

## General Information about the Open call for ESA Spark Funding in the Czech Republic

ESA Spark Funding Czech Republic Open Call – January 2023

### Invitation to Apply for ESA Spark Funding Czech Republic

The purpose and objective of ESA Spark Funding is to accelerate the product development process of a company that is integrating space technology/assets as well as to hone the commercialisation roadmap. This should result in an enhanced offer of the company to its current and potentially new customers. ESA manages a network of Business Incubation Centers (ESA BICs), Technology Brokers (ESA TB), and Business Applications Ambassadors (ESA AP) across Europe. In the Czech Republic, Technologické centrum Praha, IČ 60456540 (TC Praha) is the ESA TB and is thus responsible for managing and implementing the ESA Spark Funding Call.

For ESA Spark Funding Czech Republic, ESA Commercialisation Gateway, TC Praha and the Czech Delegation to ESA (Ministry of Transport of the Czech Republic) welcome applications addressing:

- the use of space technology such as space developed sensors, materials, or electronics in non-space markets such as transport & logistics, aeronautics, automotive, energy, hydrogen economy, machinery, electronics or health; please note that in all further documentation the term 'Space Technology' is used in a potentially interchangeable manner with the term 'Space Assets/Services'. If you are unsure about the terminology or your eligibility please contact your local ESA TB Manager. The specific objectives of the Call are:
  1. to determine the economic viability of the space derived products/services in meeting the needs and conditions of relevant customers, users and other stakeholders;
  2. to secure the buy-in and involvement of important customers, users and other stakeholders; and
  3. to prepare the implementation of sustainable product/service(s) via determination of next steps

TC Prague hereby invites you to submit your application for ESA Spark Funding Czech Republic. This document provides an introduction to the application and evaluation process and contains references to the templates that should be used when applying.

ESA Spark Funding Open Call

Please contact [SparkFunding@tc.cz](mailto:SparkFunding@tc.cz) for any further questions.

Yours sincerely,

Ondrej Simek

ESA Spark Funding Czech Republic Manager

Technology Centre Prague (TC Prague)

## Introduction

The purpose of this Open Call for ESA Spark Funding Czech Republic is to inform about the opportunity for entities looking to integrate space assets into their product/service offering and to provide the material and guidance needed to apply.

Selection and evaluation of applications are scheduled periodically. For further details visit <http://www.technology-broker.cz>

## Who can apply?

ESA Spark funding is primarily targeted at SMEs or entities who generally already have existing product lines. These entities are looking to innovate and gain a competitive advantage through integrating space technology into their existing product lines or to create entirely new products.

The proposed project should be led by the so called Product Developer, who:

- is defined as the entity where the added-value product from the space asset will be created;
- has the connection to both the Space Technology Provider and the Customer (as such this entity can subcontract elements of work to the Space Technology Provider and even the customer);
- is able to report on the socio-economic impact arising from the activity.

In a special case the Product Developer and the Space Technology Provider may be the same entity.

However, some further formal criteria apply. To be eligible for contract award, applicants must fulfil all the requirements below:

- To be a legal entity (a public law company / a private law company / an association / a foundation, etc.) registered under the laws of Czech Republic;
- To be headquartered in Czech Republic;
- To be fully compliant with Czech Republic tax and social security legislation;
- To observe the remaining requirements stated in this document;
- When acting in collaboration with other national or foreign entities, the applicant will be the sole contractor and will be fully responsible for managing the funding.
- To declare that the activities proposed under the submitted ESA Spark Funding project are not being funded through other means (e.g. ESA Business Incubation, ESA Business Applications, European Commission etc).

## How to apply?

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

- ESA Spark Funding Application Template
  - Executive Summary
  - Business Case and Technical Proposal
  - Activity Proposal
  - Management Proposal
- Draft ESA Spark Funding Contract

Fill in all required sections and pay particular attention to the following:

- Instructions inside the documents shall be followed in order to fulfil all pre-conditions of the Open Call and for the application to be accepted.
- Please read this document as well as the Draft ESA Spark Funding Contract carefully.
- The Cover Letter shall include a clear, explicit and unambiguous statement declaring that the applicant has read, understood and accepted the terms and conditions contained in the contractual documentation.
- Modifications or amendments to the ESA Spark Funding Contract may be done in exceptional cases. Please contact the local ESA TB Manager for guidance.
- Make sure the Cover Letter and the Requirement Checklist are signed by an authorised representative of the entity applying.
- As part of the application, an Activity Proposal must be submitted. This should include details on how you intend to spend the ESA Spark Funding. Details on eligible costs can be found below. Note that, the funding should primarily be spent in the Czech Republic. However, in cases where the Product Developer is based in the Czech Republic and the Technology Provider in another country up to 50% of the total ESA Spark Funding may be spent with the Technology Provider abroad.

Please submit the completed ESA Spark Funding Application Template in electronic form as a single .pdf document to the following e-mail address: [SparkFunding@tc.cz](mailto:SparkFunding@tc.cz) with subject “ESA Spark Funding Czech Republic Open Call”.

Any questions related to submission of proposals should be sent to the same e-mail address: [SparkFunding@tc.cz](mailto:SparkFunding@tc.cz).

## What are the eligible costs?

Eligible costs must be:

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

Note that any expenses incurred in the preparation and dispatch of the proposal will not be reimbursed.

