

Federal Ministry of Education and Research

Regulations governing the funding of international collaborative projects under the National Bioeconomy Strategy “Bioeconomy International 2023” Of 6 February 2023

1 Funding aim, purpose and legal basis

1.1 Aim of funding

The Federal Ministry of Education and Research (BMBF) intends to strengthen the implementation of the National Bioeconomy Strategy¹ with regard to its international outlook and context by funding collaborative R&D projects that involve foreign partners. The aim of the Federal Government’s National Bioeconomy Strategy published in January 2020 is to support the transformation of the largely fossil resources-based economy into a sustainable bio-based economy that focuses on natural material cycles. In this context, research is regarded as the key to identifying, assessing and exploiting the potential of the bioeconomy. The BMBF’s corresponding research funding on the bioeconomy focuses on six building blocks of which the first, “*Biological knowledge as the key to the bioeconomy*”, has particular relevance for these funding regulations (see 2 below).

The National Bioeconomy Strategy provides substantial support towards the use of various biotechnological processes in industry. Companies are already increasingly introducing sustainable processes and products in order to remain competitive. Implementing the bioeconomy should, however, not interfere with efforts to secure global nutrition. Already today, competition for natural resources (land and water) and the use of agricultural products for different purposes (nutrition, industrial material, energy) is increasing in many countries. In addition, there is an increasing global demand for food and feed, timber and various types of agricultural products, which directly or indirectly affects global land use, the climate, biodiversity and major ecosystem services.

1.2 Funding purpose

¹

https://www.bmbf.de/SharedDocs/Publikationen/de/bmbf/7/31576_Nationale_Bioekonomiestrategie_Langfassung.pdf?__blob=publicationFile&v=6

Realizing the bioeconomy as a sustainable bio-based economy requires not only national and European but also international initiatives involving diverse and ambitious activities and projects. Since the bioeconomy has to be considered at a global level, world-wide cooperation is needed to achieve the objectives set out for establishing the bioeconomy. This is the purpose of the Bioeconomy International funding activity. Funding will be provided for research and development projects in close cooperation with relevant foreign partners on core issues of the bioeconomy in order to strengthen international collaborations and to establish active, sustainable partnerships in the area of research, development and innovation. This may include projects of variable geometry.

The international project outlines submitted for selected projects accompany the BMBF's national activities in support of the bioeconomy and constitute an additional contribution towards achieving the funding objectives of the National Bioeconomy Strategy.

1.3 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 regulations governing applications for expenditure-based grants (AZA/AZAP/AZV) and/or cost-based grants from commercial companies (AZK) of the Federal Ministry of Education and Research (BMBF). There is no legal entitlement to a grant. The granting authority will decide freely after due assessment of the circumstances within the framework of the budget funds available.

Under these funding regulations, state aid will be granted on the basis of Article 25 (1) and (2)(a) to (c) and Article 28 (1) of the General Block Exemption Regulation (GBER) of the European Commission.²

Funding is provided in accordance with the Common Provisions set out in Chapter I GBER, in particular taking account of the definitions given in Article 2 of the Regulation (cf. Annex with regard to the requirements of state aid legislation applying to these funding regulations).

2 Object of funding

Funding will be provided for research, development and innovation projects (R&D&I projects) that are carried out by collaborations involving partners from Germany and Queensland, Australia and that have been selected in a competitive procedure. Funding

² 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 (OJ L 187 of 26 June 2014, p.1) in the version of Regulation (EU) 2017/1084 of 14.06.2017 (OJ L 156 of 20.06.2017, p. 1), Regulation (EU) 2020/972 of 2 July 2020 amending Regulation (EU) 1407/2013 as regards its prolongation and amending Regulation (EU) 651/2014 as regards its prolongation and relevant adjustments (OJ L 215 of 7 July 2020, p.3) and Commission Regulation (EU) 2021/1237 of 23 July 2021 amending Regulation (EU) No 651/2014 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 (OJ L 270 of 29.7.2021, p. 39).

will be provided for German partners in these international collaborations (see section 3 Funding recipients).

Funding is provided within the context of the National Bioeconomy Strategy of 15 January 2020 and its guidelines and strategic objectives. The strategy formulates implementation objectives with clearly defined building blocks for research funding in order to achieve its strategic objectives.

The collaborative projects are expected to relate to at least one of the building blocks for research funding mentioned in the strategy:

- 1) *Biological knowledge as the key to the bioeconomy (microorganisms, algae, fungi, bacteria, plants, insects, etc.);*
- 2) *Converging technologies and cross-disciplinary cooperation (digitalization, artificial intelligence, nanotechnology, automation, miniaturization, etc.);*
- 3) *Limits and potential of the bioeconomy;*
- 4) *Transfer into application (value creation networks, etc.);*
- 5) *Bioeconomy and society (interactions, conflicting interests, etc.);*
- 6) *Global research cooperation.*

The call focusses on the topics of the building block "Biological knowledge as the key to the bioeconomy". This includes for example:

- a) *Activities for the understanding and modelling of biological systems;*
- b) *Project outlines for researching and establishing novel production organisms for primary and industrial production;*
- c) *Research approaches for the development or further development of innovative biotechnological processes for bio-based production systems; and*
- d) *Research activities geared towards the sustainable production of biogenic resources.*

Further information on topics eligible for funding can be obtained from the responsible project management organization (see 7.1).

International cooperation within the collaborative projects and the benefit it generates for both countries in the implementation of the National Bioeconomy Strategy are the focus of the Bioeconomy International funding activity. With regard to the envisaged sharing of responsibilities, the partners' expertise and the utilization of the project results, cooperation must take place on an equal footing in terms of finances, content and the necessary workload, allowing all partners/countries involved to benefit in an equal and fair manner. Furthermore, the funding measure provides the opportunity to implement project ideas that were initiated as part of previous preparatory measures. More information on the National Bioeconomy Strategy is available online³.

The "Bioeconomy International 2023" funding activity consists of the following bilateral module.

³ https://www.bmbf.de/bmbf/de/forschung/energiewende-und-nachhaltiges-wirtschaften/bioeconomie/bioeconomie_node.html

“Bioeconomy Germany – Queensland, Australia” module

Cooperation with partners from Queensland

In Australia, a parallel funding call is being published by the Queensland Government under the Queensland Government’s AUD 150 million Trade and Investment Strategy 2022-2032, administrated by the Department of Environment and Science (DES).

Projects with partners from Queensland on the following topics are eligible for funding:

- 1) *Bio-based materials: Development or advancement of technologies for production of value-added products from sustainably sourced biomass, including but not limited to biotechnology, synthetic biology, and precision fermentation.*
- 2) *Sustainable agriculture: Development or advancement of processes for the increased and sustainable production of agricultural products, this may include precision, smart and digital agriculture where there are clearly identifiable bioeconomy outcomes.*
- 3) *Food (Waste): Innovations to support sustainable and resilient food systems focused on reducing or reusing wastes, to enhance, and improve circularityInitial or further development of technologies for creating products with a high added value from sustainably produced biomass, including, amongst others, biotechnology and synthetic biology.*

The selection procedure for the project outlines submitted under Module 1 will be carried out jointly with the Queensland Government.