

## Knowledge-building Project for Industry – Guide for Applicants

This is a guide to the call for Knowledge-building Projects for Industry. It describes key characteristics, and we explain some of the requirements set out in the call in more detail. A full description of the requirements for grant applications will be provided in the call for proposals.

Only approved Norwegian research organisations may apply under this call for proposals. It is important to note which thematic areas are included under each call. You will find these listed under the heading 'Relevant thematic areas for this call'. Applicants must target the grant application towards one of these thematic areas.

### Objectives and characteristics

A Knowledge-building Project for Industry is to develop new knowledge and generate research competence needed by the business sector to address important societal challenges.

We expect research groups and relevant actors from outside the research sector to collaborate on the project. The research organisations will mainly be responsible for conducting the research, while the partners will contribute with their experience and knowledge, ensure that there is an important need for the research and that the research results are utilised.

The projects' characteristics:

- The projects develop new knowledge and generate research competence needed by the industry sector to address important societal challenges.
- The projects stimulate and encourage collaboration between research groups and actors from outside the research sector.
- The projects promote new knowledge and competence-building in Norwegian research groups in priority areas.
- The research can be of a basic and/or applied nature and benefits broad segments of society.
- The projects are either at, or close to, the research front and should therefore normally include cooperation with leading international specialist groups, thus entailing significant benefits for the Norwegian groups involved.
- The projects may involve recruitment positions (doctoral and/or post-doctoral fellowship), but this is not a general requirement in call. Topics that have priorities that indicate recruitment positions will include this in the thematic part of the call.
- The Research Council requires full and immediate open access to scientific publications; see [Plan S – open access to publications](#).

The most important roles in the application are:

- **Project Owner** (the research organisation that is applying)
- **Other research organisations participating as partners**
- **Partners from the industry sector** that contribute funding for the project (the minimum requirement is two such partners from the business sector)
- **Other partners from the industry sector or other parts of society**

You can find more information below about who is eligible to participate as a partner and what we expect them to contribute.

### Who can participate in the project?

Projects are to be carried out by one or more research organisations in effective collaboration with relevant actors

from the industry sector. The project may also include partners from other sectors. Only research organisations are eligible to receive support through the project to cover their costs. Other actors must fund their own participation.

It is important that you list all actors with obligations in the project as partners in the grant application form.

## Research organisations participating as partners

The projects often entail collaboration with other research organisations, but this is not a requirement.

## Requirement for two partners that are not research organisations

The projects must have **at least two Norwegian partners** from the industry that help to fund the project. These partners will also contribute their experience and knowledge, and ensure that the project and its objectives address real challenges. The amount of funding awarded by the Research Council may be up to four times the total cash contribution from the Norwegian industry partners. See the calculation example below.

## Which partners can be included as one of the two required partners from **the industry sector**?

- They must be actors from the industry sector that contribute experience and knowledge of the challenges the project seeks to resolve.
- The minimum requirement is only met if both partners provide cash contributions to the project.
- They must be registered in the Norwegian Register of Business Enterprises.
- They must be independent of each other. A project may have partners who are part of the same corporation, but the minimum requirement can only be met by actors that are independent of each other. We use the definition of an interdependent relationship set out in the [state aid rules](#)
- Public enterprises are approved as partners from the industry sector.
- The following actors will **not** be approved as one of the two required partners from the industry sector in the project, and any cash contributions from such partners will not form a basis for funding from the Research Council.
  - partners from the industry sector that have close relations to or are part of the research organisation that is applying
  - Norwegian-registered foreign companies (NUFs)
  - international partners from the industry sector

## Other partners from the industry sector or other parts of society

Other types of partners may also be important to the project, even if their contributions do not form a basis for project funding. In addition to more partners from the business sector, projects may include partners from the public sector (for example municipalities), non-governmental organisations and/or other private organisations. The projects may also have international partners.

## Letter of intent from collaborating partners

When you apply, you must attach a letter of intent from *each individual* collaborating partner registered in the grant application form.

[Here you can see what is included in the letter of intent and a concrete example](#) (opens in a new window).

## Use of subcontractors

The project may commission subcontractors to deliver goods to and/or perform services for the project. Subcontractors cannot be granted any rights from such work. Subcontractors cannot be dependent on any of the parties in the project consortium.

## Effective collaboration requirement

The call requires the Project Owner to carry out the project in effective collaboration with the collaborating partners. The characteristic of effective collaboration is that the partners exchange knowledge or technology to achieve a common objective based on the division of labour. The Project Owner and the partners jointly define the scope of the project, contribute to its implementation and share the risk and results. In order to avoid indirect state aid, it is important to ensure wide dissemination of results or that any intellectual property rights are divided in proportion to each participant's contribution.

### Effective collaboration

"Effective collaboration means collaboration between at least two independent parties to exchange knowledge or technology, or to achieve a common objective based on the division of labour where the parties jointly define the scope of the collaborative project, contribute to its implementation and share its risks, as well as its results. One or several parties may bear the full costs of the project and thus relieve other parties of its financial risks. Contract research and provision of research services are not considered forms of collaboration."

"Where collaboration projects are carried out jointly by undertakings and research organisations or research infrastructures, the Authority considers that no indirect State aid is awarded to the participating undertakings through those entities due to favorable conditions of the collaboration if one of the following conditions is fulfilled:

(.....)

- the results of the collaboration which do not give rise to IPR may be widely disseminated and any IPR resulting from the activities of research organisations or research infrastructures are fully allocated to those entities; or
- any IPR resulting from the project, as well as related access rights are allocated to the different collaboration partners in a manner which adequately reflects their work packages, contributions and respective interests; or
- the research organisations or research infrastructures receive compensation equivalent to the market price for the IPR which result from their activities and are assigned to the participating undertakings, or to which participating undertakings are allocated access rights. The absolute amount of the value of any contribution, both financial and non-financial, of the participating undertakings to the costs of the research organisations or research infrastructures' activities that resulted in the IPR concerned, may be deducted from that compensation."

