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(Announcements)

ADMINISTRATIVE PROCEDURES

EUROPEAN INVESTMENT BANK

Call for proposals — The European Investment Bank proposes three new EIBURS sponsorships within its EIB-Universities Research Action*(2011/C 185/04)*

The European Investment Bank channels most of its institutional relations with universities through an EIB-Universities Research Action consisting of three different programmes:

- **EIBURS**, the **EIB** University **R**esearch **S**ponsorship Programme,
- **STAREBEI** (**ST**Ages de **RE**cherche **BEI**), a programme for financing young researchers working on joint EIB-University projects, and
- **EIB University Networks**, a cooperation mechanism for university networks showing characteristics that are of particular relevance to supporting the objectives of the EIB Group.

EIBURS provides grants to University Research Centres working on research topics and themes of major interest to the Bank. EIB sponsorships, of up to EUR 100 000 per year for a period of three years, are awarded through a competitive process to interested university departments or research centres, associated with universities of EU, candidate countries or potential candidate countries, with recognised expertise in EIB-selected areas, so they can expand their activities in these areas. The successful proposal will entail the delivery of a variety of outputs (research, organisation of courses and seminars, networking, dissemination of results, etc.) that will be the subject of a contractual agreement with the Bank.

For the academic year 2011/2012, the **EIBURS** programme has selected three new lines of research:

European IP regimes and their impact on Technology Transfer/IP finance

Global policy discussions increasingly focus on innovation and knowledge economy as a driver for long-term sustainable growth. In this context, the design of new financing instruments and attracting private investors to Knowledge/Technology Transfer (TT) are necessary yet challenging tasks. There is a need for more understanding amongst those who undertake TT, of the relationship between the Intellectual Property (IP) legal and regulatory systems and how they impact this field. This need extends further, to a better understanding of the public policy incentives targeting research centres/universities and the variety of financial instruments (funds, partnerships, translational labs etc.) dedicated to the commercialisation of research. Issues such as Professor's privilege, EU Patent law and its application by national reviewing bodies and government incentives are seen to have a strong impact, on the exploitation of early-stage assets, however no systematic review and comparison is available. This is a rapidly changing area and it is

important to take into account recent/current developments. Ideally the project would provide a comprehensive review of these issues across all Member States, however a deliverable covering the main EU innovation and IP markets would also be acceptable.

The aim of the project is to review the legal, regulatory and public policy measures in European Member States and their impact on the willingness/readiness of academic institutions to involve outside financial entities (i.e. funds, foundations and other sources of external capital) in the establishment of partnerships to both accelerate their TT/IP operations and boost the commercialisation of institution-led research. Where applicable, policy measures and suggestions to improve Knowledge Transfer in EU should be included and substantiated.

Deliverables:

The study could encompass a review of existing material in this area on 'broad trends' of the factors (eg. protocols, forms and conditions) that have an impact on the commercialisation of research. The work should, however, execute case studies concerning institutions that partner with financial investors (EIF can facilitate access to some of its investees but additional examples should be targeted). One area for review is the contractualisation of the relationships between research institutions and financial investors — an area which is covered for the relationship between research organisations and corporates but not in detail for the interface between research organisations and financial entities. As this is a three year study, the applicants are encouraged to propose timelines for the delivery of interim data. The project may involve any additional activity that the University Centre would be ready to undertake with the sponsorship in the line of research, including:

- Organization of courses, summer schools, conferences and seminars
- Creation of databases
- Surveys

This project would be complementary to the EC-funded (DG ENT) feasibility study on 'Creating a financial market for IPR' EU-Tender No 3/PP/ENT/CIP/10/A/NO2S003.

Analysis of investment needs in infrastructure sectors

Understanding current and future investment needs is critical to designing well targeted public policies that support infrastructure investment. Having said this, there seems to be no unified body of work on methodological issues in forecasting investment needs. The university research centre receiving support under the EIBURS would be expected to set up a research programme focused on reviewing existing methodologies and forecasts on infrastructure investment needs, to develop a unified methodology for forecasting infrastructure investment needs and to forecast investment needs in economic infrastructure in Europe. The line of research should be limited to economic infrastructure only — that is transport, energy, water and ICT.

The project may involve any additional activity that the University Centre would be ready to undertake with the sponsorship in the line of research, including:

- Organization of courses and seminars
- Creation of databases
- Surveys

The rising of credit risk in microcredit: origins, warning signals, current state and future prospects

In the last decade, the rapid growth in the provision of microcredit services to low-income households and entrepreneurs has led to a saturation of some markets such as Morocco, Bosnia and Herzegovina, Bolivia and India (in the specific State of Andra Pradesh). Where some borrowers could get access to several loans from a number of lending institutions, they have taken on too much credit and have ended up over-indebted. Over-indebtedness of micro borrowers is detrimental to the microcredit industry at large not only for its financial and reputational consequences but also for the social and psychological harm it potentially does to an already vulnerable population.

Degradation in the asset quality of microfinance loan portfolio has in fact multiple origins and drivers among which the economic environment, political interferences, inadequate regulatory framework, aggressive lending methods from Microfinance Finance Institutions, concentration in urban areas, or inadequate product offering. The high repayment rates historically demonstrated by the microfinance industry have been severely affected in some countries or regions, and the potential for large loan losses in some markets is now high. Credit risk related to client over-indebtedness is also seen by practitioners as one of the fastest rising risks. Unfortunately, too often only once the repayment crisis burst out healing measures are taken. This is how investors have become more responsible when placing funds and some international initiatives promoting client protection principles and transparency of practices and interest rates have emerged to prevent markets from overheating.

In this context, EIB invites research proposals which seek to address the following questions:

Under what conditions can microcredit maintain sound asset quality and sustainability while expanding its outreach to markets with demand? What is the current state of credit risk, including the level of client over-indebtedness, in Africa and other countries identified as being at most risk? Could there be any warning signals to prevent a potential repayment crisis before it actually emerges? What can we learn from the recent crises in microfinance (Morocco, Bosnia, Andra Pradesh, etc.)? What countries, in Africa especially, are the most at risk and could be 'next on the list'?

The regional focus of the proposals would be focussed but not limited to the African region (including the MENA region).

The project may involve any additional activity that the University Centre would be ready to undertake with the sponsorship in the line of research, including:

- Organisation of dissemination events
- Creation of additional databases
- Surveys

Proposals should be submitted in English or French and the deadline for presentation of proposals is 16 September 2011. Proposals submitted after this date will not be considered. Proposals should be sent to:

Electronic copy:

universities@eib.org

and

Hard copy:

EIB-Universities Research Action
100, boulevard Konrad Adenauer
2950 Luxembourg
LUXEMBOURG

To the attention of Ms Luísa Ferreira, Co-ordinator.

For more exhaustive information on the **EIBURS** selection process and on the other programmes and mechanisms, please visit: <http://www.eib.org/universities>