The project may consider the following direct costs:

- a) Staff costs based on employment contract, agreement to perform work (DPČ) or agreement to complete a job (DPP);
- b) Subcontracting costs (external business entities);
- c) Access to data sources or intellectual property;
- d) Materials, equipment, and facilities;
- e) Travelling, subsistence, and accommodation costs

The following costs incurred are eligible:

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

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

- f) Business development and promotion (data sheets, flyers, trade shows etc.). Attendance to trade shows (or similar) should be agreed in advance with the local ESA TB Manager responsible for implementing ESA Spark Funding in the Czech Republic.
- g) Other – costs not included in the above categories but deemed critical to the execution of the project should be agreed in advance with the local ESA TB Manager responsible for implementing ESA Spark Funding Czech Republic.

#### How the evaluation procedure looks like?

The evaluation of all received applications is managed locally by TC CAS and follows common ESA Spark Funding procedures.

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

If the application is compliant with the formal requirements, applicants will be invited to hold a presentation to the ESA Spark Funding Czech Republic evaluation board. The evaluation will typically take place a few weeks after the submission deadline. The evaluation board consists of representatives of TC Prague, ESA, Ministry of Transport and other experts if necessary. There will also be an opportunity for the evaluation board to ask questions to the applicant.

The application and the presentation will be scored.

<b>Evaluation Criteria</b>	<b>Sub-Criteria</b>	<b>Weighting Factor</b>
Background and Experience	Team Composition Partnerships Vision	20%
Business Case	Targeted Market Segment Targeted Product/Service Target Customers/Users Customer/User Needs or Pains Value Proposition	30%
Technology	Justified Integration of Space Technology/Asset Maturity of Technology Access to Space Technology/Asset/Knowhow Technical Feasibility of Product/Service	30%
Activity Proposal	Work Breakdown Milestones and Cost Planning Management	20%

*Table 1: ESA Spark Funding evaluation criteria and weighting factors.*

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

TC Prague will enter into contract negotiations with successful applicants, taking the comments of the evaluation board into account. TC Prague has the right *not* to place a contract if, after three months following the notification to a successful applicant, no contract still has been signed, and this is because of a reason for which the applicant can be held accountable.

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

- Please note that applications will be treated as confidential. However, in spite of the efforts undertaken by TC Prague to ensure full confidentiality, the applicant's idea may through this application fall into the public domain. Therefore, we strongly recommend that the applicant discusses the protection of their idea with a dedicated expert in this field prior to application, and – if relevant – takes appropriate steps to protect the idea (e.g. by applying for a patent).
- No expenses incurred in either stage of the application procedure will be reimbursed to the applicant by TC Prague, ESA, and/or any third party.
- This Open Call does not impose any obligation upon TC Prague to enter into negotiations with any applicant or to enter into any other specific arrangement.

## **ANNEX A – DETAILS ON DELIVERABLES**

Under an ESA Spark Funding project, the Contractor will be undertaking both technical and commercially focused activities and, as such, the Deliverables reflect this.

D1 is a standalone Deliverable

D2, D3, and D4 should be combined into a single document for final delivery to TC Prague.

### **D1 Prototype or mockup/demonstration delivered to TC CAS**

The Contractor shall provide either a prototype or a mockup/demonstrator to TC Prague. A short description of the product/service shall be provided along with any instructions required for operation. This deliverable will mainly be used for promotional and outreach purposes by TC Prague and ESA. In cases where confidentiality is critical, this shall still be delivered but the TC Prague and ESA agree not to publicly disclose information relating to this.

### **D2 Business Plan and Commercialisation Roadmap**

(suggested length: 10 pages)

The contents of this section shall include:

- Presentation of the quantitative market analysis for the envisaged product/services including the size and attractiveness of the market/customer segment(s).
- Presentation of the competitive environment and of the main competitors including information on their products/services and value propositions.
- Presentation of the financial plan and financial projections for development and sales, including key financial indicators such as CAPEX, OPEX, Break Even Point, Net Present Value, financial projections for the next 5 years.
- A discussion of your market penetration projections (i.e. percentage of market share, etc.), including key assumptions.
- Presentation of the team, competences and capabilities required to implement and deliver the product/service. In case of missing competences and capabilities, presentation of the intended strategy to acquire them.
- Presentation of the conclusion concerning the feasibility and viability of the specified product/service and associated system, and wrap up of the critical success factors and risks for the implementation of the solution,
- Definition of the next steps for product/service implementation, taking into account potential success factors and showstoppers (e.g. technology maturity, lack of service provision history, capital requirements, etc.) and identification of critical milestones.
- Describe in detail what the next step shall be, highlighting any further support required.

### **D3 Socio Economic Impact Analysis**

(suggested length: 2 pages)



The contents of this section shall include:

- Assessment of the current and potential socio-economic impact of resulting operational product/services regarding expected revenues, job creation across the value chain, export opportunities, establishment of new markets, investment leverage, and societal benefits.

*if applicable:*

**D4 Space Technology Commercial Arrangement Document**

(suggested length: 1 page)

The contents of this section shall include:

- Details regarding the type of commercial arrangement that has been agreed/envisioned with the Space Technology/Asset provider
- Length of agreement
- Conditions of agreement
- Value of agreement