

Federal Ministry of Education and Research

Announcement

Regulations governing the funding of international collaborative projects within the framework of the National Research Strategy BioEconomy 2030 –

“Bioeconomy International 2017”

of 5 December 2017

1 Funding purpose and legal basis

1.1 Funding purpose

The Federal Ministry of Education and Research (BMBF) intends to support the implementation of the National Research Strategy BioEconomy 2030 (NFSB 2030) in an international context by funding collaborative R&D projects involving foreign partners.

The Federal Government has framed its vision of a sustainable, biobased economy by introducing the NFSB 2030 and the National Policy Strategy on Bioeconomy. Global food security, the production of safe and healthy foodstuffs, the sustainable organization of agricultural production and the industrial and energetic use of sustainable raw materials call for intensive research efforts to apply biological knowledge, to advance biobased processes and to take optimum advantage of biological resources.

The application of different biotechnological processes is becoming more and more important in industry and companies are increasingly introducing sustainable processes and products in order to remain competitive. At the same time, the realization of the bioeconomy should not put a strain on efforts to secure the global food supply. Many countries are already experiencing increasing competition over the use of natural resources (land and water) and agricultural products for different purposes (food, industrial production and production of biofuels). In addition, there is increasing worldwide demand for food and animal feed, wood and diverse types of agricultural products, which is having a direct and indirect impact on global land use, the climate, biodiversity and important ecosystem services.

The implementation of the bioeconomy as a sustainable, bio-based economic system requires more than just national and Europe-wide initiatives. The objectives stated in the NFSB 2030

call for worldwide cooperation. The "Bioeconomy International" funding activity sets out to achieve this goal. Its aim is to strengthen existing collaborations and establish international partnerships by funding research and development projects on core bioeconomy issues, conducted in close cooperation with relevant foreign partners. Socio-economic aspects and holistic approaches are important criteria in this context in addition to technological issues and development goals.

1.2 Legal basis

The Federal Government will award grants in accordance with these funding regulations, sections 23 and 44 of the Federal Budget Code (BHO) and the administrative regulations adopted thereunder as well as the BMBF's regulations governing applications for expenditure-based grants (AZA) and/or cost-based grants (AZK). There is no legal entitlement to funding. The funding authority will take a decision following due assessment of the circumstances and within the framework of the budget funds available.

Furthermore, funding under these regulations is provided in accordance with Articles 25 and 28 of Commission Regulation (EU) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty on the Functioning of the European Union (General Block Exemption Regulation – GBER) (OJ L 187 of 26 June 2014, p. 1) as amended by (Commission) Regulation (EU) 2017/1084 of 14 June 2017 (OJ L 156 of 20 June 2017, p. 1).

In accordance with Article 1 (4) (a) and (b) of the GBER, undertakings which are subject to an outstanding recovery order following a previous Commission decision declaring an aid illegal and incompatible with the common market are not eligible for funding.

These funding regulations apply in conjunction with the National Research Strategy BioEconomy 2030 (<https://www.bmbf.de/de/biooekonomie-neue-konzepte-zur-nutzung-natuerlicher-ressourcen-726.html>) and the documents linked there.

2 Object of funding

Project funding provided in accordance with these funding regulations is aid for research, development and innovation within the meaning of Article 1 (1)(d) GBER.

Funding will be provided for research, development and innovation projects selected within the framework of a competition.

The selected projects will support the national activities to promote the bioeconomy funded by the BMBF and contribute to achieving policy objectives. The collaborative projects should make a major contribution to at least one of the following fields of action listed in the National Research Strategy BioEconomy 2030:

1. Securing global nutrition
2. Ensuring sustainable agricultural production
3. Producing healthy and safe foods
4. Using renewable resources for industry
5. Developing biomass-based energy-carriers.

Furthermore, the collaborative projects should contribute to the aims of the Federal Government's Strategy for the Internationalization of Science and Research:

- a. Strengthening research cooperation with the world's best;
- b. Tapping international innovation potential;
- c. Accepting international responsibility and meeting global challenges.

The principal focuses of the "Bioeconomy International" funding activity are on international cooperation within the collaborative projects, the added value generated in implementing the NFSB 2030 and the contribution to implementing the Federal Government's Internationalization Strategy. The funding activity also provides an opportunity for realizing project ideas developed in the course of preparatory measures.

For further information on NFSB 2030 and the Internationalization Strategy of the Federal Government please visit https://www.bmbf.de/pub/Nationale_Forschungsstrategie_Biooekonomie_Kurz_dt._eng.pdf and www.bmbf.de/pub/Internationalisierungsstrategie.pdf.