### What can you seek funding for?

The Research Council will not award support that constitutes state aid under this call. This means that funding from the Research Council can only be used to fund the research organisations' project costs. The costs of Norwegian and international partners that are not research organisations must be excluded from the budget tables. This is to simplify administrative follow-up of the project. The partners' costs are as such not included in the formal project follow-up with reporting of accounts and approval of costs. However, the activities these partners will perform should be described in the project description (under section 3.2).

### Support may be granted for the following cost categories

- **Payroll and indirect expenses** related to researcher time (including research fellowship positions) at the research organisations. For doctoral research fellowships, funding is limited to a maximum of three full-time equivalents. Funding for three to four years may be granted for post-doctoral research fellowships.

- **Equipment**, encompassing operating and depreciation costs for scientific equipment and research infrastructure necessary for the implementation of the project. All these investments must be specified in the application.
- **Other operating expenses**, which comprise costs for other activities that are necessary to implement the project. All costs for activities or procurements from subcontractors must be specified in the application.

Do not use the item **Procurement of R&D services**.

On the Research Council's website, you can find information about the hourly rates to be applied regardless of whether the partners are from the [institute sector](#) or the [university and university college sector](#). You will also find information about how to keep time sheets for the international research organisations.

We only cover costs that can be found in the project participants' official accounts. If, for example, the project is offered free use of data sets or equipment, this cannot be entered as a project cost.

**You can only apply for funding for research activities defined as basic research or industrial research.** You will find the definitions on our web page on [state aid](#). We do not award funding for experimental development. Nor are operational business activities or activities associated with the commercial exploitation of the R&D results, such as protection of intellectual property rights, market surveys or marketing, eligible for funding.

You will find important and more detailed information about [what to enter in the project budget](#) on our website.

### If the project involves international partners

The projects are to promote long-term knowledge-building in Norwegian research groups within thematic areas of particular importance to stakeholders in Norwegian society. This means that the majority of the project funding is to be used in Norway. However, collaboration with international partners will often add great value to the project.

Different rules apply to international partners as regards the incorporation of their costs into the project budget and whether they may receive funding from the Research Council to cover these costs. Cash contributions from international partners from the business sector will not form a basis for funding from the Research Council.

International research organisations	Yes, costs may be entered into the project budget and may also be covered by funding from the Research Council. See <a href="#">Calculating payroll and indirect expenses for the university and university college sector</a> .
International public players and NGOs (Non-Governmental Organisation)	No, these costs are not to be entered in the budget tables. They are not covered by the funds granted to the project. However, the activities these actors will perform should be described in the project description.
International companies and undertakings	
International sub-contractors	Yes. The project may engage sub-contractors from abroad. The sub-contractors' costs are to be submitted to the Project Owner in the form of an invoice in the same way as Norwegian subcontractors. Procurements from subcontractors must be specified in the application.

### The funding requirement and how the funding is calculated

Partners must provide a cash contribution to cover a share of the research organisations' costs. This is called "private funding" in the funding table in the grant application form.

The Research Council's general rule is that funding may not exceed four times the total cash contribution from the Norwegian partners from the industry sector. You should strive to meet this rule also in each individual year of the project period.

## Calculation example

The example is based on an approved research organisation that is applying for funding. The Project Owner has established a consortium comprising four key partners.

The following participate in the project:

- the Project Owner
- other research organisations participating as partners
  - one international research organisation
- partners from the business sector
  - two Norwegian partners from the business sector (minimum requirement)
  - one international partner from the business sector

First, we will consider the *Costs per project partner per year*. Only the research organisations' costs should be entered here.

### Costs per project partner per year (NOK 1,000)

	2022	2023	2024	Total
Project Owner	3,000	4,000	3,000	10,000
International research organisation	300	300	400	1,000
<b>Total amount</b>	<b>3,300</b>	<b>4,300</b>	<b>3,400</b>	<b>11,000</b>

Secondly, in the table *Funding per project partner*, we look at how the project will be financed. The cash contribution from the partners is entered in the column *Own financing*.

Notice that the Research Council's support cannot exceed 4 times the contribution from the Norwegian industry partners. In this example, the contribution from the Norwegian industry partners is NOK 2 million. This means that the Project Owner can apply for a maximum of NOK 8 million.

The cash contribution from the international partner from the industry sector is not included when the Research Council's funding is calculated, but it is nevertheless an important contribution to the funding of project costs.

### Funding per project partner (NOK 1,000)

	The Research Council	Own financing	Other funding	Total
Project Owner	8,000			8,000
<b>Norwegian partner from the business sector</b>		<b>1,000</b>		<b>1,000</b>
<b>Norwegian partner from the business sector</b>		<b>1,000</b>		<b>1,000</b>
International partner from the business sector		1,000		1,000
<b>Total amount</b>	<b>8,000</b>	<b>3,000</b>		<b>11,000</b>

The next table is *Funding plan*, in which the funding is distributed over the entire project period. You should

strive to meet the Research Council’s general rule also per year. Note that the cash contribution from the international partner from the industry sector is entered under *International funding*. Then we clearly see what should be included in the calculation.

Funding plan (NOK 1,000)

	2022	2023	2024	Total
Own funding				
International funding	300	300	400	1,000
Public funding				
Private funding	600	800	600	2,000
The Research Council	2,400	3,200	2,400	8,000
Total amount	3,300	4,300	3,400	11,000

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