revocation of the Acceptance Document, which implies the obligation to refund all amounts collected by the PI, being the holders of the beneficiary entity management bodies subsidiarily responsible for the debt payment.
- 5- Whenever the amount due is equal or lower than the one annually established in the budget execution decree-law, there is no recovery process started for refund.

## Article 24

### Progress and final report

- 1- For purposes of follow-up and final assessment, beneficiaries submit annual scientific progress report(s) and one final scientific report through the FCT, I.P. portal and preferentially in English.

- 2- Scientific progress reports to be submitted annually through the FCT, I.P. portal summarily describe the works carried out, outputs obtained and deviations from the proposed works program or approved budget.
- 3- The final scientific activity report details the execution of works carried out within the period in question, as well as publications and other outputs arising from the project.
- 4- Scientific publications and other project's outputs must be disclosed pursuant to FCT, I.P. open access policy and through the mechanisms offered for such task.
- 5- Progress and final scientific reports are submitted to the FCT, I.P. portal within 30 consecutive days after concluding the activities for each project's year and within 60 consecutive days after the project's conclusion.
- 6- The financial execution final report, elaborated by FCT, I.P. pursuant to the expenses regarded as eligible throughout the project, and electronically made available through the FCT, I.P. portal is validated by the RC within 10 consecutive days after being made available.
- 7- Progress reports can be assessed by follow-up commissions per scientific area which can recommend the suspension, reduction or revocation of funding.
- 8- The final scientific report is assessed by assessment panels, specifically established for that purpose pursuant to the corresponding assessment guide.
- 9- The project's RC whose final report is not approved cannot apply as RC or co-RC to FCT, I.P. open tenders the following two years after the date of notice of the final report assessment.

## Article 25

### **Management verifications**

- 1- Projects are object of management verifications by FCT, I.P. or by entities appointed by it and by all entities mandated for that purpose pursuant to the applicable standards.
- 2- Beneficiary entities are obligated to maintain an appropriate separate accounting system or an accounting code for all transactions related to the project and pursuant to the accounting standards in force.
- 3- On the expenditure and revenues documents originals, a stamp must be affixed with characteristics to be communicated by FCT, I.P.
- 4- Whenever possible, beneficiary entities are obliged to elaborate and update the project's dossier in electronic form and record all operations that take place throughout the project's life cycle.
- 5- After the project's conclusion, the corresponding dossier is archived for a minimum period of 10 years starting the date from the last granted funding decision under the scope of this Regulation.

## Article 26

### **Beneficiaries' obligations**

Without prejudice to other obligations outlined in this regulation, beneficiaries must:

- a) Provide the elements requested by the entities mandated for the follow-up, outputs assessment, control and audit within the deadlines set out;
- b) Communicate all relevant changes or occurrences that undermine the assumption related to the project's approval;
- c) Not allocate, lease or sell, or by any other means, operate the goods and services acquired within the scope of the projects supported to other purposes for the period set out in the Acceptance Document;

- d) Ensure the budget control through a system that allows to correctly calculating the project's expenditure and costs allocation.
- e) Maintain their situation in order with regard to the support paying entity;
- f) Where applicable, fulfil regulations of public procurement related to the projects' execution;
- g) Respect standards related to information and dissemination pursuant to the terms communicated by FCT, I.P. in all works arising from the project and all equipment that have been totally or partially supported by the project;
- h) Allow and ensure disclosure of the scope and expected outputs of the R&D project, as well as of the publishable executive summaries related to the final execution reports, without prejudice to the requirements related to intellectual property protection and all scientific publications generated within the scope of the project, in a free access platform pursuant to the FCT, I.P. open access policy.
- i) Submit progress reports and the final report for purposes of follow-up and final assessment;
- j) Conduct its research in an ethical and scientifically responsible manner, pursuant to the internationally recognized principles for the practice of scientific research.

## Article 27

### **Follow-up and control**

- 1- Within the scope of the project's follow-up and control, FCT, I.P. is responsible for verifying the effective execution of the goods and services funded and the payment of the expenses stated by the beneficiaries, as well as the compliance with the applicable legislation and the project's funding conditions.
- 2- Without prejudice to other follow-up and control mechanisms that might be adopted, follow-up and project's verification are carried out pursuant to the following terms:
  - a) Administrative verifications related to each request for payment submitted by beneficiaries;
  - b) On-spot verification of projects;
  - c) Assessment of annual scientific progress reports and final scientific report.
- 3- Verifications mentioned in the previous number can be made in any phase of the project's execution and after the corresponding conclusion.

## Article 28

### **Subsidiary standards**

In every matter omitted in this Regulation of projects funded solely by national funds, the provisions included in applicable community and national standards are applied.

## Article 29

### **Execution standards**

Functional implementation of provisions outlined in this regulation is materialised in execution standards.

## Article 30

### **Date of entry in force**

This Regulation applies to all tenders that shall open from its approval date on.

20 October 2016, Member of the FCT, I.P Director Council,

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*Maria Isabel Lobato de Faria Ribeiro*