Funding is provided for partners in international consortiums with a plant or branch in Germany at the time of payment of the grant (see also No. 3). Collaborative projects with partners from Argentina, Brazil, Canada, Chile, China India, Malaysia, Russia and Vietnam are particularly desirable.

The "Bioeconomy International 2017" funding activity is divided into three modules:

Module 1: Basic Bioeconomy International

Cooperation with partners from non-EU-countries is funded within Module 1. Project proposals in all of the five fields of action of NFSB 2030 stated above can be submitted within this module. All foreign partners must confirm their financial commitment in a binding signed letter. These financial commitments must be uploaded separately from the project outlines using the www.bioeconomy-international.de web portal.

Module 2: Bioeconomy Germany-Argentina

Cooperation with partners from Argentina is funded within Module 2. The Argentinian Ministry of Science, Technology and Productive Innovation (MinCyT) will publish a parallel call for proposals for Argentinian partners to promote the bioeconomy in association with Germany. The Argentinian cooperation partners are advised to submit an identical outline proposal in Argentina. The selection procedure within Module 2 takes place in consultation between the BMBF and the MinCyT.

Proposals for projects on the following subjects can be submitted within this module:

1. Technology platforms for the bioeconomy – genotyping and phenotyping for future applications in plant breeding;
2. Valorisation of agricultural waste into new products;
3. Biotechnological products and production technologies to reduce the ecological footprint of land used for agricultural purposes (eco-efficiency).

The MinCyT grants up to 450,000 Argentinian Pesos per year/project. The duration of projects within Module 2 is limited to a maximum of two years. Details of the precise formalities on the Argentinian side can be obtained from the cooperation partners at the MinCyT.

Module 3: Bioeconomy Germany – São Paulo

Cooperation with partners from the Federal State of São Paulo, Brazil is funded under Module 3. The São Paulo Research Foundation (FAPESP) will publish a parallel call to fund cooperation partners from the Federal State of São Paulo. Brazilian cooperation partners are

advised to submit an identical outline proposal to the FAPESP. The selection procedure under Module 3 takes place in consultation between the BMBF and the FAPESP.

Proposals for projects on the following subjects can be submitted under this module:

- a. Sustainable agriculture;
- b. Food production (focus on sustainability of processes and materials, saving energy and reducing waste);
- c. Use/processing of sustainably produced biomass to make biobased products;
- d. Development of sustainable bioproducts.

Project structure

All three modules require cooperation in a network with partners in the respective target countries in order to receive funding. Funding under the current funding measure will only be granted to those partners (companies, higher education institutions and/or research institutions) with a plant or branch in Germany at the time of payment of the grant (see also No. 3). Funding will also depend on a secure financial commitment regarding the foreign partners' activities in the collaboration. The submission of the project outline must therefore be accompanied by a written commitment pledging approximately equal funding on the part of the foreign collaboration partners.

The proposed projects must be structured in such a way that the project objectives can be reached within a maximum of three years in the case of Modules 1 and 3 and within a maximum of two years in the case of Module 2. The utilization of results in all the countries involved is an important element of the call. A further requirement is that the volume of work within the projects must be evenly balanced between the international partners.

3 Recipients of funding

Applications may be submitted by universities, non-university research institutions, *Land* and Federal institutions with research responsibilities and commercial companies in the European Union, particularly small and medium-sized enterprises (SMEs) in so far as they conform to the definition in the recommendation of the European Commission. The European Commission's definition of SMEs is available at <http://ec.europa.eu/growth/smes/business->

[friendly-environment/sme-definition/](#). The grant recipient informs the granting authority of the category of the enterprise in accordance with Annex 1 GBER in the written application.

The recipient of funding must be headquartered in Germany in so far as the grant does not qualify as state aid. If the grant is to qualify as state aid, the recipient may be required to have a plant or branch in Germany at the time of payment.

Research institutions which receive basic funding from the Federal Government and/or the *Länder* can only be granted project funding supplementary to their institutional funding to cover additional project-related expenditure or costs under certain preconditions.

4 Prerequisites for funding

Partners in a collaborative project regulate their cooperation in a written cooperation agreement. The cooperation partners must prove that they have reached a basic consensus on specific criteria stipulated by the BMBF before a funding decision on a collaborative project is taken.

Details of funding prerequisites are contained in the information leaflet for applicants/funding recipients on cooperation between partners in collaborative projects (*Merkblatt für Antragsteller/Zuwendungsempfänger zur Zusammenarbeit der Partner von Verbundprojekten*), (BMBF leaflet No. 0110: https://foerderportal.bund.de/easy/easy_index.php?auswahl=easy_formulare ; select BMBF and then "*Allgemeine Vordrucke und Vorlagen für Berichte*").

