

## Call for expression of interest for participation in the Important Projects of Common European Interest (IPCEI) on Microelectronics II

<b>Title:</b>	<b>Call for expression of interest for participation in the Important Projects of Common European Interest (IPCEI) on Microelectronics II</b>
<b>Call announcer (responsible authority):</b>	<b>Slovak Innovation and Energy Agency</b>
<b>Type of the call:</b>	<b>National pre-selection for participation in the IPCEI on ME II</b>
<b>Publication date:</b>	<b>26<sup>th</sup> February 2021</b>
<b>Deadline date:</b>	<b>23<sup>rd</sup> march 2021, 4:00 p.m.</b>
<b>Contact</b>	Email <a href="mailto:ipceime@siea.gov.sk">ipceime@siea.gov.sk</a>
<b>Accompanying Event</b>	<b>Workshop:</b> Participation in the National Selection Process for "Important Projects of Common European Importance" in the field of Microelectronics II <b>Date:</b> TBD

### 1. Call for expression of interest for participation in the IPCEI on Microelectronics II

This expression of interest is intended to identify businesses active in the field of microelectronics that are considering projects that could fit within the scope of the upcoming IPCEI in Microelectronics and accordingly be considered for funding.

The overall objective of the IPCEI Microelectronics project is to develop innovative technology and components and to establish first industrial deployment related to microelectronics, in order to unlock the full technological and economic potential of the Key Enabling Technology ('KET') in this field. The knowledge and innovations must be disseminated as widely as possible (to customers, project partners, suppliers, academic institutions and companies) at national and European level. Consequently, the measures should be able to demonstrate positive effects beyond the Applicant, the IPCEI consortium and the business sector. This also means that project can be supported as an "Important Project of Common European Interest" according to **Art. 107(3)(b) of the Treaty of the Functioning of the European Union**. Specific criteria of IPCEI projects are further elaborated in **European Commission's Communication no. 2014/C 188/2**. One of the main features of IPCEI is that **projects involved can be aided up to 100% of the funding gap** on the basis of a large set of eligible costs.

The Slovak Republic recognizes the strategic nature of microelectronics and therefore the **Slovak Innovation and Energy Agency mandated by the Ministry of Economy of the Slovak Republic opens a call for expression of interest to be involved in IPCEI on Microelectronics II**.

The objective of the IPCEI on microelectronics is to increase the safety and sustainability of microelectronic components in Europe by promoting the integration and production of solutions to support European industry in areas where Europe is strongly dependent and to ensure competitiveness of the EU industry on the global market, including (but not limited to):

- Design of processors and chips for AI
- Design of chips for communication (5G, 6G and other) and connectivity
- Development and manufacturing of these chips in Europe
- Advanced packaging for heterogenous integration
- Semiconductor substrates for RF and Power electronics

Participation of projects in IPCEI Microelectronics II, in addition to conditions stipulated in related Commission Regulations, shall be subject to the following conditions:

- a. Applicants must form part of the Strategic Value Chain – SVC – microelectronics (from the raw materials necessary for the manufacture of the product to the recycling of the same) and
- b. Proposed projects shall be implemented in Slovakia; in particular, projects shall constitute R&D and the first phase of industrial development of new technologies developed under the IPCEI; the first industrial development refers to the transition from pilot plants to large-scale installations or to the first equipment and installations of their kind covering the post-pilot line phases, including the experimental phase. Mass production phases and commercial activities are not eligible;
- c. In implementing the project applicants must be part of a dynamic value chain;
- d. Applicant will be required to be able to demonstrate prior work in the relevant area and provide evidence that the project differs significantly from the “state of the art”.
- e. Newly created businesses are potentially eligible, in which case the application must be submitted by future shareholders;
- f. The applicant will be required to carry out all investment costs (CAPEX) in Slovakia and must commit to retain such investment in Slovakia.
- g. State Aid may only be provided if the applicant can convincingly demonstrate that under Market conditions the project could not be financed or implemented without the funding. That is, when taking into account the technical and economic risk, the applicant will need to demonstrate a funding gap that advocates the need and appropriateness of State Aid.
- h. Applicants must not be undertakings which are subject to an outstanding recovery order following a previous European Commission decision declaring an aid illegal and incompatible with the internal market;;
- i. Applicants must not be undertaking in difficulty according to the definition of the European Commission Guidelines on State aid for rescuing and restructuring non-financial undertaking in difficulty (2014/C 249/01) Article 2 point 2.2).

This expression of interest serves as the initial stage of the process and should provide Ministry of Economy of the Slovak Republic with the main aspects of the proposed project. The expression of interest should indicate the location where the project will be implemented, the main characteristics of the project, objectives, budgets, start and end dates. The expression of interest may be submitted using the provided form.

Following this phase, selected projects which fulfil IPCEI criteria will be nominated by the Slovak Republic to be assessed within the IPCEI framework for notification at EC. Subsequently, after successful notification procedure, the project could be supported from the resources of the Slovak Republic, ESIF or other available public resources, but this call for expression for interest does not, in any way constitute a commitment for any financial support. Any support to projects shall be in line with relevant regulations to be published by the Commission. Any funding can only cover a percentage of the total costs with regard to the identified and approved funding gap and shall be limited by competition rules of the EU and the WTO, the available budget, etc. Only projects of significant national and European interest will be considered for funding under IPCEI Microelectronics II.