In addition, a consortium agreement must be concluded between all partners (national and international) which must conform with the provisions of BMBF form 0110. A combined cooperation and consortium agreement may be concluded provided it meets the requirements of form 0110. The DESCA Model Consortium Agreement (<http://www.desca-2020.eu>) provides guidance in this context.

5 Type, scope and rates of funding

Funding can be awarded in the form of non-repayable project grants. The amount awarded per project will depend on the requirements of the proposed project and on the available budget.

The following project-related expenditure and costs are eligible for funding:

- Staff;
- Investments needed to conduct the project;
- Consumables;
- Official trips (only trips made by the grant recipient);
- Expenditure involved in registering property rights and their maintenance during the official verification procedure;
- Awarding of contracts.

When planning the project work intensive efforts should be made to consider whether it would be more economical and time-saving to award individual work packages to specialized service providers than to have these work packages performed by the working group.

The aid intensities under Article 25(5) and (28) GBER stipulate the maximum funding level under this call for projects involving commercial activities. Special attention should be paid to the cumulation provisions under Article 8 GBER when observing the maximum permitted aid intensity.

Grants for commercial companies are calculated on the basis of the eligible project-related costs. Applicants are required to contribute at least 50% towards the eligible costs incurred. Under Article 25 GBER, SMEs are allowed differentiated bonus arrangements which may lead to a higher level of aid intensity.

In accordance with Article 28 GBER, the cost of obtaining, validating and defending patents and other intangible assets of SMEs may be funded to a maximum of 50%.

The basis for calculating the grants for universities, research and science institutions and similar establishments is the eligible project-related expenditure (in the case of the Helmholtz centres and Fraunhofer, the eligible project-related costs), which can receive up to 100% funding in individual cases.

In the case of research projects at universities, a flat-rate grant amounting to 20% of total expenditure will be awarded in addition to the eligible expenditure.

The duration of the funded projects is up to three years for Modules 1 and 3 and up to two years for Module 2.

Further information concerning the type and scope of funding can be found in the BMBF's guidelines for applications (https://foerderportal.bund.de/easy/easy_index.php?auswahl=easy_formulare&formularschranke=bmbf).

6 Other terms and conditions

The Nebenbestimmungen für Zuwendungen auf Kostenbasis des BMBF an Unternehmen der gewerblichen Wirtschaft für Forschungs- und Entwicklungsvorhaben – NKBF 2017 (Auxiliary Terms and Conditions for Funds Provided by the BMBF to Commercial Companies for Research and Development Projects on a Cost Basis) are part of the notification of the award of cost-based grants.

The *Allgemeine Nebenbestimmungen für Zuwendungen zur Projektförderung* (ANBest-P) (General Auxiliary Conditions for Funds Provided for Projects on an Expenditure Basis) are part of the notification of award of expenditure-based grants.

Funding recipients are expected to ensure free electronic open access if they publish results emerging from the research project in a scientific journal.

Publication can be through an electronic journal which is accessible to the public free of charge.

If the results are initially published in a way which does not provide the public with free electronic access, the article must be made publicly available free of charge by electronic means following an embargo period where appropriate (secondary publication). The embargo period for secondary publications must not exceed 12 months.

The BMBF expressly welcomes secondary open access publication of scientific monographs resulting from the project.

7 Procedure

7.1 Involvement of a project management organization and request for documents

The BMBF is currently entrusting the following project management organization with implementing the funding measure:

Projektträger Jülich (PtJ)
Geschäftsbereich Bioökonomie
Forschungszentrum Jülich GmbH
52425 Jülich

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Dr Veronika Jablonowski
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Any modifications will be announced in the *Bundesanzeiger* (Federal Gazette) or in another suitable form.

Further information is available from the project management organization. Forms for submitting funding applications, guidelines, leaflets, information and auxiliary terms and conditions are available online at "Formularschrank BMBF" https://foerderportal.bund.de/easy/easy_index.php?auswahl=easy_formulare&formularschrank=bmbf.

or can be obtained from the project management organization. The "easy-online" electronic application system must be used for drafting project outlines and formal applications (<https://foerderportal.bund.de/easyonline>).

Potential applicants are advised to contact the responsible project management organization at an early stage.

7.2 Two-phase application procedure

The application procedure will take place in two phases.

7.2.1 First phase: Project outline

In the first phase, applicants are required to submit electronic project outlines in English to the Jülich project management organization via the web portal www.bioeconomy-international.de. The project outlines must contain all the information needed to enable the formation of a final expert opinion on the basis of the criteria set out below. Further information on the contents and structure of the outlines is published under www.bioeconomy-international.de.

In addition, project outlines for projects within Module 1 must include signed letters from all the foreign partners confirming their respective binding financial commitments. These letters must be uploaded separately from the project outlines in the web portal. The letters must contain information describing the partners' motivation, the work which the partner will perform in the project and how funding for this work will be ensured (via current projects, institute/company funds, funding requested, etc.).

Project outlines must be uploaded to the web portal www.bioeconomy-international.de **by 16 April 2018**. The portal will close after this deadline expires. The submission deadline is not a cut-off deadline. However, it may not be possible to consider project outlines received after the above date or which are incomplete. Project outlines or parts thereof may not be submitted by e-mail or fax.

There are plans to issue further calls on Bioeconomy International. Announcements will be published in due course on the respective BMBF websites; relevant information can also be obtained from the Jülich project management organization.

7.2.2 Selection of project outlines

The project outlines received will be checked for completeness of the required documents and compliance with formal criteria. They will then be evaluated in consultation with external experts in accordance with the following criteria:

- Relevance to the funding objectives of the BMBF as set out in the "National Research Strategy BioEconomy 2030" and the Federal Government's Internationalization Strategy;
- Added value of the envisaged international cooperation for implementing the "National Research Strategy BioEconomy 2030";
- Relevance of the research approach, quality and originality of the proposed solution;
- Prospects of success and applicability of the project results (in scientific and economic terms);
- Excellence and expertise of the applicant and the partners involved (German and international); relevant previous work of all partners;
- Adequate volume and structure of the project, quality and stringency of the budget as well as the time and work schedules, balance of the workload and networking of the partners.

7.2.3 Second Phase: Submission of formal applications for funding and decision-making procedure

In the second phase, applicants whose project outlines have been evaluated positively will be invited to submit a formal proposal. In the case of collaborative projects, the project applications are to be submitted in consultation with the proposed project coordinator.

The following details and explanations must be added to the information contained in the project outlines, taking into account the comments and recommendations of the evaluators:

- Title of the project (in German);
- Summary of the project description (maximum of one DIN-A4 page in German);
- Detailed financial plan for the project (expenditure on staff, consumables, project-related travel, commissioned work);
- Milestone planning: List of expected (interim) results and criteria for discontinuation where appropriate;
- Utilization plan: Description of economic and scientific prospects and potential for commercial and scientific follow-up, indicating the time horizon of individual utilization options.
- Need for the funding;
- Schedule for drafting the cooperation agreement between the collaboration partners.

Formal proposals must be drafted using the "easy-Online" electronic application system (<https://foerderportal.bund.de/easyonline>). The electronically generated forms must also be printed out and forwarded with a legally binding signature to the responsible project management organization by post within two working days following the deadline for electronic submission. The date of the postmark will count as the submission date. Submission by e-mail or fax is not allowed.

The proposals received will be reviewed and evaluated according to the following criteria:

- Eligibility of the funds applied for (also taking No. 5 of these funding regulations into account);
- Necessity and appropriateness of requested funding;
- Plausibility of the explanations in the financial plan;
- Quality and information content of the utilization plan, also in terms of the objectives of this funding measure;
- Fulfilment of any requirements resulting from the first (evaluation) phase and compliance with the recommended financial framework.

A funding decision will be taken by the funding provider following final evaluation of the formal applications. Funding of the projects is subject to the proviso that the budget funds required are available to the BMBF and that funding for the foreign partners is guaranteed.

7.3 Provisions to be observed

The submission of project outlines and proposals does not establish a legal claim to funding. Questions concerning the approval and payment of and accounting for funds as well as proof and examination of proper use and, if necessary, revocation of the award and reclaiming of the funds awarded are governed by the administrative regulations pertaining to section 44 of the Federal Budget Code (BHO) and sections 48 to 49a of the Administrative Procedure Act (VwVfG), unless deviation is permitted under the present funding regulations. The *Bundesrechnungshof* (federal audit office) is entitled to carry out audits in accordance with Sections 91 and 100 of the Federal Budget Code (BHO).

8 Validity

These funding regulations will enter into force on the day of their publication in the Federal Gazette (*Bundesanzeiger*). They will be valid until the day of expiry of the GBER plus a six-month adaptation period, that is, until 30 June 2021. Should the period of the GBER be extended without relevant modification of the state aid provisions, the duration of these funding regulations will be extended accordingly, but not beyond 31 December 2022. Should the GBER not be extended but replaced by a new GBER or should relevant amendments be made to the content of the currently applicable GBER, follow-up funding regulations will be adopted which will comply with the exemption provisions applicable at the time and remain effective until 31 December 2022 at least.

Berlin, 5 December 2017

Federal Ministry of Education and Research

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