## 2. General eligibility criteria of IPCEI

The call for expression of interest for participation in the IPCEI on Microelectronics II follows the applicable regulations set in the European Commission’s Communication no. 2014/C 188/2. This Communication sets out general criteria of IPCEI and defines specific conditions, which determines the eligibility of projects. The key conditions are as follows:

- **R&D&I projects** must be of a major innovative nature or constitute an important added value in terms of R&D&I. The project proposed by the company must present strong innovations going beyond advanced technologies and current knowledge in the field (state of the art). Each project should be of significant size/ambition in order to be able to make a significant contribution to major European strategies.

- **Projects comprising industrial deployment** must allow for the development of a new product or service with high research and innovation content and/or the deployment of a fundamentally innovative production process. Regular upgrades without an innovative dimension of existing facilities and the development of newer versions of existing products do not qualify as IPCEI.
- The potential stakeholders need to be ready to disclose sufficient information to allow other actors to understand the opportunities for cross border cooperation.
- Each project should be available for timely start of the scale-up, including the necessary readiness of management and financial backing.
- The projects directly involved can be aided up to 100% of the funding gap on the basis of a large set of eligible costs.
- The project must involve co-financing by the beneficiary.
- The projects should be developed in cooperation with other companies. The attendance at the IPCEI coordination meetings must be ensured.
- The benefits of the project must not be limited to the undertakings or to the sector concerned but must be of wider relevance and application to the European economy or society through positive spill-over effects which are clearly defined in a concrete and identifiable manner.
- When deciding on potential subsidies, supported companies must not be undertaking in difficulty, as defined by the European Commission Guidelines (2014/C 249/01) on State aid for rescue and restructuring of non-financial undertakings in difficulty (point 2.2).

### 3. Submission of Project Proposals and the approval process

#### 3.1 Submission of Project Proposals at national level

Submitted Project Proposal has to include the mandatory documents listed below. Please follow further instructions provided in enclosed documents. The complete documentation has to be filled in English and submitted online via application [IPCEI Registration Form](#) till 22<sup>nd</sup> March 2021, 12:00 a.m.

#### Mandatory documents to be submitted:

1. **IPCEI Registration Form** - IPCEI Registration Form involves basic information about the company as well as project proposal summary. Registration Form has to be filled in and submitted online with attached mandatory solemn declaration. IPCEI Registration Form is accessible [here](#).
2. **Solemn declaration** – Based on the solemn declaration, the Company declares that the company meets terms and conditions set by European Commission's Communication 2014/C 188/2 as well as provisions set by Section 8a para. 4 of the Act no. 523/2004 Coll. on Budgetary Rules of Public Administration and on Amendments to Certain Acts. Template of Solemn declaration is a part of IPCEI Registration Form

Submission of the above mandatory documents shall make it possible to assess the potential of projects with respect to the criteria of IPCEI set by European Commission's Communication 2014/C 188/2.

#### Other supporting materials and links

- Solemn Declaration ME
- IPCEI ME Registračný formulár s vysvetlivkami v SJ
- EU rules for IPCEI ENG
- Non-paper on Antitrust
- Non-paper on RDI of Major Innovative nature
- Non-paper on RDI of Major Innovative nature on Spillover effects
- Non-paper on Necessity and proportionality of aid
- Non-paper on Integrated project
- [European Commission's Communication no. 2014/C 188/2](#)

### **3.2 Pre-selection process at the national level**

Each Project Proposal submitted with complete requested documentation will be assessed by an appointed Committee. The assessment will be made in line with terms and conditions defined for IPCEI projects under European Commission's Communication 2014/C 188/2.

### **3.3 Submission and the approval process at the level of European Commission**

**After the assessment at national level, the eligible Project Proposals will be nominated as direct participants for participation in IPCEI on Microelectronics II at the EU level. When the relevant IPCEI on Microelectronics II is opened by the European Commission, the nominated candidates shall be involved in pre-notification and notification procedures at European Commission.**

After the official submission of project files to European Commission, the European Commission will start the process of their assessment. Please note that since documents requested at the stage of pre-selection process do not constitute a final project documentation, the involved authorities may request additional information from nominated candidates. The phase of pre-notification is used to assess the submitted projects and clarify all open issues related especially to the quality of the Project Portfolio, financial data on eligible costs, funding gap identifying the aid amount, the necessity and proportionality of aid, the form of aid proposed etc. as defined by European Commission's Communication 2014/C 188/2. After such assessment, the notification phase itself will be smoother and the Commission will be able to adopt the final decision in a shorter time period. During the pre-notification and notification stage, the IPCEI participants have to be able to provide documents, which sufficiently justify their participation in IPCEI on Microelectronics and the need for requested state aid.

The pre-notification may involve several rounds of revisions before final approval by the European Commission and launch of IPCEI project status. Based on experience from previous IPCEI, this process may take approximately one year till a final decision is issued by European Commission.

### **3.4 Ex-post step at the national level**

After the state aid notification procedure at the European Commission is successfully completed, IPCEI direct participants shall apply for funding within the calls open at national level. If the company does not succeed in notification and will be in the position of indirect partner within IPCEI on Microelectronics II, the company shall still apply for funding under available national funding schemes based on actual state aid rules.

## **4. Deadlines**

Interested companies can submit their Project Proposals, in the provided format, until **23<sup>rd</sup> March 2021, 4:00 p.m.**

## **5. Contacts**

Questions related to the subject can be addressed to:  
Slovak Innovation and Energy Agency  
Email: [ipceime@siea.gov.sk](mailto:ipceime@siea.gov.sk)

Answers to frequently asked questions as well as updated information will be published on the webpage [www.siea.sk](http://www.siea.sk)

## **6. Confidentiality**

All parties involved in this call for expression of interest for participation in the IPCEI on Microelectronics II make a commitment to ensure the confidentiality of any and all documents and information sent as a result of an application related to this call, regardless of result of pre-selection process.